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COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE

January 07, 2025

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**SERVICES CONTRACTS
ENVIRONMENTAL SERVICES CORE SERVICE AREA
AWARD SIX NEW AND APPROVE A SOLE-SOURCE AMENDMENT TO ONE
EXISTING RESIDENTIAL WASTE COLLECTION FRANCHISE CONTRACTS
FOR VARIOUS UNINCORPORATED AREAS
(SUPERVISORIAL DISTRICTS 1, 4, AND 5)
(3 VOTES)**

SUBJECT

Public Works is seeking Board approval to award six new exclusive residential waste collection franchise contracts for the unincorporated areas of Bassett/Valinda/San Jose Hills/West Puente Valley, Charter Oak/Covina, La Crescenta/Montrose, Rowland Heights/South Diamond Bar, South San Gabriel/Whittier Narrows, and South and West Whittier/East La Mirada/Los Nietos/Sunshine Acres; and for a sole-source amendment to extend the term of the existing exclusive residential waste collection franchise contract for services for the unincorporated area of West Whittier.

IT IS RECOMMENDED THAT THE BOARD:

1. Determine that the recommended actions are within the scope of the Residential Waste Collection Franchise Contracts project impacts analyzed in the Negative Declaration and Addendum previously adopted by the Board.
2. Find the health, safety, and welfare of the public require that the County award the exclusive franchise contracts for residential waste collection services for the unincorporated areas of Bassett/Valinda/San Jose Hills/West Puente Valley, Charter Oak/Covina, La Crescenta/Montrose, Rowland Heights/ South Diamond Bar, South San Gabriel/Whittier Narrows, and South and West Whittier/East La Mirada/Los Nietos/Sunshine Acres; and extend the existing exclusive franchise

contract for residential waste collection services for the unincorporated area of West Whittier.

3. Award an exclusive residential franchise contract consisting of two separate tasks. Task 1 - Customer Services for the collection of refuse, recyclables, and organic waste from carts; and Task 2 - County Services for daily monitoring for illegal dumping and collection of solid waste discarded in public rights of way and alleys for the following unincorporated communities:

a. La Crescenta/Montrose to Burrtec Waste Industries, Inc., for a period of 6 years, beginning on April 1, 2025, and expiring on March 31, 2031, with one 2-year renewal option and month-to-month extension of up to 12 months, for a maximum potential contract term of 9 years. The initial monthly rate per customer for Task 1 - Customer Services will be \$39.06. Task 2 - County Services will be for an initial annual contract sum not to exceed \$686,823 and a potential contract sum of \$9,087,951 for the maximum term of the contract.

b. South and West Whittier/East La Mirada/Los Nietos/Sunshine Acres to Arakelian Enterprises, Inc., dba Athens Services, for 7 years, beginning on September 1, 2025, and expiring on August 31, 2032, with two 2-year renewal options and month-to-month extensions of up to 12 months, for a maximum potential contract term of 12 years. The initial monthly rate per customer for Task 1 -Customer Services will be \$36.98. Task 2 - County Services will be for an initial annual contract sum not to exceed \$1,162,668 and a potential contract sum of \$22,207,605 for the maximum term of the contract.

c. Rowland Heights/South Diamond Bar to Arakelian Enterprises, Inc., dba Athens Services, for a period of 7 years, beginning on July 1, 2025, and expiring on June 30, 2032, with month-to-month extensions of up to 12 months, for a maximum potential contract term of 8 years. The initial monthly rate per customer for Task 1 - Customer Services will be \$41.84. Task 2 - County Services will be for an initial annual contract sum not to exceed \$720,777 and a potential contract sum of \$8,259,330 for the maximum term of the contract.

d. South San Gabriel/Whittier Narrows to Ware Disposal, Inc., for a period of 4 years, beginning on July 1, 2025, and expiring on June 30, 2029, with month-to-month extensions of up to 12 months, for a maximum potential contract term of 5 years. The initial monthly rate per customer for Task 1 - Customer Services will be \$36.15. Task 2 - County Services will be for an initial annual contract sum not to exceed \$502,809 and a potential contract sum of \$3,334,002 for the maximum term of the contract.

e. Bassett/Valinda/San Jose Hills/West Puente Valley to Valley Vista Services, Inc., for a period of 4 years, beginning on October 1, 2025, and expiring on September 30, 2029, with month-to-month extensions of up to 12 months, for a maximum potential contract term of 5 years. The initial monthly rate per customer for Task 1 - Customer Services will be \$36.71. Task 2 - County Services will be for an initial annual contract sum not to exceed \$506,244 and a potential contract sum of \$3,356,780 for the maximum term of the contract.

f. Charter Oak/Covina to Arakelian Enterprises, Inc., dba Athens Services, for a period of 4 years, beginning on November 1, 2025, and expiring on October 31, 2029, with month-to-month extensions of up to 12 months, for a maximum potential contract term of 5 years. The initial monthly rate per customer for Task 1 - Customer Services will be \$36.72. Task 2 - County Services will be for an initial annual contract sum not to exceed \$610,092 and a potential contract sum of \$4,045,374 for the maximum term of the contract.

4. Delegate authority to the Director of Public Works or his designee to adjust: the monthly rate for

basic services billed directly to the customers; the monthly rates as billed by the contractor for additional Customer Services, such as more containers or collection at a higher frequency billed directly to the customers; the monthly rate billed to the County by the contractor for County Services; and the contract amount, if applicable, as follows:

- a. By up to 10 percent of the previous year's rate for unforeseen, additional work within the scope of the contract;
- b. By up to 10 percent of the previous year's rate for applicable changes in law; and
- c. By up to 5 percent of the previous year's rate to allow for changes affecting the solid waste industry, including prices for labor, fuel, and the processing of various types of commodities.

5. Delegate authority to the Director of Public Works or his designee to (1) execute these contracts; (2) take all the necessary and appropriate steps to carry out these contracts; (3) renew these contracts using any renewal option and extension period if, in the opinion of the Director of Public Works or his designee, the contractor has successfully performed during the previous contract period and the services are still required; (4) approve and execute amendments to incorporate necessary changes within the Task 1 - Customer Services and Task 2 - County Services and specifications; and (5) suspend and/or terminate the contract if, in the opinion of the Director of Public Works or his designee, it is in the best interest of the County to do so.

6. Delegate authority to the Director of Public Works or his designee to negotiate a sole-source amendment to the existing exclusive franchise contract for residential waste collection services with Universal Waste Systems, Inc., for the unincorporated area of West Whittier (Contract No. 003228) on a month-to-month basis for up to 3 months.

7. Delegate authority to the Director of Public Works or his designee to execute the sole-source amendment to the existing exclusive residential franchise contract for West Whittier upon approval as to form by County Counsel and proper execution by the contractor.

8. With respect to the sole-source extension, delegate authority to the Director of Public Works or his designee to adjust the rates of the existing exclusive residential franchise contract for West Whittier by up to 5 percent of its current rate to allow for changes affecting the solid waste industry, including prices for labor, fuel, and the processing of various types of commodities. The rates to be adjusted include:

- a. The monthly rate for basic services included in Task 1 - Customer Services, billed directly to the customers;
- b. The monthly rates as billed by the contractor for additional Task 1 - Customer Services, such as more containers or collection at a higher frequency, billed directly to the customers;
- c. The monthly rate billed for Task 2 - County Services, billed to the County; and
- d. The contract amounts.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will comply with the California Environmental Quality Act (CEQA) and allow Public Works to award six new exclusive franchise contracts for residential waste collection services for the unincorporated areas of Bassett/Valinda/San Jose Hills/West Puente Valley, Charter Oak/Covina, La Crescenta/Montrose, Rowland Heights/South Diamond Bar, South San Gabriel/Whittier Narrows, and South and West Whittier/East La Mirada/ Los Nietos/Sunshine

Acres (Enclosure 1) and to grant a sole-source extension to the existing exclusive franchise contract for residential waste collection for the unincorporated area of West Whittier.

The recommended actions will allow for the collection of refuse, recyclables, and organic waste from residential properties and the collection of abandoned solid waste discarded in the public right of way in these unincorporated communities. These services are essential to protect public health and safety and improve the quality of life in these unincorporated communities.

Additionally, the proposed contracts will allow the County to develop programs, records, and reports required under Assembly Bill 939 (1989), Senate Bill 1383 (2016), and other applicable laws and regulations.

Community meetings were held before the start of the solicitation process to inform residents about the expiration of existing waste collection contracts in their areas and to gather their input on the services to be included in the new contracts.

The proposed sole-source extension is necessary to allow sufficient time for the contractor to purchase the necessary equipment and ensure a smooth transition to services under the new contract. The extension will also allow sufficient time for the new contractor to coordinate with the current contractor to replace containers as applicable, conduct robust outreach and community engagement, and hire sufficient staff to ensure a smooth transition to the new contract.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: North Star 2, Foster Vibrant and Resilient Communities, Focus Area Goal D, Sustainability, Strategy I, Climate Health, by improving the environmental, economic, and social well-being of our communities while maximizing and leveraging resources by collecting adequate funding to provide trash collection and recycling services, including the collection of illegal dumping, which protects the environment and improves the quality of life of the residents within the service areas and surrounding areas.

FISCAL IMPACT/FINANCING

There will be no impact on the County General Fund.

Task 1 - Customer Services includes the automated collection, disposal, and processing of refuse, recyclable, and organic waste services, which are billed to and paid for directly by the customers to the contractor. Task 2 - County Services includes the monitoring, cleanup, collection, transportation, disposal, and management of discards from all public rights of way, alleys, and specified public curbside receptacles, which are billed to and paid for directly by the County to the contractor.

The selected contractor for each franchise area would pay the County an annual franchise fee in the amount of 10 percent of each contractor's monthly gross receipts. Payment of the franchise fee is the sole responsibility of the franchised contractor. In Fiscal Year 2025-26, the County expects to collect a total of \$1,954,000 in franchise fees from the six exclusive franchise contracts for residential waste collection services for the unincorporated areas of Bassett/Valinda/San Jose Hills/West Puente Valley, Charter Oak/Covina, La Crescenta/Montrose, Rowland Heights/South Diamond Bar, South San Gabriel/Whittier Narrows, and South and West Whittier/East La Mirada/ Los Nietos/Sunshine Acres. The franchise fees will be deposited in the Solid Waste Management Fund (GD1- Revenue Source: 8355). The total amount of franchise fees to be collected shall not exceed the County's reasonable costs to administer the franchises for the benefit of the franchised

contractors.

Funding for Task 2 - County Services for Bassett/Valinda/San Jose Hills/West Puente Valley, Charter Oak/Covina, La Crescenta/Montrose; South San Gabriel/Whittier Narrows; Rowland Heights/South Diamond Bar; and South and West Whittier/East La Mirada/Los Nietos/Sunshine will be included in the Road Fund (B03, Services and Supplies) Fiscal Year 2025-26 Budget. The Solid Waste Management Fund will reimburse the Road Fund for Task 2 - County Services.

Funding for Task 2 - County Services contracts' future years, including up to 5 percent each year for annual rate adjustments for changes affecting the solid waste industry, up to 10 percent contingency for unforeseen additional work within the scope of the contract, and up to 10 percent for applicable changes in law as authorized by the contract, if required, will be requested through the annual budget process.

Task 1 - Customer Services and Task 2 - County Services rate adjustments authorized by the contract are as follows:

First, a rate adjustment increases on July 1 following the commencement of the contract and annually thereafter based on annual changes affecting the solid waste industry, including prices for labor, fuel, and the processing of various types of commodities for a maximum annual adjustment of 5 percent over the initial period and up to 5 percent for each optional renewal year.

Second, an increase of the annual contract amount is allowed due to unforeseen additional work within the scope of the contract, up to 10 percent per year.

Third, a rate adjustment increase of the annual contract amount is allowed due to applicable changes in law, up to 10 percent per year.

Additionally, franchise fees collected from the sole-source extension of the existing exclusive residential waste collection franchise contract for the unincorporated area of West Whittier in the amount of \$41,000 will be deposited in the Solid Waste Management Fund (GD1- Revenue Source: 8355).

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Title 20 – Utilities, of the Los Angeles County Code, Section 20.70.020 authorizes the Board to award nonexclusive, partially exclusive, or wholly exclusive franchises for certain solid waste handling services for any given geographic area of the unincorporated territory of the County. The selected contractors pay the County a fee for benefits conferred upon the contractor by the franchise that does not exceed the County's reasonable costs to administer the franchise program.

The recommended contractors for the six proposed exclusive franchise contracts for residential waste collection services are as follows:

- La Crescenta/Montrose to Burrtec Waste Industries, Inc., located at 9890 Cherry Avenue, Fontana, CA 92335.
- South and West Whittier/East La Mirada/Los Nietos/Sunshine Acres to Arakelian Enterprises, Inc., dba Athens Services, located at 14048 Valley Boulevard, City of Industry, CA 91746.
- Rowland Heights/South Diamond Bar to Arakelian Enterprises, Inc., dba Athens Services, located at 14048 Valley Boulevard, City of Industry, CA 91746.
- South San Gabriel/Whittier Narrows to Ware Disposal, Inc., located at 1035 East 4th Street,

Santa Ana, CA 92701.

- Bassett/Valinda/San Jose Hills/West Puente Valley to Valley Vista Services, Inc., located at 17445 East Railroad Street, City of Industry, CA 91748.
- Charter Oak/Covina to Arakelian Enterprises, Inc., dba Athens Services, located at 14048 Valley Boulevard, City of Industry, CA 91746.

The proposed contracts which will be in a form substantially similar to the form previously viewed and approved by County Counsel as shown in the enclosed sample contract (Enclosure 2), were solicited on an open-competitive basis, in accordance with applicable federal, State, and County requirements. Enclosure 3 reflects the proposers' utilization participation and community business enterprise program information. Data regarding the proposers' minority participation is on file with Public Works. The recommended contractors were selected upon final analysis and consideration without regard to race, creed, gender, or color.

The existing exclusive franchise contract for residential waste collection services for the unincorporated community of West Whittier was approved for an initial term of 7 years with three 1-year renewal options. Subsequently, the Board approved a request to extend the contracts on a month-to-month basis for up to 12 months to allow time to complete the solicitation process for the new contracts. This contract is set to expire on June 30, 2025.

Public Works is seeking approval for sole-source amendment to extend the existing exclusive franchise contract for residential waste collection services for the unincorporated community of West Whittier for an additional month-to-month up to 3 months, which will allow the new contractor 9 months to transition to new services. Although the solicitation process has been completed and the contractor has been selected and recommended for the Board's approval, the recommendation to extend this contract is necessary. This will allow the contractor sufficient time to ensure a smooth transition to new services, which will include work such as reviewing the area and planning their routes, reviewing the customer list and each customer's service levels for accurate delivery of carts and services, coordinating with the existing contractor with removal of old carts and delivery of new carts, printing and mailing outreach materials, and conducting community meetings. This additional time is also needed to allow time for the hiring of sufficient staff, procurement, and delivery of equipment such as trucks and carts, especially for the new South and West Whittier/East La Mirada/Los Nietos/Sunshine Acres, which will have a total of approximately 20,000 customers.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to the proposed contracts and sole-source extensions, which are not subject to Proposition A. Authority to award contracts for solid waste handling services is expressly provided by California Public Resources Code, Section 49019.

The proposed contracts and sole-source extension contain terms and conditions set forth by the County's ordinances, policies, and programs. The Director of Public Works or his designee will execute the proposed contracts and sole-source amendments in accordance with the Board's authorization and only upon approval as to form by County Counsel and execution by the contractors.

ENVIRONMENTAL DOCUMENTATION

On November 20, 2007, the Board adopted the Negative Declaration for the Franchise Solid Waste Collection System project, finding that there was no substantial evidence the project would have a significant effect on the environment. On January 30, 2018, the Board adopted an Addendum to the

Negative Declaration to address the potential environmental impacts due to changes to the previously approved project, which concluded that the changes would not have a significant effect on the environment.

The recommended actions are within the scope of the project in the previously adopted Negative Declaration and Addendum. The proposed contracts and sole-source extension would allow selected waste haulers to provide weekly automated solid waste, recycling, and organic waste collection, as well as the removal of abandoned waste from the public right of way and emptying of curbside public receptacles if needed in the unincorporated County communities of Bassett/Valinda/San Jose Hills/West Puente Valley, Charter Oak/Covina, La Crescenta/ Montrose, Rowland Heights/South Diamond Bar, South San Gabriel/Whittier Narrows, and South and West Whittier/East La Mirada/Los Nietos/Sunshine Acres.

There are no changes to the project or to the circumstances under which the project is undertaken that require further review under CEQA.

The location of the documents and other materials constituting the record of the proceedings upon which the Board's decision is based on this matter is with the County of Los Angeles Public Works, Transportation Planning and Programs Division, 900 South Fremont Avenue, 11th Floor, Alhambra, California 91803. The custodian of such documents and materials is Ms. Reyna Soriano, Civil Engineer, at Los Angeles County Public Works.

Upon the Board's approval of the project, Public Works will file a Notice of Determination with the County Clerk and the State Clearinghouse in the Office of Planning and Research in accordance with Section 21152 of the California Public Resources Code.

CONTRACTING PROCESS

On June 18, 2024, a notice of the Request for Proposals (RFP) was placed on both the County's "Doing Business With Los Angeles County" website (Enclosure 4) and "Do Business With Public Works" website, and X (formerly Twitter). Advertisements were also placed in the Los Angeles Daily Journal, Los Angeles Sentinel, La Opinión, The Daily Breeze, The Signal (Santa Clarita), World Journal, Watts Times, The Malibu Times, Press Telegram, and Pasadena Star News. Also, Public Works informed 1,591 Local Small Business Enterprises, 166 Disabled Veteran Business Enterprises, 170 Social Enterprises, 873 Community Business Enterprises, and 1,385 Community-Based Organizations about this business opportunity. Additionally, the Department of Economic Opportunity conducted a focused outreach and informed 17 related businesses about this business opportunity.

On August 12, 2024, six proposals were received. The proposals were first reviewed to ensure that they met the minimum requirements in the RFP. All proposals were evaluated by an evaluation committee consisting of Public Works staff utilizing the informed averaging methodology for applicable criteria. The evaluation was based on criteria described in the RFP, which included Task 1 price; Task 2 price; experience, work plan, disputes, actions, contests, and debarments; environmental history; financial resources; and references.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will continue waste collection services without disruption to

The Honorable Board of Supervisors

1/7/2025

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the public and will not result in the displacement of any County employees.

CONCLUSION

Please return one adopted copy of this Board letter to Public Works, Environmental Programs Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is written in a cursive, flowing style.

MARK PESTRELLA, PE

Director

MP:EKT:yt

Enclosures

c: Chief Executive Office (Chia-Ann Yen)
County Counsel
Executive Office

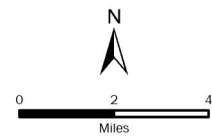
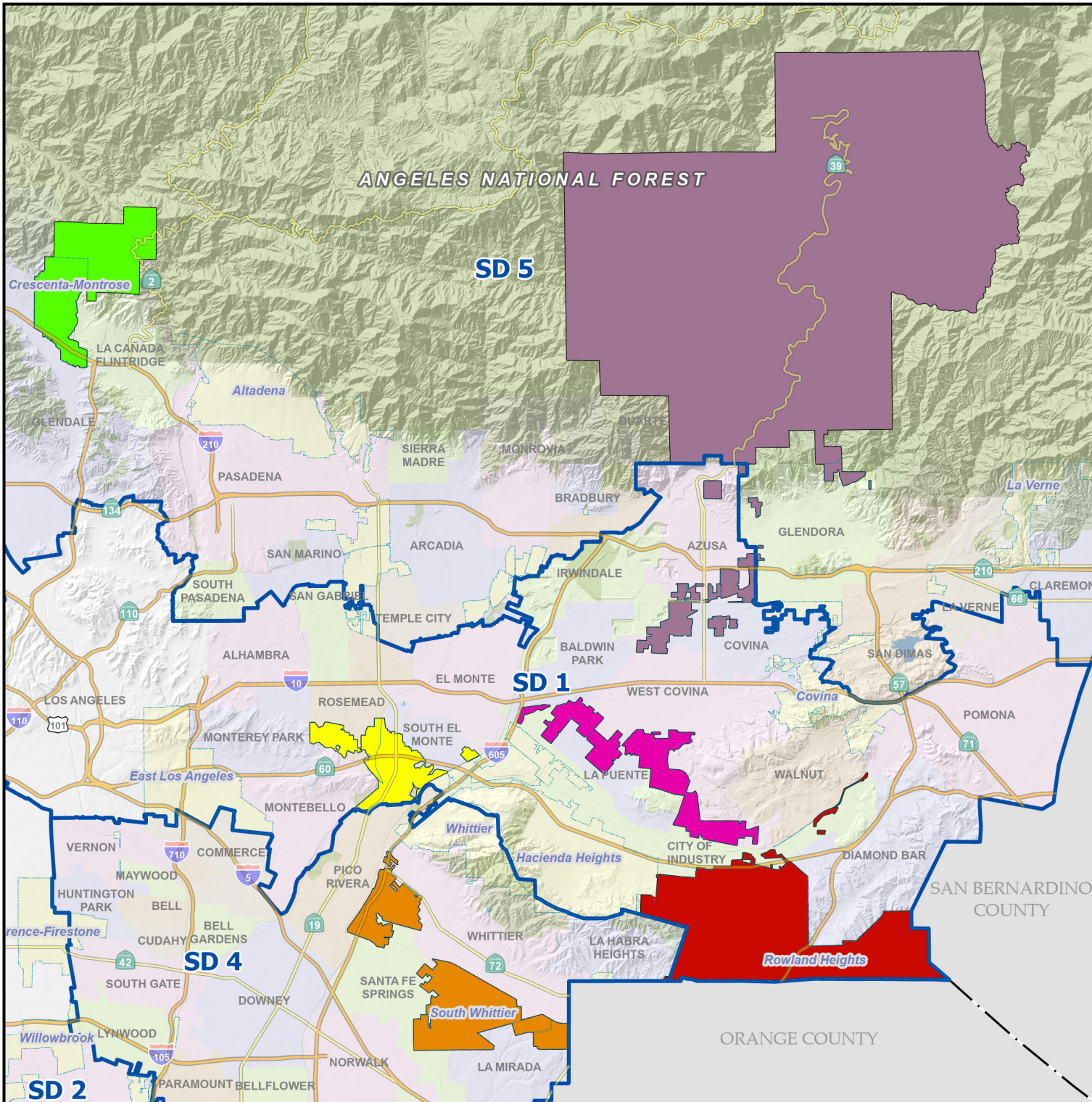


RESIDENTIAL FRANCHISE AREAS with Proposed New Trash Collection and Recycling Contracts

Franchise Areas

- Bassett/Valinda/San Jose Hills/West Puente Valley
- Charter Oak/Covina
- La Crescenta/Montrose
- Rowland Heights/South Diamond Bar
- South & West Whittier/East La Mirada/Los Nietos/Sunshine Acres
- South San Gabriel/Whittier Narrows

- Community Boundary
- National Forest



DRAFT



Part I

Sample Contract

BETWEEN
COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

AND

[name of waste hauler]

FOR PROVISION OF RESIDENTIAL SOLID WASTE COLLECTION SERVICES

(2024-____)

FOR THE SERVICE AREA(S) OF

Bassett/Valinda/San Jose Hills/West Puente Valley
Charter Oak/Covina
La Crescenta/Montrose
Rowland Heights/South Diamond Bar
South San Gabriel/Whittier Narrows
South & West Whittier/East La Mirada/Los
Nietos/Sunshine Acres

WITH A SERVICE COMMENCEMENT DATE AS EARLY AS

APRIL 1, 2025

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Charter Oak/Covina
La Crescenta/Montrose
Rowland Heights/South Diamond Bar
South San Gabriel/Whittier Narrows
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(2024-___)**

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This exclusive franchise contract (CONTRACT) is made and entered into on _____, 20____, by and between COUNTY of Los Angeles Board of Supervisors, acting in their capacity as the governing body COUNTY of Los Angeles (COUNTY), and _____, a Corporation or Limited Liability Company registered in the State of _____ (CONTRACTOR).

RECITALS:

Purpose. To limit the wear and tear on COUNTY streets, reduce pollution from Collection Vehicle exhaust, increase customer service accountability, ensure compliance with Federal, State, and local laws, including Assembly Bills (AB) 341, 939, 1594, 1826, and Senate Bill (SB) 1383, by improving program implementation performance and reporting accuracy, and facilitate more efficient CONTRACT administration and enforcement by COUNTY staff.

Solid Waste Haul Permits. County of Los Angeles Department of Public Health issued permits to haulers for the hauling of solid waste with requirements to protect public health and safety, including frequency of Collection and Collection Vehicle maintenance. CONTRACTOR shall continue to obtain that permit and comply with all its provisions; and

Mandatory Solid Waste Diversion. The State of California has found and declared that the amount of solid waste generated in California coupled with diminishing landfill space and potential adverse environmental impacts from land filling have created an urgent need for State of California and local agencies to enact and implement an aggressive, new integrated waste management program. Through enactment of AB 939, the State of California has directed agencies, such as COUNTY to Divert 50 percent of all solid waste through source reduction, recycling, and composting activities. The California Department of Resources Recycling and Recovery (CalRecycle) had granted COUNTY a timeline to achieve compliance with the AB 939 Diversion requirements to which COUNTY had met. Additionally, with the passage of Senate Bill 1383, COUNTY must meet CalRecycle's targets related to Organic Waste. Continued compliance is based in part on executing and implementing this CONTRACT to secure cooperation with CONTRACTOR'S AB 939 waste Diversion programs, record keeping, and reporting; and

County Waste Management Plan. COUNTY Board of Supervisors adopted the Roadmap to a Sustainable Waste Management Future in 2014. It is a comprehensive plan for a waste free future and is a proactive approach to developing innovative policies for managing waste that further reduces COUNTY's reliance on landfills. It established the following intermediate and long-term disposal reduction targets: 80 percent Diversion from landfills by 2025, 90 percent Diversion from landfills by 2035, and at least 95 percent Diversion from landfills by 2045; and

Task 1: Waste Discarded in Containers. Director has determined to provide for Municipal Solid Waste (MSW) Management Services in portions of Los Angeles County under the terms of this CONTRACT for reasons including the following:

- To assist residents located in the Service Area that discard solid waste in Carts to receive quality MSW Management Services, and

- To provide COUNTY with programs, records, and reports that will help COUNTY comply with AB 939, SB 1383, and other laws.

This CONTRACT requires the Diversion of Organic Waste from landfills as described in SB 1383. Green Waste is defined in Attachment 5-10A and is organic matter generated from landscaping and gardens. Green Waste will continue to be Collected from the Green Waste Container; however, the Green Waste Container may also be used to Collect Food Waste and other Organic Waste specified in SB 1383. Due to the familiarity of the green colored container being referred to as the Green Waste Container, that description will remain unchanged, even if Food Waste is placed inside.

COUNTY issued a 5-year notice under California Public Resources Code (PRC) Section 49520 of COUNTY'S intent to authorize, among other options, the exclusive franchising of MSW Management Services in portions of COUNTY; and

Task 2: Abandoned Waste Collection. Director has also determined to contract for Collection of the following in this CONTRACT:

- Efficient removal of Abandoned Waste and preventing the illegal dumping from becoming a community eyesore, decreasing neighborhood property values, posing a safety hazard, providing a breeding ground for disease carrying rodents, insects, and other vermin, and in general, lowering the quality of life for residents.
- Maintenance of public curbside receptacles.
- Removal of Carts, Dumpsters, and roll-off containers the Director has deemed abandoned.
- Removal of waste from abandoned Homeless Encampments and provide regular Collection from occupied Homeless Encampments.
- Provide emergency services to remove Solid Waste not Collected or prevent it from not being Collected in any part of the County of Los Angeles or adjacent counties that in the judgement of the Director creates a danger to public health, safety, or welfare.

Compliance with Law. CONTRACTOR shall perform Contract Services in accordance with all the laws governing the safe Collection, transport, Recycling, and disposal of Residential and Commercial Solid Waste, including but not limited to AB 341, 939 and AB 1826, SB 1383, Recovered Conservation and Recovery Act (RCRA), and Comprehensive Environmental Response Compensation and Liability Act (CERCLA).

Compliance with California Environmental Quality Act (CEQA). COUNTY adopted a Negative Declaration in 2022 to evaluate known impacts for required services. Any potential new or expanded facilities that CONTRACTOR may propose in the Service Area would be required to undergo local approval, entitlement, and permitting processes, which includes CEQA review. The cost of such facilities and any associated permitting processes (including CEQA review) must be paid for by CONTRACTOR proposing such facilities.

CONTRACTOR / “Arranger”. Under this Contract, COUNTY may exercise control over the disposal or other disposition of the Solid Waste handled by the CONTRACTOR, commonly referred to as flow control. It may designate or determine the use of any given Solid Waste Facility. Although minimum scope of Contract Services, Service Specifications, and Service Standards are set forth in this CONTRACT, COUNTY has not, and by this CONTRACT does not, supervise Contract Services or assume title to Solid Waste; and

Competitive Procurement. COUNTY issued a Request for Proposals (RFP) or Invitation for Bids (IFB) to provide Contract Services under this CONTRACT. Private waste hauling companies submitted proposals or bids, including their proposed schedule of rates and charges. For franchised services, COUNTY selected a CONTRACTOR based, among other things, on CONTRACTOR'S price proposal and work plan for Contract Services.

Compensation. The following describes the compensation allowed under this CONTRACT:

- Exhibit 7 provides for CONTRACTOR'S compensation under Task 1 Services. Under this CONTRACT, the CONTRACTOR cannot charge its Customers more than the Customer Service Fees in the Customer Fee Schedule in Attachment 7-2 Task 1 Service Fees in Exhibit 7.
- Exhibit 3A2 provides for CONTRACTOR's compensation under Task 2 Services and COUNTY Service Fees in Attachment 7-3 Task 2 Service Fees in Exhibit 7.
- Exhibit 3A2 provides for CONTRACTOR'S compensation for substitute, emergency, and backup services. Under this CONTRACT, the CONTRACTOR cannot charge COUNTY more than the rates in Attachment 7-4 Emergency Service Fees in Exhibit 3A2 or comparable municipal Solid Waste fees.
- In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.
- CONTRACTOR is not allowed to add any surcharges in addition to the fees that were entered on Form PW-2, Schedule of Prices. Any fuel, environmental, or other fees must be included in the original bid and may not be added later.

Franchise Authorization. PRC Section 40059 specifically authorizes COUNTY to prescribe the terms and conditions of aspects of Solid Waste management services, including:

- The nature, location, and level/extent of services;
- The frequency of collection;
- The means of collection and transportation;
- The Service Fees and fees; and
- Whether the services are to be provided by means of nonexclusive, partially exclusive, or wholly exclusive franchise, contract, license, permit or otherwise.

County Code Chapter 20.70 authorizes Director to require franchises in any part of the unincorporated territory of COUNTY that is not served by a Garbage Disposal District.

Franchise Development. COUNTY consulted with representatives of waste haulers in developing the original agreement. COUNTY and representatives of the private hauling industry met many times to discuss the scope of franchise services, service specifications, service standards, and other performance obligations and to address the industry's questions, comments, and concerns.

Start/Stop Contract Services. COUNTY reserves the right to stop and start any Contract Services with Notice to CONTRACTOR and adjust fees as a result of the change in services.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

This CONTRACT applies to both Contract Services (Task 1 Services and Task 2 Services), unless specifically indicated otherwise. However, Exhibits 3A1 and 3A3 apply only to Task 1 Services, and Exhibit 3A2 applies only to Task 2 Services.

SECTION 1 - GRANT OF RIGHTS AND PRIVILEGES TO PROVIDE TASK 1 SERVICES

A. Requirements/Grant of Rights

1. Grant of Rights and Privileges

COUNTY grants CONTRACTOR the right and privilege, together with the Performance Obligations, to provide Contract Services.

a. Conditions

- CONTRACTOR is ready, willing, and able to provide Contract Services;
- CONTRACTOR meets all its Performance Obligations,
- No CONTRACTOR Default has occurred; and
- CONTRACTOR fully and timely pays applicable Franchise Fees

b. CONTRACTOR Acceptance

CONTRACTOR accepts these rights and privileges, together with Performance Obligations, subject to all terms and conditions in this CONTRACT and the exclusions in subsections B (Exclusions from Service) and C (Exclusions from Exclusivity) of this Section.

2. Grant of Exclusive Franchise for Collection in Residential Carts

COUNTY grants to CONTRACTOR and CONTRACTOR accepts the exclusive right and privilege together with the obligation to provide Task 1 Customer Services, by making independent arrangements with customer, with respect to solid waste discarded in Carts at Residential Premises within the Service Area, subject to all the terms and conditions in this CONTRACT and the exclusions in subsections B (Exclusions from Service) and C (Exclusions from Exclusivity) of this Section.

B. Exclusions from Service

The following Collection services are not part of this CONTRACT. While these are not included within this CONTRACT, CONTRACTOR may provide services independent of this CONTRACT, such as to a school district facility within the Service Area.

1. Solid Waste to be Self-Hauled

This CONTRACT excludes the right and privilege that CONTRACTOR Collect, transport, and Divert/Dispose Solid Waste that Persons self-haul. Anyone, including Persons performing services other than MSW Management Services (such as roofers and gardeners) at those

Premises, may collect in receptacles other than Container provided by CONTRACTOR, transport in their own Vehicles, and themselves Dispose of some or all the Solid Waste generated at those Premises.

2. COUNTY and Third-Party Agencies

This CONTRACT excludes the right and privilege to arrange to provide Task 1 Services to Premises owned or controlled by any of the following entities:

- COUNTY or any other entity governed by the Board of Supervisors;
- State of California;
- Federal government
- Any city;
- Railroad and utility properties without occupied structures;
- Any public-school district; or
- Any entity that is excluded by Applicable Law from the obligation to subscribe to Task 1 Services under this CONTRACT.

This CONTRACT does not prohibit CONTRACTOR from executing separate contracts with those entities to provide MSW Management Services.

3. Rights Under California Public Resources Code Section 49520

a. Exclusion

This CONTRACT excludes the right and privilege to arrange for providing Contract Services with any Person who is receiving Solid Waste handling services from a solid waste enterprise that has the statutory right to continue to provide solid waste handling services to that Person under PRC Section 49520 *et seq.*

b. Acknowledgement

CONTRACTOR acknowledges:

(1) No Statutory Rights

This CONTRACT does not grant CONTRACTOR any rights under PRC Section 49250 *et seq.*.

(2) Expired Term

This CONTRACT is an exclusive franchise.

Upon expiration of this CONTRACT, no unexpired Term will remain. CONTRACTOR will have no right to continue providing Contract Services, MSW Management Services, or Solid Waste handling services under PRC Section 49250 *et seq.*

(3) *Terminated CONTRACT*

If COUNTY exercises its remedy to terminate this CONTRACT for CONTRACTOR fault, CONTRACTOR will have no right to continue providing Contract Services, MSW Management Services, or Solid Waste handling services under PRC Section 49251.

(4) *Contract Claims*

CONTRACTOR does not have the right to make any claim under PRC Section 49520, but only under this CONTRACT.

c. Stop Contract Services / Procure New Services

Upon expiration or termination of this CONTRACT, CONTRACTOR shall stop providing Contract Services even if the expiration or termination occurs before the end of the period described in PRC Section 49520. After expiration or termination of this CONTRACT, COUNTY may repro cure one or more agreements for MSW Management Services with CONTRACTOR or other Persons. Those agreements may be exclusive, partially exclusive, or wholly exclusive franchises, contracts, licenses, permits or otherwise, with or without competitive bidding.

4. Donation or Selling of Recyclables

This CONTRACT excludes the right and privilege to Collect Recyclables that Occupant donates or sells to Persons other than CONTRACTOR.

5. Collection from Commercial and Multifamily Premises

This CONTRACT excludes the right and privilege to Collect transport, as well as Disposal/Diversion of Solid Waste from Commercial Premises and Multifamily Premises with five or more units, except where Director has deemed it necessary to include a Commercial Premises or Multifamily presence and informs CONTRACTOR of these locations in writing. For example, while most businesses are not included in CONTRACT, there may be an isolated business that uses Carts and there are homes nearby, so it is more efficient to CONTRACTOR.

6. Collection of Solid Waste in Dumpsters

This CONTRACT excludes the right and privilege to provide Collection, transport, and Disposal/Diversion of Solid Waste in Dumpsters, excluding Manure-only Dumpsters. Persons may arrange with the COUNTY Authorized Commercial Waste Hauler to provide MSW Management Services for Manure in Dumpsters. Persons may have Carts with exclusive Collection services from CONTRACTOR and have a Manure Dumpster with service from another waste hauler.

7. Vacant Properties

This CONTRACT excludes the right and privilege to arrange to provide Task 1 Services to parcels identified by the Los Angeles County Office of the Assessor as vacant.

C. Exclusions from Exclusivity

While the following Collection services are part of this CONTRACT, CONTRACTOR does not have the exclusive right to perform these services.

1. County Services – Abandoned Waste and Litter Collection Services

This CONTRACT is not exclusive in regard to County Services. COUNTY reserves the right to use its own forces or to contract with any company to provide Task 2 County Service including Collection of Abandoned Waste or emptying public receptacles.

2. Emergency Services

This CONTRACT is not exclusive in regard to Collection of Solid Waste during emergencies, as described in Section 11. Under this Section, CONTRACTOR may be requested to perform work in other COUNTY Franchise areas, Garbage Disposal Districts, cities, or Counties. Likewise, other waste haulers may be requested to provide Solid Waste services within this Service Area.

3. Single-Pass Accounts

This CONTRACT is not exclusive in regard to Collection, transportation and Disposal/Diversion from Customers that request and are approved by Director for one truck for the Refuse, Recyclables, and Green Waste Municipal Solid Waste Services. See item M of Section 4 for single-pass details.

4. Certain Organic Waste Collection

a. *Micro-Haulers*

This CONTRACT excludes the exclusive right and privilege to Collect Organic Waste that Occupant provides to Director approved/contracted Micro-Hauler. Director allows certain Customers to utilize Micro-Haulers to Collect, transport, and Divert part or all their Organic Waste that they generate, including but not limited to the collection of Manure, Landscaping, Food Waste.

Micro-Haulers are not to provide organic service to an Occupant equal to or more than one 64-gallon container collected weekly. Micro-haulers are not to exceed collection threshold of 3 tons of organic waste per month within the Service Area.

b. Onsite Management

This CONTRACT excludes the exclusive right and privilege to Collect Organic Waste that Occupant manages on the site where it is generated, such as onsite composting.

c. Manure

This CONTRACT excludes the exclusive right and privilege to Collect Manure. Manure may be Collected by CONTRACTOR or the County authorized hauler for the area.

D. Definition of Rights

In accordance with PRC Section 49523, based on the mutually satisfactory terms of providing Task 1 Services set forth in this CONTRACT and receipt of compensation therefore, CONTRACTOR shall cease providing Contract Services on the Expiration Date even if that Expiration Date should occur before the expiration of the period described in PRC Section 49520. This CONTRACT and acknowledgments in this CONTRACT do not foreclose COUNTY from re-procuring contracts for MSW Management Services, including from CONTRACTOR, after termination of this CONTRACT, by nonexclusive, partially exclusive, or wholly exclusive franchise, contract, license, permit or otherwise, with or without competitive bidding.

E. Payment of Franchise Fees to COUNTY

In consideration for exclusive franchise rights granted under this CONTRACT, CONTRACTOR shall pay COUNTY the Franchise Fee at the time and in the amount and manner established from time to time by COUNTY ordinance or resolution of the Board of Supervisors. CONTRACTOR is solely responsible for payment of the Franchise Fee to COUNTY and shall not bill Customers for the Franchise Fee or any part thereof. CONTRACTOR acknowledges that the elimination of competition with private persons for Contract Services under this exclusive franchise has significant monetary value to and confers exclusive benefits upon CONTRACTOR.

F. Privacy (Contract Services)

1. General

CONTRACTOR shall strictly observe and protect the rights of privacy of Customers and Occupants. CONTRACTOR shall not reveal to a Person other than COUNTY any information identifying individual Customers and Occupants or the composition or contents of a Customer's Solid Waste to any Person unless under Section 9 or upon the authority of law or upon valid authorization of the Customer. This provision may not be construed to excuse CONTRACTOR from its obligations to assist COUNTY in the preparation of Solid Waste characterization studies or waste stream analyses, keeping Records, making Reports, or assisting COUNTY on meeting Federal, State, and local requirements.

2. Mailing Lists

CONTRACTOR shall not market or distribute mailing lists with the names and addresses of Customers and Occupants.

3. Privacy Rights Cumulative

CONTRACTOR'S obligations in this Section are in addition to any other privacy rights accorded Customers and Occupants under Applicable Law.

G. Ownership of Solid Waste

This CONTRACT does not purport to grant CONTRACTOR ownership over Solid Waste. The right to possession or ownership of Solid Waste placed at the Set-Out Site for Collection, including Green Waste, Food Waste, Recyclables, and Abandoned Waste, will be determined in accordance with existing law and is not affected by this CONTRACT. COUNTY acknowledges that it has no ownership rights in Solid Waste and that CONTRACTOR may provide for transfer of ownership in the Terms and Conditions.

SECTION 2 - TERM OF CONTRACT

A. Term of Contract Services

This CONTRACT is effective and binding on the Execution Date. It expires on the Expiration Date. Certain Performance Obligations survive expiration or termination of this Contract under subsection B below.

“**Commencement Date**” may be as early as:

- 10/01/2025 for **Bassett/Valinda/San Jose Hills/West Puente Valley**,
- 11/01/2025 for **Charter Oak/Covina**,
- 04/01/2025 for **La Crescenta/Montrose**,
- 07/01/2025 for **Rowland Heights/South Diamond Bar**,
- 07/01/2025 for **South San Gabriel/Whittier Narrows**, and
- 04/01/2025 for **South & West Whittier/East La Mirada/Los Nietos/Sunshine Acres**.

1. Expiration of the CONTRACT Term

- **09/30/2029** plus any extensions in accordance with the following subsection A3, A4, and A5 for **Bassett/Valinda/San Jose Hills/West Puente Valley**, or
- **10/31/2029** plus any extensions in accordance with the following subsection A3, A4, and A5 for **Charter Oak/Covina**, or
- **09/30/2033** plus any extensions in accordance with the following subsection A3, A4, and A5 for **La Crescenta/Montrose**, or
- **07/31/32** plus any extensions in accordance with the following subsection A3, A4, and A5 for **Rowland Heights/South Diamond Bar**, or
- **06/30/2029** plus any extensions in accordance with the following subsection A3, A4, and A5 for **South San Gabriel/Whittier Narrows**, or
- **03/31/2032** plus any extensions in accordance with the following subsection A3, A4, and A5 for **South & West Whittier/East La Mirada/Los Nietos/Sunshine Acres**, or
- An earlier date that the Contract terminates in accordance with Part 6D of Exhibit 5.

2. Extensions of the CONTRACT Term

Director shall have the sole option to extend the initial Term of this CONTRACT under the following subsections A3, A4, and A5.

3. One, 2-Year Extension for La Crescenta/Montrose

Director may, in his sole discretion, extend the Term of this CONTRACT for up to one additional two-year period for the La Crescenta/Montrose Service area.

4. Twelve, 1-Month Extensions

Director may, extend the Term of this CONTRACT up to 12 times, each time in an increment of one to 12 months for a total of no more than 12 months. For example, the Director may first extend the Term for three months, subsequently extend it for two more months, and lastly extend it for one more month.

5. Response to Emergency Extensions

In the event of a declared emergency lasting three months or longer and resulting in implementation of items 1, 2 and 3, of Section 11, item B, Director may extend the CONTRACT Term by the duration equal to that of the duration of the implementation of no stop service, no late fees, and extended payments options set forth in item B6 of Section 11. See that section for more details.

6. Contract Extension Cumulative

The contract extensions are cumulative and may be exercised in any order. For example, after the end of the initial Term, Director may issue two 2-year extensions, one 3-month extension, followed by one 1-month extensions.

7. Transition to Next Waste Hauler

Certain obligations of CONTRACTOR survive the termination of this CONTRACT as provided under subsection B6 below.

8. Notification to CONTRACTOR

Director will Notify CONTRACTOR of the intent to extend or not extend this CONTRACT no later than the following:

- 90 calendar days before a 2-year extension begins
- 10 calendar days before a 1-month extension begins

B. Obligations Upon Expiration or Termination of CONTRACT

The following provisions will survive the expiration or termination of this CONTRACT:

1. Acknowledgements

All acknowledgments, including those in the following Sections:

- Item D of Section 1 (inapplicability of PRC 49520)
- Item C of Section 2 (no recovery of undepreciated asset value)

- Item A of Section 3 (no COUNTY responsibility for supervising or performing Task 1 Services)
- Item A of Section 9 (Record maintenance)
- Part 10 of Exhibit 5 (interpretation of this CONTRACT)

2. Representations and Warranties

All representations and warranties, including those made in accordance with the following Sections:

- Part 10 of Exhibit 5 with respect to review of this CONTRACT
- Item B of Section 14, Authority to Execute
- Attachment 5-9H, CONTRACTOR'S Representations and Warranties

3. Indemnities

All Indemnities.

4. Payments

All obligations to pay any due and payable monetary amounts or requests for those amounts, including:

- Payment of Transfer Deposits and Transfer Costs
- Damages under item D of Section 12
- Payment of County Service Fees under Exhibit 3A2
- Refund due to Customers that pay Customer Service Fees in advance of Customer Service
- Any Franchise Fees

5. Records and Reports

All obligations to maintain and submit Records and Reports, including:

- The final Annual Report
- Information with respect to Solid Waste Facilities
- Copies of certificates of insurance or other evidence of coverage
- Records of Disposal
- Notice of Destruction of Records of Disposal
- Inspection and audit
- Records of Abandoned Waste Collection including supporting documentation

6. Provisions Surviving Expiration Date

Any other provisions of this CONTRACT and rights and obligations of the Parties stated to survive the Expiration Date, including:

- This subsection B6 (cooperation during transition; removal of Carts), and

- Subsection C (no recovery of undepreciated asset value).

a. Cooperation During Transition

If CONTRACTOR is not awarded a new CONTRACT to allow CONTRACTOR to continue to provide MSW Management Services substantially similar to Contract Services in this Service Area after the expiration or termination of this CONTRACT, CONTRACTOR shall cooperate fully with Director and the succeeding contractor, licensee, permittee, or other provider of MSW Management Services to assure a smooth, efficient, orderly, timely, and effective transition. This includes providing an accurate customer list with service level and special services such as roll out and special rates such as senior discounts.

b. Removal of Carts

With respect to Task 1 Services, CONTRACTOR shall not remove a Container from any Premises until the earlier of:

- The date any replacement Containers are provided to the Customer by succeeding contractor, or
- 4 weeks after the Expiration Date.

7. Container Purchase Option

COUNTY may purchase Containers as specified in item D11 of Exhibit 3A1.

C. Undepreciated Assets

If any of CONTRACTOR'S Service Assets remain undepreciated upon the expiration or earlier termination by COUNTY of this CONTRACT, CONTRACTOR has no right to recover amounts equal to the undepreciated asset value from COUNTY or Customers, and neither COUNTY nor Customers are obligated to compensate CONTRACTOR for any undepreciated asset value.

CONTRACTOR acknowledges that when exercising its option to extend the Expiration Date, COUNTY need not consider whether any Service Assets are not fully depreciated as of the Expiration Date, and that CONTRACTOR invested in and depreciated those Service Assets in CONTRACTOR'S sole discretion.

SECTION 3 - SCOPE OF SERVICES AND SPECIFICATIONS (Contract Services)

A. Prescribed Scope

1. Task 1 Services

With respect to Task 1 Services, CONTRACTOR shall arrange to provide services to Premises in the Service Area in accordance with Exhibit 3A1 to both the following:

- Any Person in the Service Area who was receiving service immediately prior to the Commencement Date from COUNTY's contractor under a previous contract with COUNTY,
- Any Person who requests Task 1 Services.

2. Task 2 Services

With respect to Task 2 Services, CONTRACTOR shall provide services to Director in accordance with Exhibit 3A2.

3. Additional Contract Services Requirements

With respect to additional Contract Services, CONTRACTOR shall provide services in the Service Area to Director in accordance with Exhibit 3A3.

4. General

Contract Services include providing Goods, Services, and Property necessary to meet Performance Obligations, including:

- Labor and supervision;
- Software and hardware, including Records of Customer subscription and complaints, billing, and routing, and system utilized by Director to track Task 1 and Task 2 Services;
- Leases; subleases; installment purchase agreements, including with respect to Vehicles and Carts;
- Equipment, including Vehicles, Carts, or other Containers (such as for special events);
- Supplies;
- Insurance, bonds, or other performance security if the insurer, surety, or another provider is an Affiliate or a captive of CONTRACTOR or any Affiliate;
- Maintenance and Office-administration facilities, and their contents,
- Legal, risk management, general, and administrative services.

CONTRACTOR must provide Contract Services in accordance with Service Specifications and Service Standards. Nevertheless, CONTRACTOR has the

freedom and discretion to determine the means, manner, or method of providing Contract Services. CONTRACTOR acknowledges that in entering into this CONTRACT, COUNTY is not responsible for supervising CONTRACTOR or for performance of any Contract Services. CONTRACTOR is responsible for choosing the Solid Waste Facilities, unless otherwise directed by COUNTY. In addition, COUNTY is not the owner or titleholder of any material Collected, transported, Disposed of, or otherwise handled by CONTRACTOR.

Any work performed outside the Performance Specifications without Director's prior written approval will be deemed to be a gratuitous effort by CONTRACTOR. CONTRACTOR shall have no claim against COUNTY for any consequential or related liabilities.

5. Criminal Background Investigation

Upon Director's request, each of CONTRACTOR's staff performing services under CONTRACT, who is in a designated sensitive position, typically in regards to accessing private property or accessing County electronic data, as determined by Director in Director's sole discretion, must undergo and pass a background investigation to the satisfaction of Director, as a condition of beginning and continuing to perform services under CONTRACT. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include criminal conviction information. The expenses associated with the background investigation will be at the expense of CONTRACTOR.

Director, in its sole discretion, may immediately deny performing services under CONTRACT by any member of CONTRACTOR's staff that does not pass such investigation to the satisfaction of Director or whose background or conduct is incompatible with County policies.

Disqualification of any member of CONTRACTOR's staff pursuant to the section will not relieve CONTRACTOR of its obligation to complete all work in accordance with the terms and conditions of CONTRACT.

B. Change in Scope of Services

At the Director's sole discretion, the Service Area may be adjusted, either larger or smaller, by revising the map in item A of Exhibit 16. Task 1 Customer Services and/or Task 2 County Services within the adjusted area will be modified accordingly.

1. Task 1

Director may change the scope of Task 1 Services and Service Standards in accordance with Part 9 of Exhibit 5, subject to any adjustment in the Customer Service Fees in accordance with item A of Section 7.

2. Task 2

Director may change the scope of Task 2 Services and Service Standards in accordance with Part 9 of Exhibit 5, subject to any adjustment in COUNTY Service Fees in accordance with Attachment 7-3 Task 2 Service Fees.

C. Vehicles

1. General

CONTRACTOR shall provide Vehicles of appropriate numbers, sizes, capacities, and functions required for the efficient Collection of different types of Solid Waste, such as Refuse, Recyclables, Organic Waste, Bulky Items, and Abandoned Waste. This includes any special vehicles necessary due to obstacles such as tree branches, narrow roads, congested areas, and steep hills. CONTRACTOR shall also provide non-compacting Vehicles for the Collection of E-waste, white goods and any other material that contains chlorofluorocarbons. Vehicles shall be so constructed such that Solid Waste or liquids will not blow, fall, sift, or leak out of the truck into the street. CONTRACTOR shall equip Vehicles with a shovel, broom, and petroleum absorbent agents. CONTRACTOR shall comply with any additional requirement with respect to the Vehicle as set forth in Exhibit 3A3.

2. Automation

CONTRACTOR shall Collect Refuse, Recyclables, and Organic Waste in automated Collection Vehicles, except CONTRACTOR may Collect the following materials in non-automated Collection Vehicles:

- a. *Bulky Items including E-waste*
- b. *Christmas trees*
- c. *Solid Waste discarded at Set-Out Sites that are Difficult to Service*

3. Fuel/Power

a. Types

Within the first 12 months after Execution, all Vehicles used for automated Collection must use Liquid Natural Gas (LNG), Compressed Natural Gas (CNG), Renewable Natural Gas (RNG), electric, or other alternatives to diesel fuel, as approved by Director

unless [Contractor Documentation](#) provides otherwise with respect to [Collection](#) at [Premises](#) that are difficult to serve as permitted in item O of this Exhibit.

CONTRACTOR shall procure RNG derived from recycled Organic Waste that meets SB 1383 regulations Section 18993.1(h) requirements in the amount of, at least, 25% of their total fuel usage for servicing the Service Area. CONTRACTOR shall agree that the COUNTY has the sole right to report this RNG procurement towards the COUNTY's fulfillment of its annual recovered Organic Waste product procurement target defined in accordance with 14 CCR Section 18993.1.

CONTRACTOR may propose an alternative procurement plan, as listed in item Q of Exhibit 3A1, with justification for why RNG procurement is not feasible or reasonable, provided the plan meets the 0.08 tons of Organic Waste per resident in the Service Area per year, required in SB 1383, Section 18993.1(c). Implementation of such plan is subject to Director approval.

b. Reporting

CONTRACTOR shall maintain and update a monthly vehicle record for all vehicles servicing Director. Records for fuel vehicles shall include vehicle type, fuel type used, and fuel consumption, and records for electric vehicles shall include electricity consumed in kilowatt-hours (kWh). If electricity consumed is not available for electric vehicles, then records shall include miles traveled and fuel economy. Fuel and electricity consumption and/or mileage only needs to be recorded for CONTRACT-related trips.

Records shall be maintained for a period of at least three years. CONTRACTOR shall provide to Director upon request in addition to fulfilling reporting requirements stipulated under item A2 of Section 10, Reports.

4. Extra Vehicles

[CONTRACTOR](#) shall maintain enough back-up [Vehicles](#) to replace similar types of [Vehicles](#) in the event of breakdowns, and emergencies. [Director](#) may specify a minimum number of backup [Vehicles](#).

5. Maintenance

[CONTRACTOR](#) shall maintain [Vehicles](#) reasonably clean, and in good mechanical condition, and well painted, all to the satisfaction of [Director](#). [CONTRACTOR](#) shall maintain [Records](#) of inspections and maintenance of all mechanical equipment that [CONTRACTOR](#) uses to provide [Contract](#)

Services, including Vehicles. CONTRACTOR will use Vehicles that are safe to operate, in accordance with the requirements promulgated by COUNTY Department of Public Health, California Highway Patrol, South Coast Air Quality Management District, manufacturer, and all other applicable Federal, State, County, and local laws and regulations. CONTRACTOR shall allow Director to view all inspection and maintenance Records and shall provide Director with those Records upon request.

CONTRACTOR is not required to provide new Vehicles on the Commencement Date or to retire Vehicles of any specified age. However, CONTRACTOR shall not operate Vehicles that repeatedly breakdown or leak. CONTRACTOR shall replace a Vehicle that Director determines to be of unsatisfactory operating condition, such as one that is frequently breaking down and delaying services, leaking fluids, making excessive noise, or exhibiting other significant issues identified by Director.

6. Vehicle List

CONTRACTOR shall use only Vehicles that have been submitted to and approved by Director. CONTRACTOR shall submit a complete list of Vehicles, including back-up Vehicles, using Form V, accessible through Director's Solid Waste Information Management System (SWIMS) or similar system as directed by DIRECTOR, and update it as Vehicles change.

7. Vehicle Billboards

CONTRACTOR shall equip automated Collection Vehicles with frames on both sides capable of securing signs measuring approximately 30 inches by 90 inches or another dimension approved by Director. CONTRACTOR shall design, print, and install signs on each frame promoting Recycling, Diversion and safe handling of Unpermitted Waste or other topics as requested by Director, with text, graphics, and design approved by Director, up to six times throughout the CONTRACT term. CONTRACTOR shall ensure that the appropriate Director-approved signs are affixed to the Vehicle always. Director reserves the right to interchange any of the six signs up to four times per Contract Year. CONTRACTOR shall not use the billboards for commercial advertising. Item B3 of Exhibit 16 includes examples of sign designs.

8. Company Name

CONTRACTOR's name or other name, as approved by Director, and logo shall appear on all Vehicles.

9. Vehicle Monitoring

In all Vehicles used for Collection of Task 1 or Task 2 Services, including monitoring, CONTRACTOR shall install devices to monitor Vehicles'

operations, including Global Positioning Systems (GPS) that record [Vehicle](#)'s route and at a minimum, a video equipment capable of capturing forward facing footage and a Solid Waste footage as it falls into the automated Collection Vehicle, unless [Director](#) consents otherwise. Video and location monitoring is required when maintaining Hot Zones, both for the monitoring and Collection. A side-facing footage is not required for the Collection of Abandoned Waste or Bulky Items or Hot Zone monitoring. Monitoring equipment must be recording once a [Vehicle](#) leaves the yard during days of operation. Providing access to live streaming of video or GPS data to [Director](#) is not required but CONTRACTOR must provide COUNTY any software or licenses required to view recording or data.

Reports submitted to Director are to include maps of the vehicle's location with times as recorded based on the pinging and the video captured by the cameras, both with time and date stamps.

On a weekly basis, Director may request copies of video and/or GPS Reports for Refuse, Recyclables, and Organic Waste Collection for one specific location and a second location within a Hot Zone, if applicable to the Service Area. This will typically be for one block of a street or alley. Director may request additional locations if Director suspects that the terms of the CONTRACT are being violated. For example, a high number of missed Collections or complaints of Collection after 6 pm would be an indicator for requesting additional Reports.

On a monthly basis, Director may request a copy of GPS Reports for one entire Refuse, Recyclables, and Organic Waste Collection route that a specific Collection Vehicles travel in one day. This will typically be from the time the Vehicles leaves the yard until it returns at the end of the day. Director may request additional locations if Director suspects that the terms of the CONTRACT are being violated.

[CONTRACTOR](#) shall provide copies of [Reports](#) within two business days of receiving [Director](#) request. Request may be for a specific time or a geographic location (e.g. between 10:00 a.m. and 11:00 a.m., or 1200 block of Main St.). [CONTRACTOR](#)'s failure to provide [Reports](#) requested by [Director](#) within time specified by [Director](#) may be considered an admission of fault for the purposes of assessing Liquidated Damages. For example, if [CONTRACTOR](#) does not give [Director](#) a requested [Report](#), within a period specified by [Director](#), to verify that a [Vehicle Collected](#) all [Containers](#) on an identified block, [Director](#) may assume that [CONTRACTOR](#) did not [Collect](#) those [Containers](#) and assess Liquidated Damages.

a. Video Equipment

Video must be geotagged for location, time/date stamped, and at a resolution adequate to clearly identify the location being serviced and typically not less than 1280 x 720 at 30 frames per second.

Recording of the video must be segmented for each Collection and not continuous for the entire route. Video must be geo-tagged to each Collection.

CONTRACTOR shall retain all videos in an electronic format for a minimum of 14 calendar days, or other duration as approved by Director.

(1) *Forward Facing Footage*

CONTRACTOR's automated Collection Vehicles shall be equipped with a video camera capable of capturing images that are forward facing, or angled slightly to the right, to validate service complaints such as missed Collections and other items that may be of interest to Director.

(2) *Waste Collection Facing Footage*

CONTRACTOR's automated Collection Vehicles shall be equipped with a video camera to validate Occupant compliance with County Disposal practices and applicable laws. Footage is to face forward on a front-loading Vehicle and toward the curb/passenger side for side-loading Vehicles. Video may be of interest to Director for use in conducting route reviews and contamination investigations.

b. Global Positioning System (GPS)

GPS data will be maintained by CONTRACTOR either directly or through a third-Party service. The GPS shall be able to track a Vehicle's route with lines or dots superimposed on a map.

The GPS shall gather the following data: date, time, speed, direction, location (address) and shall be able to generate Reports. CONTRACTOR shall retain all data for a minimum of 90 calendar days or other duration approved by Director.

The minimum locate schedule (ping frequency of occurrence that GPS data is received from the Vehicle) shall be at least every one minute for fully automated Collection and at least every ten seconds for other Collection Vehicles, when within the Service Area.

10. Special Vehicles

See Exhibit 3A3 for possible special Vehicle requirements in this Service Area. This is likely only for areas with significant mountainous terrain.

11. No Comingling of Abandoned Waste and Bulky Items

CONTRACTOR shall use separate Vehicles for the Collection of Abandoned Waste and Bulky Items. This is necessary to allow CONTRACTOR to report the tonnages of each type of waste. However, Director may consider approving comingling in Service Areas with the following circumstances:

- Small quantities of Abandoned Waste, or
- Rural areas where the distance between Occupants is great, or
- Rural areas where the road condition is poor.

If approved, CONTRACTOR must estimate the percentage based on weight of Abandoned Waste and Bulky Items collected, such as 75 percent of the load was Abandoned Waste with daily tonnages and percentages tracked for Reporting.

SECTION 4 - SERVICE STANDARDS

A. Public Health and Safety; Nuisances (Contract Services)

CONTRACTOR shall immediately Report to Director any public health and safety or nuisances listed below. All cleanups are immediate, including those outside normal working hours.

1. Litter

CONTRACTOR shall immediately clean up all litter it caused. If CONTRACTOR services an over-filled Container where the lid cannot be closed, any litter must be cleaned.

When Collecting any Bulky Item or Abandoned Waste, CONTRACTOR shall also clean up all litter within a 3-foot radius of the site from which CONTRACTOR Collected the Bulky Item or Abandoned Waste. CONTRACTOR shall ensure that each Vehicle is properly staffed and equipped for this purpose.

2. Spills

CONTRACTOR shall enclose or cover Solid Waste that it transports in Vehicles, debris boxes, hoppers, compactors, or any other containers. CONTRACTOR shall prevent Solid Waste from escaping, dropping, spilling, leaking, blowing, sifting, falling, or scattering from Vehicles ("Spills") during Collection and transportation. CONTRACTOR shall not transfer loads from one Vehicle to another Vehicle unless necessitated by mechanical failure or accidental damage to a Vehicle. CONTRACTOR shall immediately clean up any Spills on any alley, street, or public place.

3. Leaking

CONTRACTOR shall prevent oil, hydraulic fluid, paint, water, or other liquids from leaking from its Vehicles. CONTRACTOR shall ensure that each Vehicle carries petroleum absorbent agents and other appropriate cleaning agents. CONTRACTOR shall immediately notify Director of any leaks.

If any liquid leaks from a Vehicle, CONTRACTOR shall immediately cover, treat, or remove the liquid materials from the ground, as necessary, and apply the necessary cleaning agent to minimize the adverse impact of the liquid materials. Remediation may include power washing, steam cleaning, or cleaning with a detergent, if deemed necessary by Director. While power washing will not completely remove stains, it must significantly reduce them as well as remove any residue from the pavement. All liquids generated

during power washing must be contained, removed from the site, and properly disposed.

4. Noise

CONTRACTOR shall conduct Collection as quietly as possible, in compliance with noise levels prescribed by Applicable Law, including County Code Section 12.08.520-Refuse Collection Vehicles. CONTRACTOR shall cause the least possible obstruction and inconvenience to public traffic or disruption to the peace and quiet of the Service Area.

While on Residential streets, CONTRACTOR shall minimize the noise for horses in the Public Right-of-Way. The Collection vehicle shall park and not operate the Collection arm or compact the load while within 100 feet of a horse that is walking in the Public Right-of-Way.

B. Private Property (Task 1 Services)

CONTRACTOR shall obtain property owner consent to enter private driveways, alleys, streets, and parking lots in cases such as:

1. Private Property

a. Acknowledgements

CONTRACTOR acknowledges the following: Although there may be an implied waiver to access the front of Premises, a written consent may be advisable to access a side or rear yard. Additionally, private streets and driveways may not meet COUNTY's design standards and may not adequately withstand the weight of a Collection Vehicle.

b. Damage to Pavement: Waiver

If CONTRACTOR operates Vehicles on private property, following Director approval, CONTRACTOR may require the property owner to allow CONTRACTOR'S entry and waive liability for CONTRACTOR'S damage to driveways or other pavement, in a form satisfactory to Director. CONTRACTOR is not obligated to require a waiver. A waiver will not relieve CONTRACTOR of its obligation to repair or replace damaged pavements if it caused the damage by its negligent or willful acts or omissions under Part 9C of Exhibit 5.

c. Personal Injury: Indemnity

If CONTRACTOR enters private property whether in a Vehicle or by foot (for example to provide roll-out service), following Director approval, CONTRACTOR may require the property owner to hold

harmless and indemnify CONTRACTOR in form satisfactory to Director. In that event, CONTRACTOR shall also require the property owner to hold harmless and indemnify COUNTY.

d. CONTRACTOR Indemnifies COUNTY

Despite receiving COUNTY approval, CONTRACTOR shall indemnify and hold COUNTY harmless from liabilities related to entering Customers' Premises, whether CONTRACTOR acts in compliance or noncompliance with this Contract. This indemnification is in addition to CONTRACTOR'S other Indemnifications.

2. Single-Pass Collection

If Customers request single-pass Collection (commingling of Refuse, Recyclables, and Organic Waste) on private alleys, streets, and parking lots, CONTRACTOR shall submit a request to Director in accordance with item M of Section 4, Single-Pass Collection.

C. Non-Collection (Contract Services)

CONTRACTOR is not obligated to Collect in any of the following events but must Report events to Director:

1. Unpermitted Waste

CONTRACTOR observes the presence of Unpermitted Waste at the Set-Out Site other than any Unpermitted Waste that CONTRACTOR Collects as Bulky Items;

2. Unsafe Condition

CONTRACTOR observes an unsafe condition at the Set-Out Site.

3. Not Bagged or Bundled

Solid Waste not placed in a Container, bags or bundles. Bulky Items do not need to be placed in a Container, bag, or bundle.

4. Not At Set-Out Site

A Container or a Bulky Item that is not placed at the Set-Out Site, except if a Customer has Roll-Out Service.

5. Exceed Weight Limitations

A Container exceeds any weight limitations described in Terms and Conditions.

6. Delinquent Payment

The Customer has not timely paid CONTRACTOR'S invoice for Task 1 Services in accordance with to item B7 of Section 7. One week prior to removing a Container for nonpayment of Customer Service Fees, CONTRACTOR shall also leave a notice for Occupants on a Container and call, e-mail or text Customer stating the deadline for payment.

7. Inaccessible Premises

The Premises are not accessible to Vehicles.

8. Contamination

a. *Recyclables Containers*

Refuse, Organic Waste, or Manure in a Recyclables Container.

b. *Green Waste Containers*

Refuse, Recyclables, or Manure in a Green Waste Container unless Manure is specifically allowed.

c. *Refuse Containers*

Manure in a Refuse Container.

d. *Manure Containers*

Refuse, Recyclables, or Organic Waste in a Manure Container unless Green Waste or Food Waste is specifically allowed.

9. Unscheduled

Unscheduled excess Refuse, Green Waste, Bulky Items, and E-waste in areas requiring advanced scheduling for collection under Exhibit 3A1. CONTRACTOR shall call, e-mail, or text Occupant by next Service Day to:

- Notify of the non-collection,
- Educate and explain why waste was not Collected, and
- Schedule the Collection.

If CONTRACTOR does not Collect Occupant's discarded Solid Waste, it shall complete a non-Collection notice and leave it securely attached to Occupant's Container or Bulky Items unless it is unsafe to do so. CONTRACTOR will use the form of non-Collection notice approved by Director in CONTRACTOR Documentation. The form must describe all the following:

- The reason CONTRACTOR did not Collect Occupant's Solid Waste,
- How the Customer can correct the problem, and
- How the Customer can contact CONTRACTOR.

Additionally, if the Occupant of the serviced Premises has signed up for electronic messages, such as the Smart-eClub, CONTRACTOR shall send a text or e-mail to the Occupant.

CONTRACTOR shall Collect the Customer's Solid Waste without additional cost to the Customer at the following times:

- **Same day:** no later than 6 p.m. on the day CONTRACTOR left the Non-Collection notice, if the Customer notifies CONTRACTOR before 12 p.m. that same day, or
- **Next day:** on the next day, if the Customer notifies CONTRACTOR after 12 p.m. that same day.

D. **Nondiscrimination**

CONTRACTOR shall comply with Subchapter VII of the Civil Rights Act of 1964, 42 U.S.C. Section 2000e-2000e(17). CONTRACTOR shall not exclude any Customer from receiving Contract Services on the grounds of race, creed, color, sex, gender, national origin, ancestry, religion, age, physical or mental disability, marital status, or political affiliation. It shall not exclude them from participating in, deny them the benefits of, or otherwise subject them to discrimination under this CONTRACT or under any project, program, or activity supported by this CONTRACT.

E. **CONTRACTOR Waste Reduction Practices (Contract Services)**

Consistent with the Board of Supervisors' policy to reduce the amount of Solid Waste Disposed in landfills within COUNTY, CONTRACTOR shall use best efforts to practice waste reduction and implement procurement policies in providing Contract Services, including maintaining Records. In written correspondence with Customers and Director, CONTRACTOR shall use recycled paper that is labeled to indicate its recycled content.

CONTRACTOR shall offer Customers the option to go paperless by joining the Smart-eClub in item C2 of Section 6.

F. **Customer Correspondence and Other Materials (Task 1 Service)**

CONTRACTOR shall submit to Director for approval, written materials CONTRACTOR intends to distribute to Customers at least eight County Business Days before printing, texting, e-mailing, or mailing the materials.

At Director's request CONTRACTOR shall distribute written information to its Customers and Occupants by including it within CONTRACTOR's mailings or by separate electronic distribution.

G. Publicity and News Media Relations

1. Publicity

Unless otherwise required by subsection F or subsection G.2, CONTRACTOR and its Affiliates, employees, consultants, agents, or subcontractors may, without Director consent, publicize its Contract Services or indicate in its proposals and sales materials that it has been awarded this CONTRACT to provide Contract Services, if CONTRACTOR develops that publicity, proposals, or sales materials in a professional manner.

Neither CONTRACTOR nor any of its Affiliates, employees, consultants, agents, or Subcontractors may publish or disseminate commercial advertisements, news or press releases, opinions or feature articles using the name of COUNTY without the prior written consent of COUNTY'S Chief Executive Officer and County Counsel.

2. News Media Relations; Trade Journal Articles

CONTRACTOR shall notify Director by telephone followed by e-mail of all requests for news media interviews related to the Contract Services (and not other communities) within 24 hours of receiving the request. Before responding to requests involving matters other than the Collection programs and scope of Contract Services, CONTRACTOR shall discuss CONTRACTOR'S proposed response with Director.

CONTRACTOR shall submit copies of CONTRACTOR'S draft news releases or proposed trade journal articles related to Contract Services to Director for prior review and approval at least four County Business Days in advance of release.

CONTRACTOR shall give Director copies of media interviews and news releases related to Contract Services within four County Business Days of their occurrence.

H. Responsiveness to County (Contract Services)

CONTRACTOR shall meet the following standards:

1. Normal

Respond to COUNTY communications such as telephone messages, text messages, and e-mails no later than the next COUNTY Business Day.

Acknowledge, at a minimum, that the CONTRACTOR has received the communication and provide an estimated time for a full response if the communication's issue cannot be immediately resolved.

2. Special Events

Respond to telephone message within one hour during special events, such as Mulch and Compost Giveaway Events and Annual Cleanup Events.

3. Emergency Telephone Messages

Respond to any telephone message within one hour in cases of emergencies as required under item J1 of Section 4.

4. Written Correspondence

Respond to written correspondence from Director within one week of receipt.

5. Meetings

Meet with Director during Director's Office Hours within one week of Director's oral or written request at Director's offices or other location requested by Director.

I. No Commingling of Solid Waste

1. No Commingling Between Areas (Contract Services)

CONTRACTOR may not commingle, in its Vehicles or otherwise, any Solid Waste that it Collects with the Service Area with any other Solid Waste that it Collects outside the Service Area in cities, counties, or other unincorporated areas, without prior written consent of Director.

For example, Director may allow Food Waste to be Collected from multiple jurisdictions to make Collection routes more efficient and therefore more cost effective. Additionally, Director may consider allowing commingling of Solid Waste during emergency situations.

Director may require documentation such as records of Customers, including Container capacities, in cities and in the Service Area, respectively. CONTRACTOR shall maintain Records with respect to Solid Waste collected in the Service Area separately from records with respect to Solid Waste collected outside the Service Area, including its weight.

2. No Commingling of Different Materials (Task 1 Service)

CONTRACTOR may not commingle, in its Vehicles or otherwise, any Solid Waste that it Collects with any other type of Solid Waste that it Collects within the Service Area, without prior written consent of Director, as detailed in item M of this Section. For example, if a Vehicle is on its route Collecting Refuse, it may not Collect Recyclable or Green Waste until after it has emptied its Refuse load at the approved facility. Additional requirements are in item G2 of Exhibit 3A1.

J. Key Personnel (Contract Services)

CONTRACTOR acknowledges that it identified certain personnel and described their professional experience and qualifications in the proposal it submitted to Director about the procurement of this CONTRACT, and that COUNTY awarded this CONTRACT to CONTRACTOR based in part on those individuals' experience and qualifications. CONTRACTOR shall identify those personnel ("Key Personnel") in CONTRACTOR Documentation, Exhibit 17.

CONTRACTOR shall notify Director immediately of changes or upcoming changes in Key Personnel, including the professional experience and qualifications of the individual CONTRACTOR proposes to serve in place of a departing Key Personnel. Director may request CONTRACTOR to propose an alternative individual to serve in the position of the departing Key Personnel.

1. Emergency Telephone Number

CONTRACTOR shall maintain a local emergency telephone number disclosed to Director for use by Director outside CONTRACTOR Office Hours. CONTRACTOR shall make a representative available at the emergency number outside CONTRACTOR Office Hours who will return any emergency call as soon as possible and in any event within one hour.

2. Lead Person

CONTRACTOR shall assign a lead person(s), such as a route supervisor, to this Service Area. The lead person shall be responsible for ensuring that CONTRACTOR meets Performance Obligations. They shall spend as much time as possible in the Service Area. They shall act as a liaison between field crew and Director.

K. Uniforms (Contracts)

CONTRACTOR shall require its field employees to wear uniforms and prohibit them from removing any portions of their uniforms while providing Contract Services. Uniforms must meet the following specifications:

- Bear the CONTRACTOR's name, or other name approved by Director (for example, a DBA instead of a corporate name), and
- CONTRACTOR'S logo.

L. Confidentiality (Contracts)

CONTRACTOR shall maintain the confidentiality of all records obtained from Director under this CONTRACT in accordance with all Applicable Law. CONTRACTOR shall inform all its officers, employees, agents, and Subcontractors providing Contract Services of this confidentiality obligation. CONTRACTOR acknowledges that these records may be subject to a Public Records Request made to COUNTY.

M. Single-Pass Collection (Task 1)

CONTRACTOR shall obtain Director’s approval prior to implementing single-pass service. “Single-pass service” means that Occupants may commingle and discard Refuse, Recyclables, and Organic Waste, and CONTRACTOR may Collect them in the same Container. CONTRACTOR shall remove Recyclables and Green Waste Containers.

After Collection, CONTRACTOR must separate those commingled Solid Waste materials at a high diversion materials recovery facility that complies with SB 1383 requirements and Divert them. CONTRACTOR shall maintain weight Records of commingled Solid Waste separately from weight Records of source-separated Solid Waste.

1. Approval

Customers may request single-pass service on private alleys, streets, and parking lots. CONTRACTOR may request single-pass service on unpaved, extremely narrow, or steep roads and other places where it is difficult to Collect with Collection Vehicles used elsewhere in the Service Area. Requests must include the following:

- Proposed addresses,
- Written consent from all Customers affected by the single-pass, and
- Notification to Occupants residing on the Premises being serviced.

2. Vehicles

Depending on the number of Occupants approved to use the service, CONTRACTOR may consider using standard Collection Vehicles to empty the Containers at the Set-Out Site or a vehicle such as a pickup or stake bed truck to bring empty Containers to the Occupants and transport the full Containers to an approved facility for processing.

3. Fee

If approved by Director, CONTRACTOR may charge Customers the additional fee for the Customer Service Fees provided on the

Attachment 7-2, Task 1 Service Fees of Exhibit 7. CONTRACTOR shall continue to charge the monthly fee for Basic Service but may add the additional fee for each comingled Container requested by Customer. The fee shall be separated into two components.

- Disposal/Diversion – This is the expense related to process the waste at a more expensive facility. It may be charged to each Customer, per Container
- Transportation – This is the added expense related sending one special truck from CONTACTOR's yard to the Service Area and then to the High Diversion MRF. It may be charged as a cost shared equally by all single-pass service Customers.

For example, if one block with 12 homes on a private road was approved to use the service and each Customer requested two Containers for mixing Refuse, Recyclables, and Organic Waste. Assuming CONTRACTOR had bid \$10 per Container for Diversion/Disposal and \$250 for transportation, the cost billed to each home would be the Basic Service Fee + (2 x \$10) + (\$250/12) = \$40.83. Similarly, if there were only 2 homes, the cost billed to each home would be the Basic Service Fee + (2 x \$10) + (\$250/2) = \$145.00.

SECTION 5 - ADDITIONAL CONTRACT PROVISIONS

Exhibit 5 contains additional CONTRACT provisions that are incorporated by reference into the CONTRACT. Exhibit 5 includes the following parts:

- Part 3 General CONTRACT Requirements
- Part 4 Indemnifications and Insurance
- Part 6 Debarment Breaches and Defaults; Suspensions; Termination
- Part 8 Transfer of CONTRACT
- Part 9 General Provisions
- Part 10 Definitions and Interpretations of CONTRACT
- Part 11 Compliance with Laws and Regulations
- Part 12 Labor-Related Provisions Required in County Contracts

SECTION 6 - CUSTOMER SERVICE (Task 1 Services)

A. Facilities

CONTRACTOR shall maintain both the following:

- A Vehicle maintenance yard, and
- Office at the address provided in CONTRACTOR Documentation.

CONTRACTOR may change the address by notifying Director in accordance with item A6 of Exhibit 17.

B. Telephone Service

CONTRACTOR shall maintain a toll-free telephone number and meet the following criteria:

1. Office Hours

CONTRACTOR shall provide a customer service representative to personally answer all calls to the toll-free number during CONTRACTOR Office Hours, including calls from Director, Customers, Occupants, and the public.

2. After Hours

CONTRACTOR shall provide an answering machine to answer all calls to the toll-free number outside of CONTRACTOR Office Hours that allows callers to leave messages, such as reporting missed pick-ups and other complaints. CONTRACTOR shall further comply with County Code Section 20.72.160.

3. On Hold Messaging

CONTRACTOR shall use Reasonable Business Efforts to broadcast public education messages while Customers are waiting on hold to talk to a customer service representative.

4. Telephone Tree

CONTRACTOR shall require no more than two recorded options on a telephone tree before the caller speaks to a live customer service representative (for example, English/Spanish and residential/commercial service choices).

5. Answer Speed

CONTRACTOR shall use Reasonable Business Efforts to answer the telephone within four rings. CONTRACTOR shall answer 90 percent of all calls within the first 4 rings.

If Director determines that CONTRACTOR does not meet these Service Standards, Director may require that CONTRACTOR install additional telephone lines, hire additional customer service representatives, and make other customer service improvements without increasing Service Fees. This determination will be based on whether the CONTRACTOR answers calls:

- Within five rings, based on at least three calls within one week, or
- 10 calls within one month.

6. Bilingual

CONTRACTOR shall respond to Customers and Occupants in English or Spanish as requested by the Customer or Occupant. Director may also require reasonable access to other languages such as through a translation service.

7. Knowledgeable Staff

CONTRACTOR shall provide customer service representatives with a knowledge of basic services in the CONTRACT. A supervisor with extensive CONTRACT knowledge is to be available to respond to questions or concerns by callers.

A representative answering a regional or nation-wide hotline with no CONTRACT specific training is not acceptable. Also, calling someone back after researching the correct answer is acceptable but providing the wrong information due to a lack of adequate training is not acceptable.

8. Hold Time

CONTRACTOR shall have adequate customer service representatives to ensure Customers are not on hold for more than 10 minutes.

C. Paperless/Electronic Information and Services

1. Website

CONTRACTOR shall develop and maintain a website that includes the following information and Service options:

a. Service Information

Information such as Terms and Conditions form or service information, service brochures, newsletters, FAQ's, Holiday schedules, Christmas tree pick-up information, service changes, invoice explanations, allowable and forbidden discards, list of recyclable materials, educational and outreach materials, notifications, alerts, and other information requested by Director.

b. Bill Payment

The ability for Customers to review and pay their bills for Additional Customer Services under item B3 of Section 7, if they subscribe to Smart-eClub.

c. Service Requests

Requests for service collection that is not regularly scheduled, including on-call bulky waste collection, requests for extra pickups, and service cancellations.

d. Contact Us

CONTRACTOR's contact information where Customers can register complaints and follow-up on complaint resolution.

e. Link

Link to Director's website, CleanLA.com.

2. Smart-eClub

To reduce paper waste and reach more readers, CONTRACTOR shall offer both the Customers and Occupants of serviced Premises the option to join the Smart-eClub. CONTRACTOR shall offer Customers and Occupants the following Smart-eClub options:

- Receiving service information described in preceding item C1a electronically, subsequently switching back to paper;
- Electronic billing under preceding item C1b;
- Making service requests under preceding item C1c; and
- Contacting CONTRACTOR under preceding item C1d.

CONTRACTOR must make sure that Customers and Occupants that sign up for the paperless receive the same information as those with direct mail. For example, a Customer using reoccurring online bill invoicing and payments must be contacted electronically regarding rate increases or upcoming events.

CONTRACTOR shall give all educational messages and the template for service messages to Director for approval prior to sending to Customers. Upon Director's request, CONTRACTOR shall send messages provided by Director.

3. E-mail Address

CONTRACTOR shall maintain an e-mail address for use by Customers and Occupants. Emails must send an initial acknowledgement within 24 hours of receipt on business days, and response to address issues raised within 2 business days.

D. Responses to Customer Complaints and Other Correspondence

1. Resolution of Complaints

a. Call/E-mail for Service

CONTRACTOR shall maintain an e-mail address under preceding subsection C3 and telephone service under subsection B of this Section.

A call or e-mail from a Customer or Occupant to request a service or report an issue, such as a damaged container, is not considered a complaint.

b. First Complaint

CONTRACTOR shall address all Customer and Occupant complaints immediately and resolve them by the end of the next Service Day following Customer or Occupant contact or any reasonable time agreed upon between Customer or Occupant and CONTRACTOR. A Customer or Occupant should not have to call or e-mail to complain on the same issue because CONTRACTOR did not resolve it as previously committed by CONTRACTOR, such as a damaged Container was not repaired or replaced as committed.

c. Second and Subsequent Complaints

A Customer or Occupant should never have to call or e-mail to complain a second time on the same issue because CONTRACTOR did not resolve it as previously committed by CONTRACTOR.

2. Communications Log

CONTRACTOR shall enter, log, and maintain Records of all communications and their resolution, in computerized format and in

compliance with County Code Section 20.72.160. CONTRACTOR shall maintain that log. CONTRACTOR shall submit the log for the applicable quarter to Director with CONTRACTOR'S Quarterly Report under item A2 of Section 10.

3. Missed Collections

If Director, a Customer, or an Occupant notifies CONTRACTOR on a Service Day that CONTRACTOR has not Collected an Occupant's Solid Waste and not met its Performance Obligation, CONTRACTOR shall Collect at no additional charge:

- No later than 6 p.m. on the day of service, if it receives the complaint by 12 p.m. on the day of service; or
- On the next day, including Saturday but excluding Holidays, if the complaint is received after 12 p.m. on the day of service.

4. County's Reimbursement Costs

If COUNTY employees or their contractors spend more than either of the following times resolving Customer complaints, then CONTRACTOR shall reimburse COUNTY its Reimbursement Costs that COUNTY incurred to resolve the complaint:

- Two hours in the aggregate resolving complaints from any single Customer that the Customer states have previously been filed with CONTRACTOR, or
- More than one hour in any work week (Monday through Friday) resolving complaints from different Customers.

The invoice for Reimbursement Costs should include all the following information:

- The address of the Premises being serviced,
- Customer who complained,
- Nature of complaint,
- Amount of time spent,
- Costs, including hourly fees for employees, agents or contractors who addressed the complaints, and
- Expenses, including phone and postage costs.

E. Service Interruption

CONTRACTOR shall monitor the Public Works Road Closure website (<http://pw.lacounty.gov/roadclosures/>) for conditions that may cause service interruptions. CONTRACTOR shall not alter or interrupt its service schedule without Director consent.

CONTRACTOR shall alert all Customers and Occupants of any Director-approved interruption in service and when service will resume. CONTRACTOR may use any type of communication, including phone blast, e-mail blast, and text messaging. Examples of interruption include various reasons, such as road closures, extreme weather conditions, or breakdown of CONTRACTOR equipment.

F. Responsiveness to Customer

Respond to communications such as telephone messages, text messages, and e-mails to the source that made contact no later than the next business day. If CONTRACTOR is unable to directly address the issue, CONTRACTOR shall respond with an acknowledgement to confirm receipt of message and indicate when the issue will be addressed.

Respond to United States Postal Service, Federal Express, or other courier provided correspondence from Customers or Occupants within one week of receipt.

G. Setting Up or Terminating Service

1. New Customers

- Obtain contact and service location information
- Explain services and charges
- Mail brochure
- Offer additional Bulky Item Collection upon move-in/out
- Offer Smart e-Club (paperless)
- Deliver Containers
- Explain Organic Waste Diversion requirements and offer in-home Food Waste container

2. Terminating Service

- Offer Bulky Item Collection
- Explain what to do with Containers
- Explain refund procedure for any prepaid services

SECTION 7 - SERVICE FEES AND BILLING

A. Customer Service Fees

CONTRACTOR shall charge Customers no more than the Customer Service Fees in Attachment 7-2, Task 1 Service Fees of Exhibit 7. Customer Service Fees are subject to a rate adjustment as specified in Exhibit 7.

1. No longer used

2. Surcharges

Surcharges will be added to the Basic Service Fee. See Attachment 7-2, Task 1 Service Fees of Exhibit 7.

a. *Billing Fees*

- 10 percent late fee
- \$25.00 for interruption of service
- \$25.00 fee on returned checks

b. *Extra Containers*

c. *Difficult to Service*

d. *Roll out Service*

(1) *Non-Elderly or Non-Disabled*

(2) *Elderly or Disabled*

CONTRACTOR shall provide this service, without additional charge to Customer, for Occupants who are Elderly or Disabled and certify to the CONTRACTOR that there is no able-bodied individual in the household who can roll-out Cart to the Set-Out Site.

e. *Additional Bulky Item Collection*

f. *Excessive Container Exchanges*

g. *Manure Service*

h. *Bear Resistant Carts*

i. *Recyclables Cart with Gravity Lock*

j. Monthly Container Cleaning

k. Container Removal and Return

3. Basic Service Fee Discounts

CONTRACTOR shall subtract the following discounts to the Basic Service Fee. CONTRACTOR is not to charge more than the amounts in Attachment 7-2, Task 1 Service Fees of Exhibit 7.

a. Senior Discount (25 percent)

CONTRACTOR shall discount the Basic Service Fee by 25 percent for Elderly Customers at Residential Premises meeting all the following requirements:

(1) 62 or Older

The Customer is age 62 or older as evidenced by a driver's license or other document issued by a governmental entity.

(2) Head of Household

The Customer is a head of household as evidenced by his or her name on utility or telephone bills for the involved premises.

(3) Life-Line or Low Refuse Generator

The Customer either: (a) qualifies for discounted utility rates based on financial need (such as those referred to as "life-line" rates) as evidenced by water, power, or telephone bill for the involved premises, or (b) generates small amounts of waste and for Refuse uses only one 32-gallon Cart.

b. No Service

CONTRACTOR shall not discount the total for Basic Service Fees for Customers that do not use any or Task 1 Services, such as not separating Recyclables and Organic Waste from Refuse and do not use Containers for Recyclables or Organic Waste discard.

c. Homeowner Association

A Homeowner Association (HOA) shall be entitled to the discount if they meet all the following criteria:

- Pays fees on behalf of the residents in the complex/development,

- Enrolls in the Smart eClub, and
- Provides CONTRACTOR a minimum of 75 percent of the resident's current email addresses or cell phone numbers,

A further discount shall be offered if the HOA does not use Green Waste Containers for landscaping but may have Food Waste-only Containers.

CONTRACTOR is required to send all applicable electronic outreach materials to Occupant's cell phones or email address but is not required to mail outreach through the U.S. mail.

Any residents within the same complex that do not have their services paid by the HOA or have additional services not included in the HOA bill are not eligible for the HOA discount.

d. Second Recyclables or Green Containers

CONTRACTOR shall discount the second Recyclables Container or the second Green Container by 25 percent.

B. Customer Invoice and Payment

1. Invoice Content

CONTRACTOR shall include in its Customer invoice the following information:

a. Contact Information

CONTRACTOR's telephone number, Office address, website and e-mail address for Customer complaints and questions.

b. Itemized Costs

Itemize costs in accordance with services. CONTRACTOR shall not identify that portion of a Customer's invoice attributable to a Franchise Fee, if any.

c. Paperless Option

A message promoting its website-based invoicing and payment system on all paper invoices sent to Customers.

At Director's request, CONTRACTOR shall promptly submit a copy of a Customer's invoice to Director.

2. Frequency

CONTRACTOR shall invoice Cart Customers quarterly following the Calendar Year quarter and Dumpster Customers (if applicable) monthly, or an alternate frequency as approved by Director.

Task 1 Services including any surcharges are to be billed to Cart Customers quarterly, three months in advance. Bills shall be sent on or after the first day of the billing period. Payment in full is due no later than the last day of the first month. For example, bills are sent on April 1 for the billing period of April, May, and June and due on April 30.

If Customer fails to pay bill, see item B7 of this Section for actions to be taken.

3. Electronic Invoicing

To reduce paper waste, CONTRACTOR shall make available to all Customers an electronic invoicing system at no additional charge. CONTRACTOR shall ensure that the electronic invoicing and payment website conforms to industry-standard practices for electronic commerce security. CONTRACTOR must ensure that these Customers receive invoice inserts such as newsletters either electronically or paper copies, as requested by Customer. Through CONTRACTOR'S website, Customers may request to cease paper invoices and receive all invoices through e-mail or access them on CONTRACTOR'S website.

4. Inserts

At Director's request, CONTRACTOR shall include a message and/or enclose with Customer's invoice all inserts prepared and provided by Director.

5. Electronic Payment

CONTRACTOR shall make available to all Customers an electronic payment system at no additional charge. This system will be website based and allow Customers to pay invoices through CONTRACTOR'S website, both one-time and reoccurring. CONTRACTOR must allow credit card payments and may include direct bank routing or other payment methods.

6. Refunds

CONTRACTOR shall refund any overcharges to a Customer (including advance payments for Task 1 Services that are subsequently canceled) within 30 days after collection thereof. CONTRACTOR shall pay the Customer interest on overcharges (other than advance payments for subsequently canceled services) with interest thereon at ten percent per annum from the date originally overcharged until the date refunded.

7. Late Payment

Plain Language Table

Elapsed Time	Action
1 st day of period	Bill sent to Customer
1 month	Bill due to CONTRACTOR
1.5 months	Reminder sent with warning of late fee
2 months	Unpaid bill delinquent, ten percent late fee added
2.5 months	Reminder sent with warning of stop Additional Customer Services, container removal, and interruption fee
3 months	Additional Customer Services stopped
3.25 months	Notify Director of any anticipated Container removals
3.5 months	Extra Containers removed, apply interruption fee

Customer payment of bills are due to CONTRACTOR no later than the last day of the first month of the calendar quarter. The following are the required warning notices and maximum allowable penalties for late payment. CONTRACTOR may be more lenient.

If payment is not received after 1.5 month, a reminder shall be sent to Customer indicating missed payment, balance due, and warning of ten percent late fee. If payment is not received by the last day of the second month, the account will become delinquent, and a ten percent fee may be added to the balance. If payment is not received after 2.5 months, a second reminder shall be sent to Customer indicating missed payment, balance due including ten percent late fee, and warning of stopping service and Container removal. If payment is not received after 3 months, Task 1 Collection Service may be stopped. If payment is not received after 3.25 months, CONTRACTOR is to Notify Director of any anticipated Container removals. If payment is not received after 3.5 months, Task 1 Collection Service may be interrupted by removing the Containers from the premises and an interruption fee may be charged upon returning Containers to Premises. CONTRACTOR is to abide by any trespassing laws while removing Containers.

If Customer fails only to pay for surcharges for any or all special services in item A2 of Section 7, those special services shall be stopped without affecting other services. For example, if a Customer has an extra Refuse Container but is not paying the fee for the Container, the extra Container should not be Collected but all other Task 1 Services shall be provided.

a. Partial Payment

If Customers fails only to pay for surcharges for any or all special services in item A2 of Section 7, those special services shall be stopped without affecting other services. For example, if a Customer has an extra Refuse Container but is not paying the fee for the

Container, the extra Container should not be Collected but all other Task 1 Services shall be provided.

b. Returned Check Fee

A fee on returned checks (insufficient funds) may be charged to Customer.

C. County Service and Fees

1. County Service Fees and Maximum Contract Sum

COUNTY agrees, in consideration of the performance of Task 2 County Services in items A, B, E, F, and G of Exhibit 3A2 to pay the CONTRACTOR County Service Fees. The fees are specified in Attachment 7-3, Task 2 Service Fees and Attachment 7-4, Emergency Service Fees of Exhibit 7 that CONTRACTOR Collects, in the **not-to-exceed** amount approved by the Board during CONTRACT award or any subsequent approvals. County Service Fees are subject to a rate adjustment as specified in Exhibit 7.

2. Special Fund Obligation

COUNTY will pay County Service Fees from COUNTY'S Road Fund or other sources. CONTRACTOR acknowledges that it will not be compensated for providing County Service under Task 2 Services from Customer Service Fees under Task 1 Services. Customers or Occupants do not pay County Service Fees.

3. Billing

CONTRACTOR shall bill COUNTY monthly for COUNTY Services performed during the preceding month by invoice (original and a copy) in a form satisfactory to Director. COUNTY will electronically pay via direct deposit County Service Fees to the CONTRACTOR within 30 days of receipt and approval of a properly completed and undisputed invoice. If CONTRACTOR is certified by COUNTY as a Local Small Business Enterprise, COUNTY will pay CONTRACTOR in accordance with Board of Supervisors Policy No. 3.035, Small Business Liaison and Prompt Payment Program.

The itemized invoice shall contain a reference to the name of the Service Area and Environmental Programs Division, Residential Franchise/Garbage Disposal District Section. CONTRACTOR shall submit invoices to:

Los Angeles County Public Works
Attention: Fiscal Division, Accounts Payable
P.O. Box 7508
Alhambra, CA 91802-7508

CONTRACTOR is required to use Director's Trash Monitoring Program (TMP) smartphone application, or other system as determined by Director, to record information such as the location, brief description, no dumping found in the Service Area, fullness of Public Receptacles, and photographs of Collected Abandoned Waste. Use of this application will minimize the amount of documentation required to be submitted where invoices will only need to include the total tons collected during the month. However, not using the application will require detailed invoices be submitted indicating the location of items collected and a brief description. The TMP application is currently based on an Environmental Systems Research Institute, Inc. (ESRI) program that requires a license fee per user of approximately \$500 per user, to be paid by CONTRACTOR. See item A1b of Exhibit 3A2 for more details on the application.

a. Abandoned Waste - Weekly Collection

For all Abandoned Waste Collection, CONTRACTOR shall bill COUNTY based on the tons collected, as indicated in Attachment 7-3 Task 2 Service Fees of Exhibit 7.

CONTRACTOR may request a fee for the tons Collected. CONTRACTOR is not required to provide evidence of Abandoned Waste removal beyond the use of the TMP, unless requested by Director.

(1) Abandoned Waste Not Commingled

If CONTRACTOR does not commingle Abandoned Waste in the same Vehicle with other Refuse, and the facility weighs Abandoned Waste that CONTRACTOR delivers, CONTRACTOR shall report that weight to Director in the Monthly Report and keep copies of all weigh receipts. If a facility does *not* weigh those materials, CONTRACTOR shall calculate the weight of allocated Abandoned Waste in accordance with Cal Recycle weight conversion standards, or other method satisfactory to Director.

(2) Abandoned Waste Commingled

If CONTRACTOR *does* commingle Abandoned Waste in the same Vehicle as other Refuse, CONTRACTOR shall allocate the proportion of Abandoned Waste to other Refuse in a formula approved by Director and weigh or calculate the weight of the Abandoned Waste as set forth in the preceding paragraph.

b. *Abandoned Waste - Hot Zone Daily Monitoring and Collection*

(1) *Monitoring All Hot Zone Locations*

CONTRACTOR may request a fee equal to the Monitoring All Hot Zone Locations for every linear foot within the zone, each day. For example, for a \$1.00 rate for 500 feet, CONTRACTOR may request $\$1.00 \times 500 \times 22 \text{ days} = \$11,000$ per month.

(2) *Additional Hot Zone Monitoring*

After the Execution Date, if Hot Zones are created or expanded greater than the length indicated in Item 16.A.2 of Exhibit 16, CONTRACTOR may request a fee equal to Additional Hot Zone Monitoring for the additional distance only.

(3) *Collection and Disposal*

There is no special fee for Abandoned Waste collected in a Hot Zone. Rather the weight is to be included in the waste collected under item a. above, in this billing section.

c. *Public Receptacles*

(1) *Existing*

CONTRACTOR may request a fee equal to the number of Collections made from Public Receptacles during the month, regardless if it is Refuse or Recyclables from a standard or solar powered compactor. CONTRACTOR is required to record the number of Collections and submit with the monthly invoice.

(2) *Additional*

CONTRACTOR may request a fee equal to the number of Collections made from additional Public Receptacles during the month, regardless if it is Refuse or Recyclables from a standard or solar powered compactor. CONTRACTOR is required to record the number of Collections and submit with the monthly invoice.

(3) *Mixed Waste Processing Facility*

Director reserves the right to require some or all waste Collected from Public Receptacles to be processed at a mixed waste processing facility to recover Recyclables.

CONTRACTOR and Director must agree to a price for this service.

d. No Longer Used

e. People Experiencing Homelessness (PEH) Encampments

(1) PEH Abandoned Waste

(a) Surcharge

CONTRACTOR may request an additional fee for Collections made during the cleanup at abandoned PEH Encampments or abandoned waste from PEH during the month.

It is anticipated that most Personal Protective Equipment would be reused for multiple cleanup locations. Therefore, there would be one surcharge for all cleanups in an area (within 15 minutes of each other).

(b) Collection and Disposal

There is no special fee for weight for volume of Abandoned Waste collected related to PEH. Rather the weight is to be included in the waste collected under item a. above, in this billing section.

(2) Occupied PEH Encampments

CONTRACTOR may request a fee equal to the number of each bag, box, or Dumpster delivery or Collection made each week at PEH Encampments during the month.

f. Emergency Assistance

COUNTY agrees, in consideration of satisfactory performance of Task 2 County Services in item A2 of Section 3 and the associated item F of Exhibit 3A2, in strict accordance with the service specifications set forth herein, to the satisfaction of Director, to pay the CONTRACTOR County Service Fees at the fee specified in Attachment 7-4, Task 2 Emergency Service Fees of Exhibit 7.

g. Litter Collection

(1) In Alleys

CONTRACTOR may request a fee equal to the rate per mile of Alleys, Collected during the cleanup of the right-of-way during the month.

(2) *As-Needed*

CONTRACTOR may request a fee equal to the number of hours spent Collecting during the cleanup of the right-of-way during the month.

(3) *Additional*

CONTRACTOR may request a fee equal to the additional number of hours spent Collecting during the cleanup of the right-of-way during the month.

4. Payment Exceeding Maximum Contract Sum

In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed Maximum Contract Sum.

5. Request Work

The CONTRACTOR understands and agrees that only Director is authorized to request or order work under this CONTRACT. The CONTRACTOR acknowledges that the designated authorized representative is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation more than this CONTRACT's Maximum Contract Sum.

6. Performing Work to Exceed Maximum Contract Sum

The CONTRACTOR shall not perform or accept work requests from the designated authorized representative or any other person that will cause the Maximum Contract Sum to be exceeded. CONTRACTOR shall monitor the balance of the Maximum Contract Sum. When the total of the CONTRACTOR's paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the authorized representative in writing.

7. Budget Reduction

If the Board of Supervisors adopts a budget for any Fiscal Year that reduces the salaries or benefits paid to most COUNTY employees and imposes similar reductions with respect to COUNTY Contracts, COUNTY reserves the right to correspondingly reduce the following:

- The County Service Fees for that Fiscal Year and any subsequent Fiscal Year during the Term of this CONTRACT (including any extensions), and
- The Maximum Contract Sum.

Except as set forth in the preceding sentence, the CONTRACTOR shall continue to provide all the services set forth in this CONTRACT. Director's notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within 30 calendar days of the Board's approval of such actions.

8. Deductions

COUNTY may deduct from any payment due CONTRACTOR any incurred or anticipated County Reimbursement Costs, including legal fees and staff costs, associated with any investigation or enforcement proceeding brought by Cal/OSHA arising out of COUNTY Service.

9. No Payment Following Expiration/Suspension/Termination of CONTRACT

CONTRACTOR shall make no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any County Service that CONTRACTOR provides after the expiration, suspension, or other termination of this CONTRACT. If CONTRACTOR receives any such payment, it shall immediately inform Director and repay all that payment to COUNTY. Payment by COUNTY for County Services rendered after expiration, suspension, or termination of this CONTRACT shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration, suspension, or termination of this CONTRACT.

10. No Longer Used

11. Change in Service Area

It is understood that the monthly compensation to be paid to the CONTRACTOR may be increased in proportion to the enlargement of the boundaries of the Service Area or to expansion of the area to be served, and the monthly compensation may be decreased if the area to be served decreases such as diminution of the size of the Service Area. This also included a change in the number of public receptacles and a change in the number or length of Hot Zones.

12. Dissolution of Service Area

It is understood that in the event of the dissolution of the Service Area, this CONTRACT and all obligations of either of the parties thereto shall be at an end, whether such dissolution results from proceedings under the

provisions of the act pursuant to which the Service Area was created, by operation of law, or resulting from municipal annexation or incorporation, except for record retention requirements. Annexations are discussed in more detail in Item A2 of Section 1.

SECTION 8 - WASTE CHARACTERIZATIONS/EVALUATIONS

A. Participate with County Study

CONTRACTOR shall cooperate with Director in conducting Solid Waste characterization studies and waste stream audits. Cooperation includes all the following:

- Diverting Collection Vehicles from their regular route to alternate locations;
- Emptying all Solid Waste from Collection Vehicles; and
- Providing Collection, transportation, and Disposal of Solid Waste remaining after the study or audit.

B. Perform Study

CONTRACTOR shall perform waste evaluations to assist County in compliance with SB 1383, Article 3, Section 18984.5(c).

1. Methodology

CONTRACTOR shall follow all guidelines and sampling methodology established by CalRecycle when conducting the study.

2. Frequency

CONTRACTOR shall perform the required studies twice per Contract Year in two distinct seasons.

C. Facility Results

As required in item A2f of Section 10, CONTRACTOR is to submit a copy of any waste characterizations performed on Recyclables by the Materials Recovery Facility.

SECTION 9 - RECORDS

CONTRACTOR'S obligations and COUNTY'S rights in this Section survive the term.

A. Record Maintenance and Retention

1. All Records

CONTRACTOR shall prepare and maintain all Records in accordance with generally accepted auditing principles during the Term and for an additional period of not less than five years after the Expiration Date or any longer period required by Applicable Law.

2. Disposal Records

CONTRACTOR acknowledges:

a. *Claims*

That COUNTY may need to respond to claims under CERCLA or similar applicable laws with respect to Disposal of Solid Waste.

b. *Quantity*

COUNTY'S need to determine the quantity, location, and date of CONTRACTOR'S Disposal of Solid Waste.

Therefore, CONTRACTOR shall establish and maintain a protocol for the retention and preservation of those Records, for a period of five years after the Expiration Date or any longer period required by Applicable Law, which protocol will document where CONTRACTOR Disposed of Solid Waste that it Collected (whether landfilled, incinerated, composted, or otherwise processed or marketed).

3. Notification

CONTRACTOR shall give Notice to Director at least 30 days before destroying Records of Disposal at any time after the retention period referred to in item A1 of Section 9.

B. County Custody

If Director has reason to believe that Records may be lost, discarded, or destroyed for any reason, Director may require that CONTRACTOR give COUNTY custody of any or all Records. Access to those Records will be granted to any Person duly authorized by CONTRACTOR. CONTRACTOR shall pay for storage cost.

C. Inspection and Review of Records

Upon 5 Service Days' notice by telephone or writing, or a lesser amount of time in the event of extraordinary circumstances, Director and/or its contractor may inspect, review, excerpt, transcribe, and copy all Records at CONTRACTOR'S Office during CONTRACTOR Office Hours. CONTRACTOR shall allow Director or its contractor to use CONTRACTOR's copy machine, provided it does not interfere with CONTRACTOR's operations. CONTRACTOR may maintain Records outside of COUNTY (1) if it promptly provides copies thereof to Director at Director's offices, (2) if Director, in its sole discretion, agrees to travel outside COUNTY and CONTRACTOR pays COUNTY's costs.

In addition to travel costs, COUNTY will bear the expense of the review and of obtaining a copy of Records; however, within 30 days of Director Notice, CONTRACTOR shall reimburse COUNTY for COUNTY'S cost of the expenses for the review if the review reveals a discrepancy of \$2,500 between:

- The amount contained in the Records (e.g., the amount of Solid Waste Collected or Diverted), and
- Any representation or Report that CONTRACTOR made to COUNTY; Franchise Fee or other money paid to COUNTY; County Service Fees paid by COUNTY, or information that CONTRACTOR submitted to Director.

Director will give Notice to CONTRACTOR identifying any discrepancy.

CONTRACTOR shall pay any discrepant shortfall in Franchise Fee or other payments due COUNTY, or excess of Customer or County Service Fees, upon Director demand, including fees and charges for the late payment of Franchise Fees or other payments. Failure to make those payments will constitute a CONTRACTOR Default in accordance with Part 6 of Exhibit 5. In lieu of payment, Director in its sole discretion may (1) deduct that shortfall from amounts that COUNTY owes CONTRACTOR under this CONTRACT, other contracts, or any other obligation, or (2) draw that shortfall from the performance bond, letter of credit, certificate of deposit, or other form of performance assurance provided by CONTRACTOR in accordance with Section 16.

COUNTY will pay any discrepant shortfall in County Service Fees due CONTRACTOR up to COUNTY'S maximum obligation for County Service Fees appropriated by COUNTY for purpose of this CONTRACT.

D. Copies of Audits

If anyone, including Federal or State auditors and auditors or accountants employed by CONTRACTOR or others, conducts an audit of CONTRACTOR specifically regarding this CONTRACT, then within 30 days of the audit report, CONTRACTOR shall file a copy of the audit report with County's Auditor-Controller and notify Director of the filing, unless otherwise provided by Applicable Law.

Subject to Applicable Law, COUNTY shall make a reasonable effort to maintain the confidentiality of such audit report(s)

E. Submission of Records

CONTRACTOR shall submit to Director, without charge to COUNTY or charge to Customers, any Records relating to Diversion requested by Director to assist COUNTY in meeting obligations imposed by Federal, State, and local laws. CONTRACTOR shall submit those Records using COUNTY's Solid Waste Information Management System (SWIMS) forms or similar system as directed by DIRECTOR, or as requested by Director.

F. Public Record Request

1. Exclusive Property

The following become the exclusive property of COUNTY:

- Any Record or other document that CONTRACTOR gives Director, including about the procurement of this CONTRACT (such as proposals);
- Any Record or other document that Director obtains about Director's audit or inspection under this CONTRACT, including books and accounting records.

The above Records or other documents become a matter of public record and shall be regarded as public records, *except* if CONTRACTOR marks them as a "trade secret," "confidential," or "proprietary," they will be deemed excluded from disclosure under Government Code 6250 et seq. (Public Records Act). However, if a requestor seeking records marked "trade secret," "confidential," or "proprietary" does not agree that the records are exempt, then COUNTY will notify the CONTRACTOR that such records will be produced, unless the CONTRACTOR intercedes and files an injunction or other action to legally prevent disclosure.

CONTRACTOR agrees that COUNTY shall not in any way be liable or responsible for the disclosure of any such records including, with limitation, those so marked, if law requires disclosure, or by an order issued by a court of competent jurisdiction.

2. Defend, Indemnify and Hold COUNTY Harmless

CONTRACTOR shall defend, indemnify and hold harmless County from all costs and expenses, including reasonable attorney's fees, in connection with any requested action or liability arising under the Public Records Act, including request for any of the Records or other documents marked "trade secret," "confidential," or "proprietary." CONTRACTOR releases COUNTY from liability or responsibility for disclosing Records or other documents

including those so marked, if Applicable Law require disclosure, including an order issued by a court of competent jurisdiction.

SECTION 10 - REPORTS

A. Types and Content

1. Monthly Data

Within 30 days after the end of each calendar quarter, CONTRACTOR shall complete and submit the data electronically for each individual calendar month. Upon Director request, monthly data shall be submitted as soon as possible. CONTRACTOR shall complete and submit SWIMS Forms C, L, T, and V accessible through SWIMS and e-mail Collection route maps and schedule if any map or schedule has changed during the prior month. See sample in item E of Exhibit 16. CONTRACTOR is to use a similar system as directed by DIRECTOR

Because COUNTY's rate adjustment methodology requires details on the tonnages of Refuse, Recyclables, Organic Waste, and Manure, and the fees per ton associated with the Disposal and Diversion of those materials, that data must be included in the monthly report. If the SWIMS reports do not contain a place for any of that data, it is to be emailed separately.

2. Quarterly Reports

Within 30 days after the end of each calendar quarter, CONTRACTOR shall submit the Quarterly Report for the preceding three calendar months ending with that month to Director using the form provided by Director, which includes the following information:

a. Rejected Recyclables and Organic Waste

Number of loads and tons of materials in Recyclables or Organic Waste loads rejected for Processing together with the reason for rejection and facility at which the rejected materials were Disposed.

b. Educational Materials

A report of educational materials distributed, events held, and any events attended by CONTRACTOR to its Customers.

c. Non-Collection Notices

The number and address of Non-Collection notices issued and the reasons for issuance.

d. Customer List

CONTRACTOR customer service list (a SWIMS form), which includes a list of all current and closed accounts, account numbers, name associated with each account, customer addresses, level of service provided at each address, any surcharges, services provided that are not Contract Services, billing and payment dates, payment received from each Customer, and any other information associated with Task 1 Services as requested by Director.

e. Containers Removed Upon Director Request

(1) Carts or Dumpsters Stored in Right-of-Way

Number and addresses of Containers removed, fees charged, and Containers returned, per item D3e of Exhibit 3A1.

(2) Carts, Dumpsters, or Roll Off Bins Abandoned

Number and addresses of Containers removed, per item C of Exhibit 3A2.

f. Waste Characterizations

Results of any waste characterizations or evaluations performed, per Section 8.

g. Occupants with Inadequate Service

Addresses, existing service levels, and suspected issue.

h. Landfill Vouchers

Serial number and type of solid waste for each landfill voucher that was redeemed during the quarter, as required in item H3 of Exhibit 3A2.

i. Fuel/Power

CONTRACTOR shall maintain and update a monthly vehicle record for all vehicles servicing Director, as required in item C3 of Section 3.

3. Annual Report

On or before each February 28, CONTRACTOR shall submit the Annual Report to Director in a form satisfactory to Director, for the preceding Calendar Year, including the following information:

a. Waste Diversion Program Implementation

A report of CONTRACTOR'S compliance with its Performance Obligations with respect to Waste Diversion Program implementation during the preceding Calendar Year.

b. Subcontractors

An updated list naming all Subcontractors, the amount of Goods or Services that each Subcontractor provides to CONTRACTOR, and a description of CONTRACTOR'S relationships to each Subcontractor (including ownership interests) in accordance with item 9M of Exhibit 5.

c. South Coast Air Quality Management District Rule 1193

Each Vehicle's compliance with South Coast Air Quality Management District Rule 1193, Clean On-Road Residential and Commercial Collection Vehicles, and Diesel Particulate Matter Control Measures (13 California Code of Regulations 202 et seq.).

d. Task 2 Services Information

Information relating to Task 2 Services requested by Director. Provide a summary of the Task 2 Services provided under Exhibit 3A2, consisting of the following:

- Item A - Tons of abandoned waste removed from the public right-of-way (sidewalks, streets, and alleys), including any Hot Zones.
- Item B - Collection made from Public Receptacles.
- Item E - Services provided to Homeless Encampments
- Item F - Any emergency assistance provided
- Item G - Any litter collection provided
- Item H – Number of landfill vouchers provided to COUNTY or redeemed by Occupants or Customers

e. Scavenging

A narrative description of efforts made to deter and prevent unauthorized removal or scavenging of Recyclables.

f. Vehicles

An inventory of Vehicles assigned to the Service Area and information on each Vehicle including its number, fuel type, year, make, model, license plate number, VIN number, assigned route with start and finish points, days of service, type of material collected, and number of accounts being serviced. CONTRACTOR shall update

and submit immediately if any Vehicle, route or information has changed during the prior year.

4. Reports of Violators

If CONTRACTOR discovers that any Person is providing MSW Management Services in the Service Area that are not authorized by Director or are in Violation of Applicable Law, then CONTRACTOR shall promptly e-mail Director with the following:

- The identity and address of the Person ("Violator"), if known;
- The facts and documentation supporting CONTRACTOR'S report; and
- Any other information or documentation about the Violator and CONTRACTOR'S report that Director may reasonably request.

COUNTY acknowledges that CONTRACTOR may seek legal or injunctive relief against the Violator in accordance with Applicable Law to cease providing those MSW Management Services. Notwithstanding the foregoing, COUNTY is not liable to CONTRACTOR, and CONTRACTOR hereby releases COUNTY about any act of a Violator.

B. Submission of Reports

CONTRACTOR shall submit Reports in a format compatible with COUNTY'S computers and shall submit reports using the following methods:

1. Monthly Reports

Submitted electronically by using forms available through COUNTY'S Solid Waste Information Management System (SWIMS) or similar system as directed by DIRECTOR, in accordance with this Section and Section 12.

2. Quarterly Reports and Annual Report

Submitted via e-mail or printed copy, as determined by Director, in accordance with this Section and Section 12.

C. Reporting Adverse Information

CONTRACTOR shall provide Director copies of all reports, pleadings, applications, notifications, and notices of violation, communications or other material directly relating to its Performance Obligations submitted by CONTRACTOR to, or received by CONTRACTOR from Regulatory Agencies, including any of the following:

- The United States or California Environmental Protection Agency;
- CalRecycle;

- The Securities and Exchange Commission;
- Any other Regulatory Agency;
- Any Federal, State, or County court.

CONTRACTOR shall submit copies to Director simultaneously with CONTRACTOR'S submission of those materials to those entities. At Director's request, CONTRACTOR shall promptly make available to Director any other correspondence between CONTRACTOR and those entities.

D. County's Right to Request Information

At Director's request, CONTRACTOR shall promptly provide to Director additional information reasonably and directly pertaining to this CONTRACT (including substantiation of information submitted in Reports).

SECTION 11 - SUBSTITUTE, EMERGENCY AND BACK-UP SERVICE

A. Director's Right to Provide Contract Services

1. Events

COUNTY may provide, or contract with a third party to provide, for the performance of, any or all Customers Services in either of the following events, as determined by Director in its sole discretion:

a. CONTRACTOR Does Not Provide Service for a Period of 48 Hours

- For 48 consecutive hours CONTRACTOR does not Collect and Dispose of any type of Solid Waste for any reason, including Uncontrollable Circumstances, and
- Director determines there is danger to public health, safety, or welfare.

b. COUNTY Suspends or Terminates CONTRACT

County suspends or terminates all or a portion of the CONTRACT.

COUNTY has no obligation to continue providing any or all Contract Services. It may stop providing them at any time, in its sole discretion. However, COUNTY may continue to provide those Contract Services until either of the following occurs:

- CONTRACTOR demonstrates to Director's satisfaction that CONTRACTOR is ready, willing, and able to resume providing timely and full Contract Services, or
- Director can make alternative arrangements for providing MSW Management Services comparable to Contract Services in scope and price. Alternative arrangements may include contracting with another, third-party service provider.

2. Notice

Director may give CONTRACTOR oral notice that Director is exercising its right to perform Task 1 and/or Task 2 Services, which notice is effective immediately, but must confirm oral notice with a written Notice within 24 hours thereafter.

3. Stipulations

CONTRACTOR stipulates that COUNTY'S exercise of rights under this Section does not constitute a taking of private property for which COUNTY must compensate CONTRACTOR, shall not create any liability on the part

of COUNTY to CONTRACTOR, and does not exempt CONTRACTOR from any Indemnities, which Parties acknowledge are intended to extend to circumstances arising under this Section. However, CONTRACTOR is not required to indemnify COUNTY against claims and damages arising from the negligence or misconduct of COUNTY officers and employees (other than employees of CONTRACTOR at the time COUNTY began performing Task 1 and Task 2 Services) and agents driving Vehicles. COUNTY shall indemnify CONTRACTOR, its Affiliates and its and their officers, directors, employees, and agents from and against damages, costs, or other expenses or losses they incur arising out of or relating to that negligence or misconduct.

4. Rental and Other Compensation

a. Uncontrollable Circumstances

If an event enumerated in items A1a or A1b in Section 11 is due to Uncontrollable Circumstances, then COUNTY shall pay CONTRACTOR the Direct Costs for the specific items set forth below.

(1) *Rental Fees*

Rental fees for the use of CONTRACTOR's equipment equal to fair market value thereof as determined by an independent appraiser selected by the Parties.

(2) *Vehicles*

CONTRACTOR'S Direct Costs of providing Vehicles with fuel, oil, and other maintenance.

(3) *Personnel*

CONTRACTOR'S Direct Costs of making CONTRACTOR'S personnel available to COUNTY, including Direct Costs of using CONTRACTOR's personnel to operate CONTRACTOR's equipment or vehicles.

The Parties shall select an appraiser as follows: within ten days after CONTRACTOR requests payment of rental fees in events described in this section, each Party will prepare a separate list of five Persons who do not work for either Party having experience in solid waste equipment appraisal, in numerical order with the first preference at the top, and exchange and compare lists. The Person ranking highest on the two lists by having the lowest total rank order position on the two lists is the appraiser. In case of a tie in scores, the Person having the smallest difference between the rankings of the two

Parties is selected; a coin toss determines other ties. If no Person appears on both lists, this procedure is repeated. If selection is not completed after the exchange of three lists or 60 days, whichever comes first, then each Party will select one Person having the qualifications and experience described above and those two Persons will together select an appraiser.

b. Other Than Uncontrollable Circumstances

If an event enumerated in items A1a or A1b in Section 11 is not due to Uncontrollable Circumstances, then COUNTY will not be obligated to pay the compensation and CONTRACTOR shall pay County's Reimbursement Costs within 10 days of COUNTY'S submitting an invoice therefore. If CONTRACTOR does not so timely pay, COUNTY may draw upon any performance bond, letter of credit, or other security provided under this CONTRACT.

B. Task 1 Customer Services - Response to Emergencies

Depending on the extent and magnitude of an emergency, Customers may encounter issues with making payments and CONTRACTOR may be unable to fulfill all CONTRACT requirements. Upon declaration of a Federal, State or Local emergency, Director may implement the policies below with written Notice regarding Task 1 Customer Services. CONTRACTOR is not required to promote items 1, 2 or 3 to the public.

1. No Stop Service

CONTRACTOR shall not stop service to any account for delinquent payment during an emergency. Not applicable to debt prior to the emergency.

2. No Late Fees

CONTRACTOR shall not charge late fees on bills unpaid amount incurred during the emergency. Not applicable to debt prior to the emergency.

3. Extended Payment Option

CONTRACTOR shall allow Customers up to 12 months after an emergency is declared over to make monthly payments to debt incurred during the emergency without late fees or interest. Not applicable to debt predating the emergency or fees for services after the emergency.

4. Adjustment of Existing Services

Director shall consider implementing changes such as the following and will Notify CONTRACTOR if such changes are implemented:

- **Non-essential services suspended**
 - Annual Cleanup Events delayed
 - Compost/Mulch Giveaways delayed
 - Cart exchanges if they are still usable
- **Bulky Item collection may be delayed up to 3 weeks** from call-in
- **Collection hours are expanded to 6 am to 8 pm**
- **Time required for Customer to remain on hold before speaking to a live customer service representative** may be extended but Director must be notified if the average time exceeds 20 minutes.
- **Weekly collection modified**
 - Biweekly Green Waste
 - Biweekly Recyclables (residents stockpile and compact their containers to fit more)
 - Alternating weeks of Recyclables and Green Waste
 - Comingled trash with Recyclables and/or Green Waste with Refuse

5. Contract Extension

In the event of a declared emergency lasting three months or longer and resulting in implementation of items 1, 2 and 3, COUNTY may extend the CONTRACT Term by the duration equal to that of the duration of the implementation of items 1, 2, and 3. Any extension under this provision requires mutual agreement by both Director and CONTRACTOR.

For example, if a global pandemic is declared a state-wide emergency and Director requested no stoppage of service, no late fees, and an extended payment option, over a period of 12 months, Director would consider extending the Term by 12 months.

6. Adjustment of Franchise Fees

a. Debt Incurred During Emergency

12 months after a Federal, State, or locally declared emergency, COUNTY will match the debt incurred as a result of Customers not paying their bills during an emergency. CONTRACTOR must submit documentation to the satisfaction of the Director. Invoices for future Franchise Fees will be adjusted by Director. For example, if the CONTRACTOR has \$100,000 in unpaid bills 12 months after an emergency, Director will reduce the Franchise Fee invoice by \$50,000. If CONTRACT will terminate prior to the 12 months, Director will consider an alternate timeline.

At any time after the Director has authorized the debt to be deducted from Franchise Fee and CONTRACTOR is able to recover additional

payments from Customers, or former Customers, those recovered funds must be shared equally with COUNTY.

b. Franchise Fee Payment Extension

Director will consider adjusting Franchise Fees during an emergency, extending the deadline to pay an invoice.

C. Backup Service Plan

CONTRACTOR shall implement its Backup Service Plan within seven days of Director request if Customer's Solid Waste is not Collected at Customer's Set-Out Site or Abandoned Waste is not Collected for any reason, including uncontrollable circumstances. Examples of circumstances include CONTRACTOR'S employees on strike or mudslides, wildfires, pandemics, or earthquakes that cause blocked or damaged roads. In the event there is a protracted service disruption due to any cause, CONTRACTOR will institute proactive actions to sustain Solid Waste Collection Services. Since Customers are expecting services that CONTRACTOR is not providing, CONTRACTOR shall propose the appropriate services below for Director approval and must not charge Customer or COUNTY for providing these services, unless specifically noted below.

1. Provide Conveniently Located Dumpsters or Roll-off Containers

CONTRACTOR will place 3 or 4-yard Dumpsters and/or roll-off Containers throughout the community in key locations approved by Director.

2. Offer Self-hauling of Solid Waste to a Facility

CONTRACTOR will use Reasonable Business Efforts to make arrangements with the Solid Waste Disposal Facility normally used by CONTRACTOR for this Contract to allow each Occupant to directly transport and Dispose of their solid waste at said facility, 6 days per week. The CONTRACTOR shall further ensure that the facility only charges the Customer for disposal costs for quantities exceeding 500 pounds and there shall be no minimum quantities.

Additionally, if Director determines the distance to the CONTRACTOR's usual facility is too far from Occupants, CONTRACTOR will arrange for a local facility to allow each Occupant to drop-off the Solid Waste.

3. Inform Customers of Temporary Procedures

CONTRACTOR will use Reasonable Business Efforts to inform Customers and Occupants of the above service and disposal options. CONTRACTOR will provide Customers and Occupants with information on where and how to dispose of the Occupant's Solid Waste by the following means:

- A recording on its customer service line.
- Arrange for the broadcast of COUNTY's 30-second Public Service Announcement video on local cable access channels with CONTRACTOR to customize it to the situation, such as having text appear on the screen announcing date, times, and addresses.
- Contact local print media and produce a press release.
- Contact Customers and Occupants via phone, e-mail, or text messages.
- Post on social media.

4. Credit Policy for Missed Contract Services

a. Missed Curbside Collection

Since Occupant is expecting a Collection Service, CONTRACTOR shall automatically credit Customer for each verifiable missed Collection. This would include when a Customer calls to complain about a missed collection and CONTRACTOR is unable to prove via video recordings and GPS reports that the Collection was made.

For example, if a strike disrupts 2 weeks of the 13 Collections in a quarter, CONTRACTOR must credit Customer 2/13 of that quarter's fee toward the next quarter's fee. If only the Green Waste was missed, then CONTRACTOR would credit the fee associated with only Green Waste Collection and not the entire monthly fee.

b. Other Customer Services

When CONTRACTOR is unable to offer Customer Services other than curbside collection, such as Annual Curbside Cleanup, Mulch/Compost Giveaway events, or other required services, CONTRACTOR shall provide evidence of cost associated with those services and offer alternate services acceptable to Director.

5. Provide Replacement Drivers and Security

CONTRACTOR shall use Reasonable Business Efforts to require all properly trained and licensed employees to operate Collection Vehicles to maintain core Disposal and Diversion services. As described in the above paragraphs, CONTRACTOR shall be properly staffed to offer temporary drop-off locations for Occupants. In addition to CONTRACTOR staff, CONTRACTOR shall use drivers or Vehicles from other operations and other waste haulers.

Finally, in cases of a strike, CONTRACTOR shall work closely with a private security firm to guarantee a safe and consistent operation for any Occupant that is dropping off their waste.

6. Identify Customers Requiring Priority Service

CONTRACTOR shall contact the elderly and disabled Occupants with Roll-out Service and shall use Reasonable Business Efforts to Collect putrescible Solid Waste from their residence.

D. Use of Goods, Services and Property

1. Cart Acquisition Contracts

CONTRACTOR acknowledges that COUNTY must have full use and possession of Carts to secure its rights under this Contract, including both the following:

- Providing substitute service in accordance with its remedies under Part 6 of Exhibit 5 for Breach or default, and
- Purchasing Carts upon termination of this Contract.

Therefore, if CONTRACTOR does not own Carts outright without encumbrance, any Cart Acquisition Contract must allow the Guarantor, COUNTY or COUNTY designee to do all the following:

- Assume CONTRACTOR's obligations under the Cart Acquisition Contract,
- Take use and possession of the Carts, and
- Obtain the benefits of any outstanding Cart warranties.

“**Cart Acquisition Contract**” means an instrument establishing a security interest in the Carts or that otherwise encumbers or limits CONTRACTOR's interest in Carts, including any of the following:

- Lease or lease-purchase agreement,
- Installment sales or other financing contract, or
- Note or other loan documentation.

2. Inventory

CONTRACTOR shall store unused Carts in a secure location. CONTRACTOR shall update its Cart inventory at both following times:

- In each Monthly Report and Annual Report, and
- Within one week of COUNTY request

3. Insurance

If COUNTY or Customers have possession and use of Goods, Services and Property, CONTRACTOR shall execute whatever documentation its liability insurers require to ensure that COUNTY and Customers are protected and covered by CONTRACTOR's general and automobile policies, including requesting and executing endorsements to those policies. CONTRACTOR is not obligated to pay any additional cost of those endorsements unless COUNTY reimburses CONTRACTOR for those costs. COUNTY may pay for any endorsements, additional premiums or other costs. CONTRACTOR authorizes COUNTY to call and confer with CONTRACTOR's insurance broker to determine what, if any, documentation or actions are necessary to achieve protection satisfactory to COUNTY. Upon COUNTY REQUEST, CONTRACTOR shall direct its insurance broker to cooperate with and take direction from COUNTY. CONTRACTOR may not rescind that authorization without COUNTY consent.

4. Vehicle Certification for FEMA

CONTRACTOR shall cooperate with COUNTY to certify all Vehicles to be used for emergency work. CONTRACTOR shall not use non-certified Vehicles unless approved by Director.

SECTION 12 - ENFORCEMENT OF CONTRACT

A. As Provided by Law

Either Party may avail itself of any remedy available under law.

B. COUNTY'S Additional Remedies

Without limiting COUNTY'S remedies otherwise available under this CONTRACT in law or equity, at its option, COUNTY may enforce a Breach in any or all the following ways:

- Execute alternative CONTRACTs for MSW Management Services in the event of CONTRACTOR Default
- Seek to obtain injunctive relief and/or damages
- Assess damages under item D of this Exhibit
- With respect to a CONTRACTOR Default under Part 6B3 of Exhibit 5 (Failure to Provide Insurance, Bonds), immediately withhold payments due CONTRACTOR
- Draw on Performance Assurance / Letter of Credit under Section 15

C. Injunctive Relief

CONTRACTOR acknowledges that COUNTY'S remedy of damages for a Breach may be inadequate for reasons including the following:

- The urgency of timely, continuous, and high-quality Task 1 and Task 2 Services, including Collection, transportation, and/or transfer for Disposal of wastes which constitute a threat to public health;
- The long time and significant commitment of money and personnel and elected officials (both COUNTY staff and private consultants, including engineers, procurement counsel, citizens, public agency colleagues, and elected County officials) invested in this CONTRACT, including developing COUNTY'S Option Analysis dated February 2001 and implementing its recommendations through numerous meetings of a Working Group comprised of Solid Waste industry representatives from small and large businesses, requesting and evaluating qualifications and proposals for this CONTRACT (including CONTRACTOR'S), reviewing and commenting on documentation submitted by CONTRACTOR in conjunction with execution of this CONTRACT, and review of CONTRACTOR Documentation;
- The time and investment of personnel and elected officials described in the preceding paragraph to develop alternative Solid Waste services comparable to Task 1 and Task 2 Services for the price provided under this CONTRACT, and to negotiate new contracts therefore; and

- COUNTY'S reliance on CONTRACTOR'S technical Solid Waste management expertise.

Consequently, COUNTY is entitled to all available equitable remedies, including injunctive relief.

D. Recovery of Damages

1. Compensatory

COUNTY may seek compensatory damages, including, but not limited to the following:

- Amounts equal to any Franchise Fees, liquidated damages, or other amounts that CONTRACTOR has previously paid to COUNTY but are subsequently recovered from COUNTY by a trustee in bankruptcy as preferential payments or otherwise;
- If COUNTY terminates this CONTRACT for a CONTRACTOR Default or in the event of Criminal Activity in accordance with Part 6D2a of Exhibit 5, costs incurred by COUNTY to provide or reprocur MSW Management Services in lieu of Task 1 and Task 2 Services;
- If COUNTY terminates this CONTRACT before expiration for a CONTRACTOR Default or in the event of Criminal Activity in accordance with Part 6D2a of Exhibit 5, costs of MSW Management Services provided or reprocured in lieu of Task 1 and Task 2 services more than Customer Service Fees/County Service Fees for the balance of the Term remaining if this CONTRACT had not been terminated; and
- In the event of CONTRACTOR DEFAULT under Part 6B3 of Exhibit 5 (Failure to Provide Insurance, Bond), in COUNTY'S sole discretion, obtain damages resulting from that DEFAULT.

COUNTY may draw upon the performance bond, letter of credit, certificate of deposit, or other form of performance assurance provided by CONTRACTOR in accordance with Section 15 to pay compensatory damages.

For CONTRACTOR'S misrepresentation regarding contingent fees in Attachment 5-9H, in addition to terminating this CONTRACT, COUNTY may recover from CONTRACTOR the full amount of the proscribed commission, percentage, brokerage, or contingent fee.

2. Liquidated Damages

COUNTY may seek liquidated damages listed in Attachment 12-D2.

The Parties have set these liquidated damages in recognition of the following circumstances existing at the time of the formation of this CONTRACT:

- a.** COUNTY incurred considerable time and expense procuring this CONTRACT to secure an improved level of Collection quality and increased Customer and Occupant satisfaction. Therefore, consistent and reliable Task 1 and Task 2 Services are of the utmost importance to COUNTY and Customers and Occupants.
- b.** COUNTY has considered and relied on CONTRACTOR'S representations as to its quality of service commitment in entering into this CONTRACT, and CONTRACTOR'S Breach represents a loss of bargain to COUNTY. CONTRACTOR is experienced in providing services like Task 1 and Task 2 Services.
- c.** Quantified standards of performance are necessary and appropriate to ensure quality, consistent, and reliable Collection, and if CONTRACTOR fails to meet its Performance Obligations, COUNTY will suffer damages (including its Customers and Occupants' inconvenience; anxiety, frustration, criticism, and complaint by Customers and Occupants; lost staff time; deprivation of the benefits of this CONTRACT and loss of bargain) in subjective ways and in varying degrees of intensity that are incapable of measurement in precise monetary terms, and that it is and will be impracticable and extremely difficult to ascertain and determine the value thereof. It would be difficult for COUNTY to prove its loss resulting from CONTRACTOR'S Breaches and nonperformance or untimely, negligent, or inadequate performance of County Services. Additionally, it is difficult to predict the impact of damages as they are applied to events such as a large number of Customers or a long leak from a truck, which may result in an unreasonable assessment of damages. Therefore, COUNTY may be willing to negotiate a final damage amount, payment schedule, or alternate method of compensation such as services in lieu of a cash payment. Director has the final say in the assessment of damages. Failure to pay liquidated damages is considered a breach of CONTRACT.
- d.** The CONTRACT contains a reasonable statement of Task 1 and Task 2 Services in order that the Parties will realize their expectations. COUNTY expects that CONTRACTOR shall perform Task 1 and Task 2 Services with due care in a workmanlike, competent, timely, and cost-efficient manner. CONTRACTOR expects to realize a profit by performing Task 1 and Task 2 Services

in accordance with the terms and conditions of the CONTRACT for County Service Fees.

- e.** In addition, in the event of Breach or CONTRACTOR Default, urgency of protecting public health and safety may necessitate that COUNTY enter into emergency or short-term arrangements for services without competitive procurement at prices substantially greater than under this CONTRACT, and the monetary loss resulting there from is impossible to precisely quantify. Time is of the essence.
- f.** The CONTRACTOR accepts COUNTY'S assessment of liquidated damages for certain Breaches as part of the consideration CONTRACTOR offers to COUNTY for the award of this CONTRACT to CONTRACTOR.
- g.** Lastly, termination of this CONTRACT for CONTRACTOR Default and other remedies provided in this CONTRACT are, at best, a means of future correction and not remedies that make COUNTY whole for past Breaches and CONTRACTOR Defaults.

Therefore, the Parties agree that the liquidated damages listed in Exhibit 12-D2 represent a reasonable estimate and fair approximation of the amount of damages COUNTY would incur as a consequence of CONTRACTOR'S Breach corresponding to each item of specified liquidated damages, considering all the circumstances existing on the date of this CONTRACT, including the relationship of the sums to the range of harm to COUNTY that reasonably could be anticipated and anticipation that proof of actual damages would be costly or inconvenient.

In signing this CONTRACT, each Party specifically confirms the following:

- The accuracy of the statements made above, and
- The fact that each Party had many opportunities to consult with legal counsel and obtain an explanation of this liquidated damage provision at the time that this CONTRACT was made.

E. County's Reimbursement Costs

CONTRACTOR shall pay COUNTY promptly upon request, COUNTY'S Reimbursement Costs of conducting a nonroutine investigation of any alleged Breach, when appropriate in judgment of Director. CONTRACTOR shall reimburse COUNTY for COUNTY'S Reimbursement Costs incurred because of CONTRACTOR'S Breach, including failure to maintain insurance.

F. Waiver

No waiver by County of any Breach of any provision of this CONTRACT constitutes a waiver of any other Breach of that provision. Failure of COUNTY to enforce at any time, or from time to time, any provision of this CONTRACT will not be construed as a waiver thereof. The rights and remedies set forth in this item F are exclusive and are in addition to any other rights and remedies provided by law or under this CONTRACT.

SECTION 13 - UNPERMITTED WASTE SCREENING AND REPORTING (Contract Services)

A. Protocol

CONTRACTOR shall develop and implement the Unpermitted Waste Screening Protocol in compliance with Applicable Law and including the following provisions:

- Ongoing employee training in identification, safety and notification procedures, including leaving Non-Collection notices, when safe;
- Means of driver inspection, such as visual inspection during tipping of Carts into Vehicles;
- Immediate driver response, such as load segregation;
- Driver notification, such as calling CONTRACTOR'S dispatcher or field supervisor;
- Notification of appropriate local agency or department;
- Appropriate action, such as segregation and containerization for manifesting and transport for disposal in accordance with Applicable Law or securing services of permitted handling and transport company;
- Compliance with Applicable Law, including regulations of the United States Department of Transportation (DOT) (Title 49 CFR) and of the United States Environmental Protection Agency (Title 40 CFR); and
- Labels on Containers, described in item D of this Section.

B. Prohibition on Collection

CONTRACTOR shall not Collect any Unpermitted Waste that it finds in Refuse, Recyclables, or Organic Waste unless it is licensed under Applicable Law, except as otherwise required in CONTRACT such as with the Collection of refrigerators and air conditioners as part of the Bulky Item program in item B of Exhibit 3A3 and as defined as a Bulky Item in Attachment 5-10A. If CONTRACTOR finds Unpermitted Waste it shall notify all Persons in compliance with Applicable Law.

C. Notice to Director

If CONTRACTOR sees anything that it reasonably believes or suspects may be Unpermitted Waste on any public property in COUNTY, CONTRACTOR shall immediately notify Director and all Persons in compliance with Applicable Law. Public property includes storm drains, streets, and other public rights of way.

D. Labels

CONTRACTOR shall conspicuously label Containers with embossing or other secure means prohibiting Customers from discarding Unpermitted Waste. CONTRACTOR shall submit the label and text for Director approval prior to placing any purchase order for Containers. Item D9 of Exhibit 3A1 contains additional Container requirements.

SECTION 14 - EXECUTION OF CONTRACT

A. Execution in Counterparts

This CONTRACT, including dated signatures on amended Exhibits and attachments to those Exhibits, may be signed by the parties hereto in any number of original separate counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic signatures. Electronic signatures include facsimile or email electronic signatures. Each executed counterpart shall be deemed an original. All counterparts, taken together, constitute the executed CONTRACT.

The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, used in connection with the execution of this CONTRACT and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this CONTRACT had been delivered had been signed using a handwritten signature. CONTRACTOR and COUNTY (i) agree that an electronic signature, whether digital or encrypted, of a party to this CONTRACT is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intend to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this CONTRACT based on the foregoing forms of signature. If this CONTRACT has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

B. Authority to Execute

COUNTY warrants that the individual signing this CONTRACT has been duly authorized by COUNTY to sign this CONTRACT on behalf of COUNTY and has the full right, power, and authority to bind COUNTY to this CONTRACT. CONTRACTOR warrants that the individual signing this CONTRACT below has been duly authorized by CONTRACTOR to sign this CONTRACT on behalf of CONTRACTOR and has the full right, power, and authority to bind CONTRACTOR to this CONTRACT.

SECTION 15 - PERFORMANCE ASSURANCE

A. Performance Bonds, Other Security

CONTRACTOR shall secure and maintain throughout the Term and until CONTRACTOR has complied with all its obligations that survive the Expiration Date a faithful performance bond, approved by COUNTY. The performance bond must be in a form satisfactory to COUNTY or, at COUNTY'S sole and absolute discretion, any alternative security acceptable to Director, including cash, certified check payable to COUNTY, certificate of deposit, or letter of credit (together, "**Performance Assurance**").

The Performance Assurance secures full and timely satisfaction of Performance Obligations for both Task 1 and Task 2 services.

CONTRACTOR shall provide a Performance Assurance for the period beginning on the Execution Date and ending on the last day of the first Contract Year in the amount listed as calculated and listed below.

- 15 percent of previous contractor's Gross Receipts from Task 1 Services minus any Franchise Fees for the last 12 months of the prior contract;
- + 15 percent of previous contractor's Gross Receipts from Task 2 Services for the last 12 months of the prior contract;
- + 110 percent of any Franchise Fees paid by previous contractor during the last 12 months of the prior contract;
- + 110 percent of any liquidated damages assessed to CONTRACTOR by COUNTY during the last 12 months of any contracts with COUNTY;
- + \$100,000;
- = SUM OF PERFORMANCE ASSURANCE (\$150,000 MINIMUM)

Service Area	Amount of Performance Assurance
Bassett/Valinda/San Jose Hills/West Puente Valley Charter Oak/Covina La Crescenta/Montrose Rowland Heights/South Diamond Bar South San Gabriel/Whittier Narrows South & West Whittier/East La Mirada/Los Nietos/Sunshine Acres	[Amount]

For the second Contract Year, and in all subsequent Contract Years, the performance assurance amount must be not less than the sum of below. At the time of this calculation, Director shall use the prior 12 whole months of available data. If for the second Contract Year, 12 months of data are not available, the available data shall be prorated over 12 months. For example, a calculation performed on October 10 may use August 1 of the prior year through July 31 of

the current year, because data for August and September of the current year were not available.

- 15 percent of CONTRACTOR'S Gross Receipts from Task 1 Services minus any Franchise Fees during the prior 12 months;
- + 15 percent of CONTRACTOR'S Gross Receipts from Task 2 Services for during the prior 12 months;
- + 110 percent of any Franchise Fees paid by CONTRACTOR during the prior 12 months;
- + 110 percent of any liquidated damages assessed CONTRACTOR by COUNTY during the prior 12 months; and
- + Up to \$100,000, at the discretion of Director;
- = SUM OF PERFORMANCE ASSURANCE (\$100,000 MINIMUM)

A performance bond must be payable to COUNTY and executed by a corporate surety licensed to transact business (admitted) as a surety in the State of California. The corporate surety must have an A.M. Best Rating of not less than A:VII, unless otherwise approved by Director. The form of performance bond may not allow the bond surety to substitute another Person to perform Task 1 and Task 2 services but must provide for payment of moneys to COUNTY to; (1) secure substitute Task 1 and Task 2 services; (2) remedy damages incurred by COUNTY, including reasonable expenses, attorney's fees, liquidated and compensatory damages, and expenses related to the solicitation process for a new contract; (3) ensure satisfaction of all Performance Obligations, including payment of any Franchise Fees; and, (4) repay any money recovered from COUNTY in any bankruptcy or similar proceedings relating to CONTRACTOR. The performance bond must be conditioned on faithful performance by CONTRACTOR of all the terms and conditions of this CONTRACT, including payment of Franchise Fees and any liquidated damages.

Each Performance Assurance must be renewed to provide for continuing liability in the above amount notwithstanding any payment or recovery thereon. At least 30 days prior to the Execution Date and 30 days prior to any renewal of the Performance Assurance, CONTRACTOR shall deliver the Performance Assurance to Director.

Director may verify the accuracy and authenticity of the Performance Assurance submitted.

B. Further Assurances

In addition to all other rights and remedies it may have, within five days of County request CONTRACTOR will provide reasonable assurances that it can timely and fully meet its obligations under this CONTRACT in any or all of in the following events:

1. Labor

CONTRACTOR is the subject of any labor unrest (including work stoppage or slowdown, sick-out, picketing and other concerted job actions).

2. Tipping Fees

CONTRACTOR does not pay an Identified Solid Waste Facility for services.

3. Employee Wages

CONTRACTOR does not pay wages to its employees, provide workers' compensation insurance required by law, or pays employment-related taxes or fees.

4. County

CONTRACTOR does not pay COUNTY any amount that COUNTY has charged CONTRACTOR.

5. Meet Obligation

In the COUNTY's judgment, the occurrence of either of the following events jeopardizes CONTRACTOR's ability to timely and fully meet its obligations under this CONTRACT:

- CONTRACTOR does not regularly pay its bills when due, or
- The entering of any judgment against CONTRACTOR or any Guarantor with respect to Criminal Conduct by CONTRACTOR or Guarantor.

“Assurance of Performance” means any or all of the following actions, as COUNTY requests:

- Reduction or elimination of insurance deductibles or self-insured retention,
- Providing or increasing the size of a letter of credit, or
- Providing an additional performance bond, certificate of deposit or other instrument.

SECTION 16 - CONTRACT SERVICE AREA INFORMATION

CONTRACTOR is to use and follow the information below provided by Director. Not every Service Area has a sample of every item as it may not be applicable. For example, East Los Angeles has no history of bears opening Refuse Containers so a Bear Map will not be included. Many of the required documents in Exhibit 17 will have a sample listed below.

A. Maps

1. Service Area and Collection Schedule
2. Hot Zones
3. Difficult to Service
4. Bear Zone
5. Alleys
6. Public Receptacles
7. Roll-Out Minimum Service

B. Sample Graphics

1. Cart Lid Labels
2. Dumpster Labels
3. Vehicle Billboards

C. Data

1. Street and Alley Miles
2. Difficult to Service Addresses
3. Public Receptacles Locations
4. Roll-Out Minimum Service Locations
5. Customer Information
 - Number of Customers
 - Number of Containers of each Size
 - Number of Senior Discounts
 - Number of Extra Services (Manure, Bear Cart, Roll-Out, etc.)
 - Number of Extra Containers
6. Tonnages

D. Outreach

1. COUNTY and CONTRACTOR Letters
2. Non-Collection Notice
3. Customer Terms and Conditions
4. Service Brochure
 - a. *Residential*
 - b. *Multi-Family*
5. Rate Sheet

E. SWIMS

1. Form C
2. Form L
3. Form T
4. Form V Vehicle List

SECTION 17 - CONTRACTOR DOCUMENTATION (Contract Services)

A. CONTRACTOR'S Compliance with CONTRACTOR Documentation

CONTRACTOR shall provide Task 1 and Task 2 Services in compliance with the CONTRACTOR Documentation attached as Exhibit 17.

B. Changes in CONTRACTOR Documentation

1. Notice to Director

CONTRACTOR shall give Director prompt Notice of any changes in CONTRACTOR Documentation listed in item A of Exhibit 17 CONTRACTOR Documentation, after the Execution Date. CONTRACTOR shall follow Notice procedure in Part 9F of Exhibit 5. Director's receipt of those changes will be evidenced by the following acknowledgment, appended in substantially this form to the changed CONTRACTOR Documentation:

From: Director Designee
Sent: Tuesday, May 09, 2017 4:55 PM
To: waste hauler
Cc: Business Relations and Contracts Division
Subject: Service Area Name - Acknowledgement of Notice

Acknowledgment: CONTRACTOR has submitted the attached CONTRACTOR Documentation.

Director Designee
Senior Civil Engineer
Los Angeles County Public Works
Office: 626-458-3573

2. Director Consent.

CONTRACTOR shall submit to Director for review and consent any changes in CONTRACTOR Documentation listed in item B of Exhibit 17 CONTRACTOR Documentation, after the Execution Date. CONTRACTOR shall follow Notice procedure in Part 9F of Exhibit 5. Director's approval will be evidenced by the following acknowledgment, appended in substantially the following form to the changed CONTRACTOR Documentation:

From: Director Designee
Sent: Tuesday, May 09, 2017 4:55 PM
To: waste hauler
Cc: Business Relations and Contracts Division
Subject: Service Area Name - Acknowledgement of Consent

Acknowledgment: I have reviewed and approved the attached CONTRACTOR Documentation

Director Designee
Senior Civil Engineer
Los Angeles County Public Works
Office: 626-458-3573

SECTION 18 - ADVERTISING AND OTHER EXTERNAL COMMUNICATIONS ABOUT THE CONTRACT

Contractor shall obtain the County's prior written approval before disclosing or communicating any information concerning the award of the contract, the progress of the work, or the completion of the work, to any non-party, including but not limited to outside media and news organizations. This requirement includes, but is not limited to: (1) a Contractor's, application for an award or any other recognition of the Contract; and (2) any advertising or promotion of the Contract and/or the Contractor's role on the project. The County retains the sole discretion as to the release of such information, including the right to deny the request for disclosure, the right to direct the timing of the disclosure, and/or the right to direct Contractor to make revisions to the information prior to disclosure.

IN WITNESS WHEREOF, COUNTY has by order of its Board of Supervisors caused this CONTRACT to be signed by Director, and CONTRACTOR has caused this CONTRACT to be signed by its duly authorized officers, as of the date first written above.

COUNTY OF LOS ANGELES

By _____
Director of Public Works

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By _____
Deputy

CONTRACTOR

By _____
President

Type or Print Name

Secretary

Type or Print Name

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PROPOSER'S UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR EXCLUSIVE FRANCHISE CONTRACTS FOR THE AREAS OF BASSETT/VALINDA/SAN JOSE HILLS/WEST PUENTE VALLEY, CHARTER OAK/COVINA, LA CRESCENTA/MONTROSE, ROWLAND HEIGHTS/SOUTH DIAMOND BAR, SOUTH SAN GABRIEL/WHITTIER NARROWS, AND SOUTH & WEST WHITTIER/EAST LA MIRADA/LOS NIETOS/SUNSHINE ACRES

SELECTED FIRMS

	Proposer Name (Prime with subcontractors* listed below) *only subcontractors with Utilization Participation are listed.	Local Small Business Enterprise (LSBE)	Small Business Enterprise (SBE)	Minority	Women-Owned	Disadvantaged Business	Disabled Veteran Business Enterprise	Social Enterprise	Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning-Owned Business
1	Arakelian Enterprises, Inc. dba Athens Services	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Platinum Rigs & Solutions, Inc.	✓	N/A	✓	✓	N/A	N/A	N/A	N/A
2	Burrtec Waste Industries, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Valley Vista Services, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Ware Disposal, Inc.	N/A	N/A	N/A	✓	N/A	N/A	N/A	N/A

*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.

NON-SELECTED FIRMS

	Proposer Name (Prime with subcontractors* listed below) *only subcontractors with Utilization Participation are listed.	Local Small Business Enterprise (LSBE)	Small Business Enterprise (SBE)	Minority	Women-Owned	Disadvantaged Business	Disabled Veteran Business Enterprise	Social Enterprise	Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning-Owned Business
1	American Reclamation, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	Universal Waste Systems, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.

PROPOSER'S UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR EXCLUSIVE FRANCHISE CONTRACTS FOR THE AREAS OF BASSETT/VALINDA/SAN JOSE HILLS/WEST PUENTE VALLEY, CHARTER OAK/COVINA, LA CRESCENTA/MONTROSE, ROWLAND HEIGHTS/SOUTH DIAMOND BAR, SOUTH SAN GABRIEL/WHITTIER NARROWS, AND SOUTH & WEST WHITTIER/EAST LA MIRADA/LOS NIETOS/SUNSHINE ACRES

FIRM INFORMATION*	American Reclamation, Inc.	Arakelian Enterprises, Inc. dba Athens Services	Burrtec Waste Industries, Inc.	Universal Waste Systems, Inc.	Valley Vista Services, Inc.	Ware Disposal, Inc.
BUSINESS STRUCTURE	Corporation	Corporation	Corporation	Corporation	Corporation	Corporation
CULTURAL/ETHNIC COMPOSITION	NUMBER/% OF OWNERSHIP					
OWNERS/PARTNERS	Black/African American	0	0	0	0	0
	Hispanic/Latino	0	0	0	0	4
	Asian or Pacific Islander	0	0	0	0	0
	Native American	0	0	0	0	0
	Subcontinent Asian	0	0	0	0	0
	White	1	5	2	6	0
	TOTAL	1	5	2	6	4
	<i>Female (included above)</i>	0/0%	1/1%	1/50%	2/33%	0/0%
COUNTY CERTIFICATION						
CBE	N	N	N	N	N	N
LSBE	N	N	N	N	N	N
OTHER CERTIFYING AGENCY	N/A	N/A	N/A	N/A	N/A	Women's Business Enterprise National West Council

*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.



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+ Solicitation Detail

Solicitation Number:	BRC0000448		
Title:	Exclusive Franchise Contracts for the Areas of Bassett/Charter Oak/La Crescenta/Rowland Heights/South San Gabriel/South and West Whittier		
Department:	Public Works		
Bid Type:	Service	Bid Amount:	\$24,782,000.00
Commodity:	GARBAGE/TRASH REMOVAL AND DISPOSAL SERVICE		

Description:

PLEASE TAKE NOTICE that Public Works requests proposals for the Exclusive Franchise Contracts for the Areas of Bassett/Valinda/San Jose Hills/West Puente Valley, Charter Oak/Covina, La Crescenta/Montrose, Rowland Heights/South Diamond Bar, South San Gabriel/Whittier Narrows, and South & West Whittier/East La Mirada/Los Nietos/Sunshine Acres (BRC0000448). Public Works may award up to a total of six contracts for the areas indicated in the chart below. Each area will be evaluated and awarded separately. These contracts have been designed to have the corresponding contract terms as indicated in the chart below.

Franchise Areas Estimated Franchise Annual Revenues From Task 1 Estimated Annual Task 2 Amount Estimated Total Annual Contract Amount

1 Bassett/Valinda/San Jose Hills/West Puente Valley	\$5,000,000	\$102,000	\$5,102,000
2 Charter Oak/Covina	\$2,700,000	\$42,000	\$2,742,000
3 La Crescenta/Montrose	\$2,000,000	\$216,000	\$2,216,000
4 Rowland Heights/South Diamond Bar	\$4,400,000	\$69,000	\$4,469,000
5 South San Gabriel/Whittier Narrows	\$780,000	\$83,000	\$863,000
6 South & West Whittier/East La Mirada/Los Nietos/Sunshine Acres	\$8,900,000	\$490,000	\$9,390,000

Contract Terms:

Franchise Areas Contract Start Date Term Option Renewals

1 Bassett/Valinda/San Jose Hills/West Puente Valley	10/1/2025	4 years	None
2 Charter Oak/Covina	11/1/2025	4 years	None
3 La Crescenta/Montrose	4/1/2025	6 years	One 2-year option renewal
4 Rowland Heights/South Diamond Bar	7/1/2025	7 years	None
5 South San Gabriel/Whittier Narrows	7/1/2025	4 years	None
6 South & West Whittier/East La Mirada/Los Nietos/Sunshine Acres	4/1/2025	7 years	Two 2-year option renewal

The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be accessed at <http://pw.lacounty.gov/brcd/servicecontracts> or may be requested from Messrs. David Pang at (626) 458-7167 or dpang@pw.lacounty.gov, or Danny Medina at (626) 458-4080 or dmedina@pw.lacounty.gov, Monday through Thursday, 7 a.m. to 5 p.m.

The deadline to submit proposals is Monday, July 22, 2024, at 5:30 p.m. Please direct your questions to Messrs. David Pang at (626) 458-7167 or dpang@pw.lacounty.gov, or Danny Medina at (626) 458-4080 or dmedina@pw.lacounty.gov, Monday through Thursday, 7 a.m. to 5 p.m.

See below for all deadlines relating to this solicitation. Be advised, any changes to the due dates listed herein will only be made by Public Works, in writing in the form of an Informational Update or Addendum to the solicitation.

An optional proposers' conference will be held on Tuesday, July 9, 2024 at 10 a.m. via Microsoft Teams Meeting Online Events. To participate, the proposers will need to sign-in using the electronic sign-in sheet through the website listed below. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. It is the proposers' sole responsibility to do their due diligence to visit and familiarize themselves with the work locations and their requirements before submitting their proposal. After the conference, proposers must submit questions in writing and request information for this solicitation by Monday, July 15, 2024, by 5:30p.m.

Item Solicitation Schedule Due Date (by 5:30 p.m.)

1. Written Questions Due Monday, July 15, 2024

2. Form PW-3: Jury Service Exemption Tuesday, July 2, 2024

3. Form PW-11 Solicitation Requirements Review (SRR) Request

Submit only if you believe your firm is being unfairly disadvantaged per the 4 reasons cited in Form PW-11

Tuesday, July 2, 2024

4. Proposal Submission Due Monday, July 22, 2024

NOTE: Items 1 through 3 above, if submitting, will be due via email to Messrs. Pang or Medina. Item 4 is due from all proposers in accordance with the Important Notice below.

PLEASE CHECK THE WEBSITE FREQUENTLY FOR ANY CHANGES TO THIS SOLICITATION. ALL ADDENDA AND INFORMATIONAL UPDATES WILL BE POSTED AT <http://pw.lacounty.gov/brcd/servicecontracts>.

"Do Business with Public Works" Website Registration

All interested proposers for this RFP are strongly encouraged to register at <http://pw.lacounty.gov/general/contracts/opportunities>. Only those firms registered for this RFP through the website will receive automatic notification when any update to this RFP is made. The County does not have an obligation to notify any proposers other than through the Public Works website's automatic notification system.

Minimum Mandatory Requirements: At the time of proposal submission, proposers must meet all minimum requirements set forth in the RFP documents including, but not limited to:

1. Proposer must have a minimum of 3 years of experience within the United States collecting and managing refuse, recyclable materials, and green waste from single-family and multifamily residences. Additionally, a proposer that is a Joint Venture must either meet the 3 years of experience requirement while operating as a Joint Venture within the United States or the portion of the Joint Venture that is to perform the physical services, reporting, and record keeping required in this contract must meet the experience requirement indicated above. This information must be identified in the proposal and must be included in Form PW 14, Proposer's Compliance with the Minimum Mandatory Requirements of the RFP.
2. Proposer must possess the required valid Waste Collector Permit naming the proposer as the permittee or a copy of the application for a Waste Collector Permit naming the proposer as the permittee issued by the County of Los Angeles Department of Public Health at the time of proposal submission. This information must be identified in the proposal and must be included in Form PW-14, Proposer's Compliance with the Minimum Mandatory Requirements of the RFP. Additionally, if a proposer is a Joint Venture, either the Joint Venture itself or the portion of the Joint Venture that is to perform the physical services, reporting, and record keeping required in this contract must possess the required valid Waste Collector Permit.
3. Proposer must also submit a Proposal Guaranty as outlined in Part I, Section 3.A.16, Proposal Guaranty. This information must be identified in the proposal and must be included in Form PW-14, Proposer's Compliance with the Minimum Mandatory Requirements of the RFP. A separate proposal guaranty must be submitted for each area that the proposer is submitting a proposal for.
4. Proposer has submitted documentation demonstrating its good faith efforts to meet the County's CBE Program goal in accordance with Section 2.X, Community Business Enterprise Participation. If the proposer has not identified subcontractors for this contract, proposer must demonstrate its compliance with good faith efforts to meet the County's CBE Program goal in accordance with Section 2.X, Community Business Enterprise Participation, when subcontractors have been identified for use on the contract. Please refer to Form PW-14 for further clarification.

PLEASE NOTE THAT PROPOSERS ARE RESPONSIBLE FOR INDEPENDENTLY INVESTIGATING SERVICE CONDITIONS IN THE SERVICE AREAS PRIOR TO PROPOSAL SUBMISSION.

IMPORTANT NOTICE

Submission of Proposals will only be accepted electronically using BidExpress or electronic Proposals via Universal Serial Bus (USB) or compact disk to:

Los Angeles County Public Works Cashier's Office
900 South Fremont Avenue, Mezzanine Level
Alhambra, CA 91803
Attention: Mr. David Pang

RFP Name: Exclusive Franchise Contracts for the Areas of Bassett/Valinda/San Jose

Hills/West Puente Valley, Charter Oak/Covina, La Crescenta/Montrose, Rowland Heights/South Diamond Bar, South San Gabriel/Whittier Narrows, and South & West Whittier/East La Mirada/Los Nietos/Sunshine Acres
RFP NUMBER: BRC0000448

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Open Day:	6/18/2024	Close Date:	7/22/2024 5:30:00 PM
Contact Name:	David Pang	Contact Phone:	(626) 458-7167
Contact Email:	dpang@dpw.lacounty.gov		
Last Changed On:	6/18/2024 9:07:31 AM		
Attachment File (0):	+ Click here to download attachment files.		



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SOLE SOURCE CHECKLIST

Department Name: _____

New Sole Source Contract

Existing Sole Source Contract Date Sole Source Contract Approved: _____

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS Identify applicable justification and provide documentation for each checked item.
	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>“Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist.”</i>
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
	➤ Services provided by other public or County-related entities.
	➤ Services are needed to address an emergent or related time-sensitive need.
	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/ system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

_____ Chief Executive Office

_____ Date