

RESOLUTION NO. 2022-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, CONSENTING TO THE ASSIGNMENT (TRANSFER) OF A SOLID WASTE COLLECTION SERVICES FRANCHISE AGREEMENT BETWEEN THE CITY OF LOMITA AND CALMET SERVICES, INC. TO ATHENS SERVICES

Section 1. Recitals.

1. CalMet Services, Inc. ("CalMet") currently provides the City of Lomita with solid waste, recycling collection and disposal services pursuant to the Franchise Agreement for Solid Waste Collection Services ("Franchise Agreement") dated June 18, 2019;
2. Pursuant to Lomita Municipal Code §5-3.010, the City may grant exclusive franchise agreements for solid waste collection within the City;
3. On December 9, 2021, Arakelian Enterprises, Inc. dba Athens Services ("Athens") provided notice that it plans to acquire assets of CalMet, including its solid waste and recycling collection services ("Transaction"), and requested that the City consent to the Transaction no later than January 7, 2022;
4. Athens will begin providing route collection services as soon as that the Transaction has been consummated;
5. The Franchise Agreement between the City of Lomita and CalMet allows for assignment and delegation of the Agreement with the prior written consent of the City. Specifically, the Agreement at Section 21 states: "The decision to consent to any assignment shall be in the sole discretion of the City Manager, as confirmed by Resolution adopted by the City's City Council."
6. The City Council of the City of Lomita hereby provides this consent to assignment of the Franchise Agreement Between the City of Lomita and CalMet Services, Inc. for Solid Waste Collection Services to Athens Services, effective upon the date upon which Athens has provided written notice to the City that the Transaction has been consummated.

THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, DOES HEREBY FIND, ORDER AND RESOLVE AS FOLLOWS:

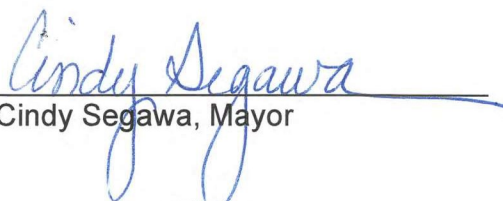
Section 2. The Council find and determines that adoption of this Resolution is exempt from the California Environmental Quality Act pursuant to Section 15378 (b)(5) of the CEQA Guidelines as this is an organizational or administrative activity of

government that will not result in the direct or indirect physical change to the environment.

Section 3. This Resolution will become effective immediately upon adoption.

Section 4. The City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED this 18th day of January 2022.


Cindy Segawa, Mayor

ATTEST:


Kathleen Horn Gregory, MMC, City Clerk



APPROVED AS TO FORM:


Trevor Rusin, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.
CITY OF LOMITA)

I, **Kathleen Horn Gregory**, City Clerk of the City of Lomita, California, do hereby certify that the foregoing Resolution No. 2022-03 was duly passed, approved, and adopted by the City Council of the City of Lomita at its regular meeting held on January 18, 2022, by the following vote, to wit:

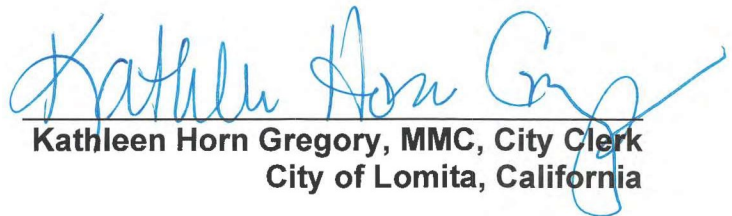
AYES: Council Members: Gazeley, Uphoff, Waronek, Mayor Pro Tem Waite and Mayor Segawa

NOES: None

ABSENT: None

RECUSE: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Lomita, California this 18th day of January 2022.


Kathleen Horn Gregory, MMC, City Clerk
City of Lomita, California



**AGREEMENT
BETWEEN
THE CITY OF LOMITA AND
CALMET SERVICES, INC.
FOR
SOLID WASTE COLLECTION SERVICE**

JUNE 18, 2019

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Exhibit A – Residential Rate Schedule
Exhibit B – Multi-family Rate Schedule
Exhibit C – Commercial Rate Schedule

**AGREEMENT FOR
SOLID WASTE COLLECTION SERVICE**

This **AGREEMENT FOR SOLID WASTE COLLECTION SERVICE** ("Agreement") is entered into this ____ day of _____, 2019, by and between the **CITY OF LOMITA ("City")**, a California municipal corporation, and CalMet Services, Inc., a California corporation ("**Contractor**"), for the Collection, transportation, recycling, processing, composting and disposal of solid waste.

RECITALS

WHEREAS; the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (Act) (California Public Resources Code Section 40000 et seq.), has declared that it is in the public interest to authorize and require cities to make adequate provisions for Solid Waste Collection within their jurisdiction

WHEREAS, Public Resources Code Section 40059 authorizes the cities to determine (i) all aspects of solid waste handling which are of local concern, including, but not limited to, frequency of Collection, means of Collection and transportation, level of services, charges and fees, and nature, location and extent of providing solid waste handling service; (ii) whether the services are to be provided by means of non-exclusive franchise, contract, license, permit, or otherwise, either with or without competitive bidding, or if, in the opinion of its governing body, the public health, safety and well-being so require by partially exclusive or wholly exclusive franchise, contract, license, permit or otherwise, either with or without competitive bidding; and,

WHEREAS, Public Resources Code Section 40900 et. seq. establishes a solid waste management process that requires cities and other local jurisdictions to implement plans for source reduction, reuse and recycling as integrated waste management practices; and,

WHEREAS, the City is obligated to protect the public health and safety of the residents and businesses of the City of Lomita, and Collection of solid waste should be undertaken in a manner consistent with the exercise of the City's obligations for the protection of public health and safety; and

City of Lomita
Solid Waste Collection Agreement

WHEREAS, the City and Contractor are mindful of the provisions of the laws governing the safe Collection, transport, recycling and disposal of solid waste, including California Public Resources Code Section 40000 et seq., the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 et seq. and the Comprehensive Environmental Response, Compensation and Liability Act (" "), 42 U.S.C. §§ 9601 et seq.; and

WHEREAS, the City and Contractor desire to leave no doubts as to their respective roles and to make it clear that by entering into this Agreement, City is not thereby becoming a "generator" or an "arranger" as those terms are used in the context of CERCLA § 107(a)(3) and that it is Contractor, an independent entity, and not City, which shall Collect from premises in the City of Lomita, transport and dispose of solid wastes (which may contain small amounts of consumer products with the characteristics of hazardous substances); Collect, transport, and recycle and/or compost organic waste and recyclable solid wastes Collected from premises in the City of Lomita; and

WHEREAS, City and Contractor are mindful of new laws adopted by the State of California intended to divert recyclables and organic materials from being landfilled. AB 341 mandates that commercial waste generators arrange for recycling services. AB 1826 mandates that commercial waste generators recycle their organic waste. AB 1594 will end the practice of excluding organic material used as Alternative Daily Cover (ADC) from the calculation of a jurisdiction's total per capita amount of waste disposed. SB 1383 allows the Department of Resources Recycling and Recovery (CalRecycle) to implement new regulations on local jurisdictions if significant progress has not been made in certain waste reduction goals by 2020, and;

WHEREAS, Contractor represents and warrants to City that it has the experience, responsibility and qualifications to conduct recycling programs, to provide City with information sufficient to meet the City's reporting requirements under AB 939, to assist the City in meeting City's other requirements under AB 939, to Collect, transport and dispose of solid waste in a safe manner which will minimize the adverse effects of Collection vehicles on air quality and traffic and has the ability to indemnify the City against liability under CERCLA; and

WHEREAS, the City Council of the City of Lomita determines and finds pursuant to California Public Resources Code Section 40059(a)(1), that the public health, safety and well-being, including the minimization of adverse impacts on air quality and traffic from

City of Lomita
Solid Waste Collection Agreement

excessive numbers of Collection vehicles, and the protection of the City against CERCLA liability, justify awarding to Contractor a contract for Collection, recycling and disposal of solid waste from premises in the City of Lomita.

WHEREAS, the City's primary goals in entering into this Agreement are to ensure that the Collection Services are of the highest caliber, that Customer satisfaction remains at the highest level, that the environment is protected, that maximum diversion levels are achieved, and that materials collected are put to the highest and best use.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, the parties hereby agree as follows:

Section 1 DEFINITIONS

The terms used in this Agreement shall have the meaning set forth in this section. In the event a term is not defined in this section, then it shall have the meaning set forth in the Lomita Municipal Code or in Division 30, Part 1, Chapter 2 of the California Public Resources Code (with precedence given to definitions in the Lomita Municipal Code over conflicting definitions contained in the Public Resources Code). Except as provided in this section, words beginning with lower case letters are being used with their common ordinary meanings, not as defined terms. Otherwise, the following capitalized words and terms shall have the following meanings:

1.1 AB 939

‘AB 939’ means the California Integrated Waste Management Act of 1989, codified in part at Public Resources Code section 40000 et. seq., as it may be amended from time to time and as implemented by the regulations of the California Department of Resources Recycling and Recovery (CalRecycle), or its successor agency.

1.2 Agreement

‘Agreement’ means this agreement between City and Contractor, including all exhibits, and any future amendments hereto.

1.3 Backyard Cart Collection Service

‘Backyard Cart Collection Service’ means a service that entails the driver retrieving all the Customer’s Carts from the sideyard or backyard of the Customer’s Premises, and returning them to their original location after the driver has emptied them into the Collection vehicle.

1.4 Bin

‘Bin’ means a Container with plastic lids and a capacity from 2 to 6 cubic yards, which is typically emptied by a front-loading Collection vehicle.

1.5 Bin Collection Service

‘Bin Collection Service’ means providing Solid Waste Collection Services using Bins.

1.6 Bulky Items

‘Bulky Items’ means Solid Waste that cannot or would not typically be accommodated within a Cart including specifically: furniture (including chairs, sofas, mattresses, and rugs); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers, plumbing, small household appliances and other similar items, commonly known as "white goods"); electronic waste (including stereos, televisions, laptop computers, computers and computer monitors, microwaves and other similar items discarded from Premises); fluorescent bulbs; household batteries; and clothing. Bulky Items include tree trunks and large branches that do not exceed two (2) feet in diameter or four (4) feet in length. Bulky Items do not include Green Waste that is bundled and placed for Collection. Bulky Items do not include car bodies, auto parts, tires, Construction and Demolition Debris, or items requiring more than two persons to remove.

1.7 C&D Processing Facility

‘C&D Processing Facility’ means any facility that is designed, operated and legally permitted for the purpose of receiving and processing Construction and Demolition Debris.

1.8 CalRecycle

‘CalRecycle’ means the California Department of Resources Recycling and Recovery (CalRecycle), or its successor agency.

1.9 Cart

‘Cart’ means a plastic Container with wheels and a hinged lid with a capacity from 32 to 101 gallons, which is typically emptied by an automated side-loading Collection vehicle.

1.10 Cart Collection Service

‘Cart Collection Service’ means Collection Service using Carts. This includes service provided to Single-family Premises (excluding those single-family customers that elect to use Bin Collection Service), Customers on Commercial Premises that generate small quantities of waste and elect to use Cart Collection Service, and Customers on Multi-family Premises with individual storage capacity to store Carts with access to curbside service from side-loading Collection vehicles.

1.11 City

‘City’ means the City of Lomita, California, a municipal corporation, and all the territory lying within the municipal boundaries of the City as it currently exists, or as such boundaries may be adjusted.

1.12 City Manager

‘City Manager’ means the City Manager or the person designated by the City Manager to administer this Agreement.

1.13 Collection

‘Collect or Collection’ means the act of collecting Solid Waste, Recyclable Materials, Green Waste, Organic Materials, C&D Debris, Bulky Items, and other material from the Designated Collection Location in the City and delivering that material to a Disposal Facility, Material Recovery Facility, Organics Processing Facility, or other approved facility pursuant to this Agreement.

1.14 Commercial Customer

‘Commercial Customer’ means any Person occupying a Commercial Premises and receiving Solid Waste Collection Services from Contractor within the City pursuant to this Agreement.

1.15 Commercial Premises

‘Commercial Premises’ means all premises in the city, other than Residential Premises, where Solid Waste is generated or accumulated. The term ‘Commercial Premises’ is a reference to location, and not to ownership.

1.16 Compactor

‘Compactor’ means any Bin or Rolloff Box that has a compaction mechanism, whether stationary or mobile.

1.17 Composting or Compost

‘Composting or Compost’ means the controlled biological decomposition of Green Waste or Organic Materials into fertilizer, soil amendments, or other useful products.

1.18 Construction and Demolition Debris

‘Construction and Demolition Debris’ or ‘C&D Debris’ means waste building materials, asphalt, concrete, drywall, metals, roofing materials, soils, wood, packaging, and rubble resulting from construction, remodeling, repair and demolition operations on pavement, houses, commercial, industrial or institutional buildings and other properties or structures.

1.19 Container

‘Container’ means any Cart, Bin, Rolloff Box, can, or other approved receptacle used or intended to be used for the purpose of holding Solid Waste for Collection.

1.20 Customer

‘Customer’ means any Person receiving Solid Waste Collection Services from Contractor within the City pursuant to this Agreement.

1.21 Designated Collection Location

‘Designated Collection Location’ means the place where the Customer shall place, and from where the Contractor is to Collect, Solid Waste in Containers designed for that purpose.

1.22 Disposal

‘Disposal’ means the final deposition of Solid Waste at a permitted landfill that is in full compliance with all laws and regulations.

1.23 Disposal Site

‘Disposal Site’ means the place, location, tract of land, area, or premises in use, intended to be used, or which has been used, for the Disposal of Solid Waste.

1.24 Dwelling Unit

‘Dwelling unit’ means a room or group of internally connected rooms that have sleeping, cooking, eating, and sanitation facilities, but not more than one kitchen, which constitutes an independent housekeeping unit, occupied by or intended for one household on a long-

term basis. Types of dwellings include single-family dwellings, duplexes, multifamily dwellings, mobile homes, condominiums and townhouses.

1.25 Food Waste

‘Food Waste’ means waste that will decompose and/or putrefy and is segregated for Collection and Recycling. Food waste includes: (i) kitchen and table food waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) discarded paper that is contaminated with Food Waste; and, (iv) fruit waste, grain waste, dairy waste, meat, and fish waste.

1.26 Franchise

‘Franchise’ means the exclusive right and privilege to provide Solid Waste Collection services within the City granted by City to Contractor pursuant to the City’s authority under Article 11, Section 7 of the State of California Constitution, and Section 40059 of the Public Resources Code.

1.27 Franchise Fee

‘Franchise Fee’ means the fee paid by Contractor to City pursuant to Section 10.1 of this Agreement as consideration for the exclusive right and privilege to Collect Solid Waste services in the City.

1.28 Garbage

‘Garbage’ means all putrescible waste which generally includes, but is not limited to, animal, vegetative, food or any other waste that is attendant with, or results from the storage, preparation, cooking or handling of food materials attributed to normal activities of a Service Unit. Garbage must be generated by and at the Customer wherein the Garbage is Collected. Garbage does not include those items defined herein as Food Waste or Exempt Waste.

1.29 Green Waste

‘Green Waste’ means non-contaminated material composed of organic matter or plant matter which is the result of seasonal variations or landscape and gardening activities. Green waste includes, without limitation, grass clippings, shrubbery, leaves, tree trimmings, branches, flowers, plant stalks, wood and other plant material. Green Waste

does not include yucca, cactus, palm fronds, or stumps or branches exceeding six inches (6") in diameter or four feet (4') in length.

1.30 Green Waste Processing Facility

‘Green Waste Processing Facility’ means any facility that is designed, operated and legally permitted for the purpose of receiving and processing Green Waste.

1.31 Gross Revenues

‘Gross Revenues’ means any and all revenue or compensation in any form derived directly or indirectly by Contractor, its affiliates, subsidiaries, parents and any person or entity in which Contractor has a financial interest, from the Collection, transportation, processing, disposal and other services with respect to Solid Waste Collected within the City of Lomita, including Recyclable Materials, Food Waste and Green Waste, pursuant to this Agreement. ‘Gross Revenues’ include, but are not limited to, monthly customer fees for Collection of Solid Waste, including recyclable Solid Waste, Food Waste and Green Waste, special pickup fees, Rolloff Box Container rental and Collection fees and fees for redelivery of Rolloff Box Containers without subtracting Franchise Fees or any other cost of doing business, but excludes revenues from the sale of Recyclable Materials and recyclable Solid Waste

1.32 Hazardous Substance

"Hazardous Substance" means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Waste", "toxic waste", "pollutants" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, 25316, 25501 and 25501.1; (vi) the Clean Air Act, 42 USC §7901 et seq.; and (vii) California Water Code §13050; (b) any substances defined, regulated or listed by any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable federal, state or local environmental laws currently existing or hereinafter enacted, including, without limitation, friable asbestos,

polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

1.33 Hazardous Waste

‘Hazardous Waste’ means a waste, or combination of wastes, which because of its quantity, concentration or physical, chemical or infectious characteristics, may do either of the following: (1) cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness; (2) pose a substantial present or potential hazard to human health or environment when improperly treated, stored, transported or disposed of or otherwise managed. ‘Hazardous Waste’ includes all substances defined as Hazardous Waste, Acutely Hazardous Waste, or extremely Hazardous Waste by the State of California in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes, or identified and listed as Hazardous Waste by the US Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated there under. Where there is a conflict in the definitions employed by two or more agencies having jurisdiction over hazardous or solid waste, the term "Hazardous Waste" shall be construed to have the broader, more encompassing definition.

1.34 Holiday

‘Holiday’ means New Years’ Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

1.35 Household Hazardous Waste

‘Household Hazardous Waste’ means Hazardous Waste generated at a Single-family and Multi-family Residential Premises.

1.36 Material Recovery Facility

‘Material Recovery Facility’ means a facility licensed or permitted in accordance with AB 939 which separates Recyclable Materials, and processes them for sale to brokers and end users.

1.37 Medical Waste

‘Medical waste’ means any biohazardous waste or sharps waste that is composed of, generated or produced as a result of any of the following actions:

- (1) Diagnosis, treatment, or immunization of human beings or animals.
- (2) Medical research involving the diagnosis, treatment or immunization of human beings or animals.
- (3) The production or testing of medicinal preparations made from living organisms and their products, including, but not limited to, serums, vaccines, antigens, and antitoxins.
- (4) The accumulation of properly contained home-generated sharps waste that is brought to a point of consolidation approved by the enforcement agency pursuant to Section 117904 or authorized pursuant to Section 118147.
- (5) Removal of a regulated waste from a trauma scene by a trauma scene waste management practitioner.

Medical Waste that has been properly treated or autoclaved and that is not otherwise hazardous shall thereafter be considered Solid Waste.

1.38 Multi-family Residential Customer

‘Multi-family Residential Customer’ means any Person occupying a Multi-family Residential Premises and receiving Solid Waste Collection Services from Contractor within the City pursuant to this Agreement.

1.39 Multi-family Residential Premises

"Multi-family premises" means any residential property in the City containing six (6) or more Dwelling Units.

1.40 Non-collection Notice

‘Non-Collection Notice’ means a form developed by Contractor, and approved by City, to notify Customers of the reason for non-collection of materials set out by the Customer for Collection by Contractor pursuant to this Agreement.

1.41 Organic Waste

‘Organic Waste’ or ‘Organics’ means Green Waste, Food Waste, manure, and any other organic waste material which is acceptable to be delivered to an organics processing facility such as an anaerobic digester, or composting facility.

1.42 Person

‘Person’ means any individual, firm, association, organization, partnership, corporation, business trust, or joint venture.

1.43 Premises

‘Premises’ means a tract or lot of land within the City where Solid Waste is generated or accumulated.

1.44 Recyclables or Recyclable Materials

‘Recyclables’ or ‘Recyclable Materials’ means those materials which are capable of being recycled and which would otherwise be processed or disposed of as Garbage. Recyclable Materials include those materials defined by the City, including newsprint (including inserts); mixed paper (including magazines, catalogs, envelopes, junk mail, corrugated cardboard, brown bags and paper, paperboard, paper egg cartons, office ledger paper, and telephone books); glass containers; aluminum beverage containers; small scrap and cast aluminum (not exceeding forty (40) pounds in weight nor two (2) feet in any dimension for any single item); steel including "tin" cans, aerosol cans (empty, non-toxic products) and small scrap (not exceeding forty (40) pounds in weight nor two (2) feet in any dimension for any single item); bimetal containers; #1-7 plastics regardless of form or mold (including but not limited to plastic containers, bottles, wide mouth tubs, plastic bags, film plastic, and polystyrene), aseptic containers, aluminum foil and pans; and those materials added by Contractor from time to time.

1.45 Recycle or Recycling

‘Recycle’ or ‘Recycling’ means the process of Collecting, sorting, cleaning, treating and reconstituting materials that would otherwise become waste and returning those materials to the economic mainstream in the form of raw materials for new, reused or reconstituted products which meet the quality standards to be used in the marketplace.

Recycling does not include Transformation as defined in Public Resources Code Section 40201.

1.46 Refuse

‘Refuse’ means Garbage and Rubbish.

1.47 Regular Bin Collection Service

‘Bin Collection Service’ means using Bins to provide Solid Waste Collection Services to established residential, retail, commercial, and industrial facilities that require Collection service on a regular, ongoing, and indefinite basis. ‘Bin Collection Service’ includes providing Solid Waste Collection Services to established Multi-family Premises with enclosure(s) or dedicated space(s) in common areas to accommodate Bins serviced by front-loading Collection vehicles. ‘Bin Collection Service’ includes providing Collection service using Bins to established Commercial Premises, but does not include providing service to: 1) Commercial Premises that generate small quantities of waste and elect to use Cart Collection Service, or, 2) Commercial Premises that generate large quantities of waste that elect to use Rolloff Collection Service.

1.48 Regular Rolloff Collection Service

‘Regular Rolloff Collection Service’ means using Rolloff Boxes or Rolloff Compactors to provide Solid Waste Collection Services to established retail, commercial, and industrial facilities that require Rolloff Service on a regular, ongoing, and indefinite basis.

1.49 Residential Premises

‘Residential’ or ‘Residential Premises’ includes single-family residences and multifamily residences, including apartments and condominiums (in which each unit has separate cooking and bathing facilities). The terms do not include hotels, motels, rooming houses, hospitals, nursing homes, convalescent centers, dormitories or barracks or other group living places. ‘Residential’ or ‘residential premises’ is a reference to location, and not to ownership or to an interest in property.

1.50 Rolloff Box

‘Rolloff Box’ means an open top metal Container with a capacity from 10 to 40 cubic yards, which is designed to be pulled onto a rolloff vehicle.

1.51 Rolloff Collection Service

‘Rolloff Collection Service’ means providing Solid Waste Collection Services using Rolloff Boxes or Rolloff Compactors.

1.52 Rolloff Compactor

‘Rolloff Compactor’ means an enclosed metal Container equipped with a hydraulic packing ram with a capacity from 15 to 35 yards, which is designed to be pulled onto a rolloff vehicle.

1.53 Rubbish

‘Rubbish’ means, without limitation, the following items: waste and refuse capable of burning readily, including straw, packing materials, leather, rubber, clothing, bedding, books, rags and all similar articles which will burn by contact with flames or ordinary temperatures; and ashes, crockery, china, pottery, metal wire and other similar materials.

1.54 Scavenging

‘Scavenging’ means the unauthorized removal of Recyclables that have been set out for Collection.

1.55 Scout Truck

‘Scout Truck means a heavy-duty service truck with forks used to pre-position Bins to the Designated Collection Location. Scout Trucks are smaller than regular route Collection vehicles, and able to more easily navigate long, steep, winding, or narrow roads or driveways, or roads that are in poor condition.

1.56 Service Area

‘Service Area’ means that area within the corporate limits of the City of Lomita, California.

1.57 Single-family Residential Premises

‘Single-family Residential Premises’ means any Residential Premises in the City, except multiple dwellings containing six (6) or more Dwelling Units. Single-family residential includes not only single-family residences, but also those residences, including

apartments and condominiums (in which each unit has separate cooking and bathing facilities) of five (5) or fewer Dwelling Units.

1.58 Solid Waste

‘Solid Waste’ means all putrescible and non-putrescible solid, semisolid wastes, including Garbage, trash, Refuse, paper, Rubbish, ashes, industrial wastes, Construction and Demolition Debris, discarded home appliances, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes. ‘Solid Waste’ includes Recyclable Materials, Organics, Green Waste, Construction and Demolition Debris, and Bulky Items. Solid Waste does not include Hazardous Waste, or untreated Medical Waste.

1.59 Solid Waste Facility

‘Solid Waste Facility’ means a solid waste transfer or processing station, a composting facility, a gasification facility, a Transformation Facility, or a Disposal Site.

1.60 Solid Waste Collection Services

‘Solid Waste Collection Services’ means the Collection, transportation, storage, transfer, processing, and Disposal of Solid Waste.

1.61 Term

‘Term’ means the Term of this Agreement, including any agreed upon extension periods, as provided for in Section 4.3.

1.62 Transformation

“Transformation” means incineration, pyrolysis, distillation, or biological conversion other than composting. ‘Transformation’ does not include composting, or biomass conversion.

1.63 Transformation Facility

“Transformation Facility” means a facility whose principal function is to convert, combust, or otherwise process solid waste by incineration, pyrolysis, distillation, or biological conversion other than composting. A ‘Transformation Facility’ does not include a composting facility or a biomass conversion facility.

1.64 Waste Generator

‘Waste Generator’ means the owner or occupant of premises that initially produces Solid Waste.

1.65 Work Day

‘Work Day’ means any day, Monday through Saturday, which is not a Holiday as set forth in Section 6.1.3 of this Agreement.

Section 2 GRANT OF RIGHT AND PRIVILEGE TO COLLECT SOLID WASTE

2.1 Grant of Exclusive Rights

This Agreement grants to Contractor for the Term of this Agreement during which Solid Waste Handling Service is to be provided, the exclusive right and privilege to Collect, transport, process, recycle, compost, retain and dispose of Solid Waste Collected from Single-family, Multi-family, and Rolloff Customers, as defined in this Agreement, produced, generated and/or accumulated within the City, except as otherwise provided below. No other services shall be exclusive to the Contractor.

2.2 Limitations to Scope of Exclusive Agreement

The exclusive franchise, right and privilege to provide Solid Waste Collection Services at Premises within City granted to Contractor by this Agreement specifically excludes the following services, which services may be provided by Persons other than Contractor or which may be the subject of other permits, licenses, franchises or agreements issued or entered by City:

1. The sale or donation of source-separated Recyclable Material by the Waste Generator or Customer to any Person other than Contractor; provided, however, to the extent permitted by law, if the Waste Generator or Customer is required to pay monetary or nonmonetary consideration for the Collection, transportation, transfer, or processing of Recyclable Material, then it shall not be considered a sale or donation.
2. Solid Waste, including Recyclable Materials and Green Waste, which is removed from any Premises by the Waste Generator, and which is transported personally by such Generator (or by his or her full-time employees) to a processing facility or Disposal Site in a manner consistent with all applicable laws and regulations.
3. Recyclable Materials, Organic Waste or Bulky Wastes which are source separated at any premises by the waste generator and donated to youth, civic or charitable organizations.

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4. Recyclables delivered to a recycling center or drop-off station by the Waste Generator for Recycling under the California Beverage Container Recycling Litter Reduction Act, Section 14500, et seq.
5. Bulky Waste removed from a Single-Family Residential Premises by a property cleanup or maintenance company as an incidental part of the total cleanup or maintenance service offered by the company rather than as a hauling service.
6. Green Waste removed from a Premises by a gardening, landscaping, or tree trimming Contractor, utilizing its own equipment, as an incidental part of a total service offered by that Contractor rather than as a hauling service.
7. The Collection, transfer, transport, Recycling, and processing of animal by-products, fats, oils, or grease to be rendered and used as tallow.
8. The Collection, transfer, transport, Recycling, processing, and disposal of byproducts of sewage treatment, including sludge, sludge ash, grit and screenings.
9. The Collection, transfer, transport, Recycling, processing, and disposal of Hazardous Substances, Hazardous Waste, untreated Medical Waste, and radioactive waste regardless of its source.
10. Construction and Demolition Debris which is removed by a duly-licensed construction or demolition company (e.g., with a State contractor license type C-21) or as part of a total service offered by said licensed company or by the City, where the licensed company utilizes its own loaders and dump trucks.
11. The Collection, transfer, transport, Recycling, processing, and Disposal of Solid Waste by City through City officers or employees in the normal course of their City employment.
12. Solid Waste Collection Services for governmental agencies other than City, which may have facilities in City, but over which City has no jurisdiction in connection with the regulation of Solid Waste.

The exclusive franchise, right and privilege to provide Solid Waste Collection Services within City granted to Contractor by this Agreement shall be interpreted to be consistent with all applicable state and federal laws, now in effect and adopted during the Term of this Agreement, and the scope of this Agreement shall be limited by all applicable current and developing laws and regulations. In the event that future interpretations of current law, future enactments or developing legal trends limit the ability of City to lawfully grant Contractor the scope of services as specifically set forth in this Agreement, the scope of this Agreement shall be limited to those services and materials which may be lawfully provided, and that City shall not be responsible for any lost profits claimed by Contractor resulting from any change in law.

2.3 Enforcement of Exclusive Rights

Contractor shall be responsible for enforcing the exclusive rights in this Agreement. City shall reasonably assist Contractor in its efforts to enforce the exclusivity of this Agreement. In addition, City shall adopt such ordinances or other regulations as it deems to be necessary or desirable to protect the exclusive rights granted in this Agreement. City shall have the right, but not the obligation, to enforce the exclusivity in this Agreement, including by instituting appropriate legal proceedings, and/or to request that Contractor do so. Contractor shall have an affirmative obligation to enforce such exclusivity provisions when requested to do so by City. Contractor shall reimburse City for its reasonable legal costs, extraordinary administrative costs (including staff time), or other expenses incurred in connection with City's actions to either enforce the exclusivity in this Agreement, or to assist Contractor in doing so.

2.4 Annexation

Contractor's rights and obligations in this Agreement shall apply in any territory annexed to the City during the Term of this Agreement, except to the extent that the application of such rights and obligations within such annexed territory would violate the provisions of Public Resources Code Section 49520. In such event, this Agreement shall become effective as to such area at the earliest possible date permitted by law. If upon annexation Contractor is permitted to provide Solid Waste Collection Services to Customers in the annexed territory pursuant to preexisting rights granted by another jurisdiction, Contractor shall provide all such Customers in the annexed area with the same services, at the same rates, as are available to Customers pursuant to the terms of this Agreement.

Section 3 REPRESENTATIONS AND WARRANTIES

Contractor hereby covenants, represents, and warrants the following to City for the purpose of inducing City to enter into this Agreement, all of which shall be true as of the Effective Date of this Agreement:

1. Contractor is a validly existing corporation under the laws of the State of California.
2. Neither the execution of this Agreement nor the delivery by Contractor of services nor the performance by Contractor of its obligations in this Agreement: (1) conflicts with, violates or results in a breach of any applicable law; (2) conflicts with, violates or results in a breach of any term or condition of any judgment, decree, agreement (including, without limitation, the certificate of incorporation of Contractor) or instrument to which Contractor is a party or by which Contractor or any of its properties or assets are bound, or constitutes a default under any such judgment, decree, agreement or instrument; or (3) will result in the creation or imposition of any encumbrance of any nature whatsoever upon any of the properties or assets of Contractor.
3. There is no action, suit or other proceeding as of the date of this Agreement, at law or in equity, or to the best of Contractor's knowledge, any investigation, before or by any court or governmental authority, pending or threatened against Contractor which is likely to result in an unfavorable decision, ruling or finding which would materially and adversely affect the validity or enforceability of this Agreement or any such agreement or instrument entered into by Contractor in connection with the transactions contemplated hereby, or which could materially and adversely affect the ability of Contractor to perform its obligations in this Agreement or which would have a material adverse effect on the financial condition of Contractor.
4. Contractor has no knowledge of any applicable law in effect as of the date of this Agreement that would prohibit the performance by Contractor of this Agreement and the transactions contemplated hereby.
5. Contractor has made an independent investigation, satisfactory to it, of the conditions and circumstances surrounding this Agreement and the work to be performed by it, and is satisfied that those conditions and circumstances will not

impair its ability to perform the work and provide the Solid Waste Collection services required by this Agreement.

6. The information supplied by Contractor in all submittals made in connection with negotiation and execution of this Agreement, including all materials in its proposal to the City, and all representations and warranties made by Contractor throughout this Agreement are true, accurate, correct and complete in all material respects on and as of the Effective Date of this Agreement.
7. This Agreement supersedes and replaces the two previous agreements between the City and Contractor, the Residential Collection Agreement, and the Commercial Collection Service Agreement, both dated October 1, 2009, with the exception of the provisions of those agreements that specifically survive the expiration of the term of those agreements. Those provisions that survive the expiration of the term of those agreements include, but are not limited to, Section 19.8 – CERCLA Defense Records, Section 20.2 – Indemnification, Section 20.11 – Environmental Indemnification, and Section 20.22 – Evidence of Insurance; Insurance Repository. Contractor's similar obligations under this agreement survive termination of this agreement and expiration of the term of this agreement. By way of example, those sections include Section 11 and Section 14 and as otherwise noted in this agreement.

Section 4 EFFECTIVE DATE AND TERM

4.1 Conditions to Effectiveness of Agreement

The satisfaction of each and all of the conditions set out below, each of which may be waived in whole or in part by City in writing, is a condition precedent to the effectiveness of this Agreement, and a condition of Contractor's continued right to the benefits conveyed in this Agreement:

1. Accuracy of Representation - All representations and warranties made by Contractor and set forth in this Agreement shall be accurate, true, and correct on and as of the Effective Date of this Agreement.
2. Absence of Litigation - There shall be no litigation pending in any court challenging the award of this Agreement to Contractor or the execution of this Agreement or seeking to restrain or enjoin its performance.
3. Furnishing of Insurance, Bond, and Letter of Credit - Contractor shall have furnished the evidence of insurance, and performance bond required by this Agreement.
4. Effectiveness of City Council Action - City Council's Ordinance or Resolution approving this Agreement shall have become effective pursuant to California law.
5. Administrative Fee - Contractor shall have paid to the City the Administrative Fee pursuant to Section 10.2 of this Agreement.

4.2 Effective Date

The 'Effective Date' of this Agreement shall be the date upon which all the conditions set forth in the above section have been accomplished, and have been accepted in writing by the City.

4.3 Term

Contractor shall provide Solid Waste Collection Services and Disposal Services in accordance with this Agreement for a period of eight (8) years beginning July 1, 2019 through midnight on June 30, 2027 (the "Term"), unless this Agreement is terminated sooner pursuant to Section 19 of this Agreement.

Section 5 SCOPE OF SERVICES

5.1 Solid Waste Collection – General

To protect the public health and safety, Contractor shall provide all labor, equipment, material, supplies, supervision and all other items necessary for the Collection of all Solid Waste generated or accumulated within the City from all Customers covered by this Agreement at least once per week. The services provided by Contractor under this Agreement shall be performed in a thorough and professional manner so that all Customers are provided at all times with reliable, courteous and high-quality Solid Waste Collection Services.

5.2 Single-family Collection

5.2.1. Single-family Collection – General

Contractor shall Collect and Dispose or Process all Solid Waste properly placed out for Collection by Single-family Customers at the Designated Collection Location not less than once per week using automated Collection vehicles and automated Carts. In some cases, Contractor may Collect Solid Waste from Single-family Customers using Bins or Rolloff Boxes.

Pursuant to Section 5-3.10 (c) of the Lomita Municipal Code, City shall require all single-family premises to subscribe to Collection service provided by Contractor. City at its sole discretion shall have the right to waive this requirement for individual Customers on a case-by-case basis. City shall notify Contractor of any such waiver in writing or via email.

The Designated Collection Location for Single-family Customers shall be at the curb unless the Premises does not have curbside access, in which case the Designated Collection Location shall be in the alley behind the Premises. A Cart shall be considered properly placed out for Collection if it is feasibly accessible by Contractor's Collection vehicles. Notwithstanding the above, if a Customer and Contractor cannot agree upon the Designated Collection Location, City shall make the final determination.

5.2.2. Cart Collection Service - Refuse

Contractor shall Collect Refuse from all Single-family Customers in the City using automated Collection vehicles and Carts. Contractor shall provide each Single-family

Customer with one Refuse Cart per Dwelling Unit. Each Customer may choose either a ninety-six (96) gallon cart, a sixty-four (64) gallon cart, or a thirty-two (32) gallon cart.

Upon request by Customer, Contractor shall provide additional ninety-six (96), or sixty-four (64) gallon Refuse Carts. Contractor may charge the Customer based on each Customer's size and number of Refuse Carts according to the monthly rate schedule in Exhibit A.

5.2.3. Cart Collection Service - Recyclables

Contractor shall Collect Recyclables from all Single-family Customers in the City using automated Collection vehicles and Carts. Contractor shall Collect Recyclables on the same day as Customer's Refuse Cart is Collected. Contractor shall provide Recycling Cart at no charge. Contractor shall provide each Single-family Customer in the City with at least one 96 gallon Recycling Cart per Dwelling Unit. Upon Customer request, Contractor shall provide a 64 gallon Recycling Cart instead of the 96 gallon Cart.

Upon Customer request, Contractor shall provide one (1) additional 96 or 64 gallon Recycling Cart at no charge (for a total of two Recycling Carts). Upon Customer request, Contractor shall provide Recycling Carts in addition to the first two Recycling Carts according to the monthly rates for additional Recycling Carts in Exhibit A.

5.2.4. Cart Collection – Green Waste

Contractor shall Collect Green Waste from all Single-family Customers in the City using automated Collection vehicles and Carts. Contractor shall Collect Green Waste on the same day as Customer's Refuse Cart is Collected. Contractor shall provide Green Waste Cart at no charge. Contractor shall provide each Single-family Customer in the City with at least one 96 gallon Green Waste cart per Dwelling Unit. Upon Customer request, Contractor shall provide a 64 gallon Green Waste Cart instead of the 96 gallon Cart.

Upon Customer request, Contractor shall provide one (1) additional 96 or 64 gallon Green Waste Cart at no charge (for a total of two Green Waste Carts). Upon Customer request, Contractor shall provide Green Waste Carts in addition to the first two Green Waste Carts according to the monthly rates for additional Green Waste Carts in Exhibit A.

5.2.5. Backyard Cart Collection Service

Contractor shall provide Backyard Collection Service, which shall consist of the driver retrieving all the Customer's Carts from the sideyard or backyard of the Customer's Premises, and returning them to their original location after the driver has emptied them into the Collection vehicle.

Upon Customer request, Contractor shall provide Backyard Collection Service to Customers at no charge if all adults residing at the Premises have disabilities that prevent them from setting their Carts at the curb for Collection, and if a request for no-charge Backyard Collection Service has been made to, and approved by the City. The City shall notify the Contractor of any Premises requiring no-charge Backyard Collection Service along with the date such service is to begin.

Upon request by other Single-family Customers that do not qualify for no-charge service, Contractor shall provide Backyard Collection Service at the rates for Backyard Collection Service shown in Exhibit A.

5.2.6. Bin Collection Service – Single-family

Upon Customer request, Contractor shall provide Refuse Bin Collection Service to Single-family Customers. Contractor shall provide Refuse Bin Collection Service to Single-family Customers at the same rates charged to Multi-family Customers shown in Exhibit B.

5.2.7. Rolloff Collection Service – Single-family

Upon Customer request, Contractor shall provide Rolloff Collection Service to Single-family Customers. Contractor shall provide Rolloff Collection Service to Single-family Customers at the rates shown in Exhibit B.

5.2.8. Backyard Compost Program

Throughout the term of this Agreement, at no additional charge, and at City's request, Contractor shall provide composting bins to Customers. Such composting bins shall be provided to Customers within seven (7) Work Days of request.

5.2.9. Holiday Trees

Contractor shall Collect all Holiday trees from Single-family which are properly placed for Collection from the first Work Day after December 25th until January 15th. Collection shall occur on the regularly scheduled Collection day. Holiday Trees placed for Collection must be cut into lengths no longer than four (4) feet, be free of ornaments, garlands, tinsel and flocking, and the stands must be removed. Contractor shall Recycle all Holiday Trees. Holiday Trees set out for pickup that are flocked or contain tinsel or other decorations may be delivered to the Disposal Site at the discretion of the Contractor.

5.2.10. Bulky Item Collection – On-call

On an on-call basis, the Contractor shall provide up to four (4) Bulky Item Collections per calendar year of Bulky Items from each Dwelling Unit at each Single-family Customer. Upon receiving a request from Customer two (2) Work Days in advance, Contractor shall Collect Bulky Items on the Customer's regular weekly Collection day at no extra charge. Each Bulky Items Collection shall be limited to up to six (6) items per Collection event (i.e., per pickup).

Contractor shall provide Bulky Items Collection Service to all Customers whose Bulky Items have been placed within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location that will provide safe and efficient access for Contractor's crews and vehicle. Contractor shall not be required to remove any items that cannot be safely handled by two persons.

Contractor shall comply with all applicable regulations governing the recovery of ozone depleting refrigerants during the handling and Disposal of refrigerators, or air conditioning units.

In the event a question arises as to whether a specific item or category of items meets the definition of Bulky Items, City shall determine whether the item(s) are considered Bulky Items, and that determination shall be final and binding on the Contractor.

For Bulky Item pickups that exceed four (4) in a calendar year, Contractor may charge the Bulky Item Pickup Charge according to the rate schedule in Exhibit A.

5.2.11. E-waste and Dry Cell Batteries

Contractor shall collect E-Waste or dry cell batteries on an on-call basis upon request by Single-family Customers. Each on-call E-Waste or dry cell batteries pick-up request shall be scheduled at least one (1) Work Day prior to the regularly scheduled Collection day and shall be responded to by Contractor on the next regularly scheduled Collection day. E-Waste and dry cell batteries shall not be commingled with Recyclable Materials or collected in Recycling Carts.

5.3 Commercial and Multi-family Collection

5.3.1. Commercial and Multi-family Collection – General

Contractor shall Collect and Dispose or Process all Solid Waste properly placed out for Collection by Commercial and Multi-family Customers at the Designated Collection Location not less than once per week using front-loading Collection vehicles and Bins. In some cases, Contractor may Collect Solid Waste from Commercial and Multi-family Customers using Carts. Contractor shall provide the size and quantity of Refuse Bins or Carts, and the number of weekly pickups as requested by Customer, or as required to maintain public health and safety.

Contractor shall replace empty Bins and Carts to their original location with gates or doors of enclosures secured after Collection is completed. A Bin shall be considered properly located for Collection if it is feasibly accessible by Contractor's front-loading Collection vehicles. A Cart shall be considered properly located for Collection if it is feasibly accessible by Contractor's automated sideloading Collection vehicles. If a Customer and Contractor cannot agree upon the Designated Collection Location, City shall make the final determination.

5.3.2. Bin Collection - Refuse

Contractor shall Collect Refuse from all Commercial and Multi-family Customers no less frequently than once per week. Contractor shall provide the size and quantity of Bins or Carts as requested by Customer. Contractor shall charge the Customer for Bin Collection Service based on each Customer's size and number of Refuse Bins, and number of weekly pickups according to the monthly rates schedule in Exhibit B and Exhibit C.

5.3.3. Bin and Cart Collection – Recyclables

Upon request by Customer, Contractor shall Collect source-separated Recyclables from Commercial and Multi-family Customers no less frequently than once per week. Contractor may use Bins or Carts to Collect Recyclables from Commercial and Multi-family Customers. Contractor shall provide the size and quantity of Bins or Carts as requested by Customer. Contractor shall Collect Recyclables from Commercial and Multi-family Customers at no additional charge to Customer or City.

5.3.4. Bin and Collection - Organics

Upon request by Customer, Contractor shall Collect source-separated Organics from Commercial and Multi-family Customers not less than once per week using Carts or Bins or Carts. For Customers that subscribe to Commercial Organics Collection Service, Contractor shall Collect Organics properly placed in Carts or Bins from the Designated Collection Location. Contractor shall charge Customers for Organics Collection Service based on each Customer's size and number of Carts or Bins, and number of weekly pickups according to the monthly rate schedule in Refuse Cart Collection - Commercial. Upon request by Customer, Contractor shall Collect Refuse from Commercial Customers no less frequently than once per week using Carts. Contractor shall provide the size and quantity of Carts as requested by Customer. Contractor shall charge Commercial Customers for Refuse Cart Collection Service based on each Customer's size and number of Carts, and number of weekly pickups, according to the monthly rate schedule in Exhibit B and Exhibit C.

5.3.5. Refuse Cart Collection – Multi-family

Upon request by Customer, Contractor shall Collect Refuse from Multi-family Customers no less frequently than once per week using Carts. Contractor shall provide the size and quantity of Carts as requested by Customer. Contractor shall charge Multi-family Customers for Refuse Cart Collection Service based on each Customer's size and number of Carts, and number of weekly pickups, according to the monthly rate schedule in Exhibit B.

5.3.6. Scout Service

Contractor shall provide Scout Service to those Customers whose Cart or Bin storage location reasonably precludes safe or feasible access to the Bin by the Contractor's route vehicle. Scout Service entails using a heavy-duty service truck with forks to pre-position

Bins to the Designated Collection Location, which is readily accessible to the route vehicle. Once the Bin is emptied by the route vehicle, the Cart or Bin is returned to the Cart or Bin storage location. Contractor shall charge Customers with Scout Service on each Customer's number of Carts or Bins, and number of weekly pickups, according to the monthly rate schedule in Exhibit B and Exhibit C.

5.3.7. Push Out Service

Push Out Service entails the driver dismounting from the route vehicle to move Carts or Bins more than ten (10) feet from their storage location to the Designated Collection Location, and then returning the Cart or Bin to its original storage location. Contractor shall charge Customers that require Push Out Service based on each Customer's number of Carts or Bins, and number of weekly pickups, according to the monthly rate schedule in Exhibit B and Exhibit C. Push Out Service is charged in increments of ten (10) feet.

5.3.8. Backout Fees

Backout Fees apply to service locations at which the Contractor's driver is required to back up the route vehicle more than fifty (50) feet to exit the Premises. Contractor shall charge Customers with service locations that require the driver to back up the route vehicle more than fifty (50) feet based on each Customer's number of weekly pickups, according to the monthly rate schedule in Exhibit B and Exhibit C. Backout Fees are charged in increments of fifty (50) feet.

5.3.9. Multi-family Holiday Trees

Contractor shall Collect all Holiday trees from Multi-family Premises which are properly placed for Collection from the first Work Day after December 25th through January 15th. Collection shall occur on the regularly scheduled Collection day. Holiday Trees placed for Collection must be cut into lengths no longer than four (4) feet, be free of ornaments, garlands, tinsel and flocking, and the stands must be removed. Contractor shall Recycle all Holiday Trees. Holiday Trees set out for pickup that are flocked or contain tinsel or other decorations may be delivered to the Disposal Site at the discretion of the Contractor.

5.3.10. Multi-family Bulky Item Collection – On Call

On an on-call basis, the Contractor shall provide on-call Bulky Item Collection Service to Multi-family Customers. Each Multi-family Customer shall be entitled to up to one (1)

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Bulky Item Collection per number of Dwelling Units per calendar year. Upon receiving a request from Customer two (2) Work Days in advance, Contractor shall Collect Bulky Items on the Customer's regular weekly Collection day at no extra charge. Each Bulky Items Collection shall be limited to up to six (6) items per Collection event (i.e., per pickup).

Contractor shall provide Bulky Items Collection Service to all Customers whose Bulky Items have been placed within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location that will provide safe and efficient access for Contractor's crews and vehicle. Contractor shall not be required to remove any items that cannot be safely handled by two persons.

Contractor shall comply with all applicable regulations governing the recovery of ozone depleting refrigerants during the handling and Disposal of refrigerators, or air conditioning units.

In the event a question arises as to whether a specific item or category of items meets the definition of Bulky Items, City shall determine whether the item(s) are considered Bulky Items, and that determination shall be final and binding on the Contractor.

For Bulky Item pickups that exceed one (1) per the number of Dwelling Units on a subject property in a calendar year, Contractor may charge the Bulky Item Pickup Charge according to the rate schedule in Exhibit A.

5.4 Rolloff Collection Service

5.4.1. Rolloff Collection Service - General

Contractor shall offer and provide Rolloff Collection Service to Single-family, Multi-family, Commercial, and Construction and Demolition Customers. Contractor shall Collect Solid Waste from all Rolloff Collection Customers using Contractor-furnished Rolloff Boxes or Customer-furnished Rolloff Compactors. Upon Customer request, Contractor shall furnish the size and number of Rolloff Boxes requested by Customer.

Contractor is not obligated to furnish Rolloff Compactors. Contractor may sell or lease Rolloff Compactors to Customers. Any sale or lease of Rolloff Compactors to Customers, and any associated sale or lease compensation to Contractor, shall be outside the scope of this Agreement. However, the Collection Service provided to those Customers with

Rolloff Compactors, and the associated Gross Revenues, shall be within the scope of this Agreement.

A Rolloff Box or Rolloff Compactor shall be considered properly located for Collection if it is feasibly accessible by Contractor's rolloff Collection vehicles. If a Customer and Contractor cannot agree upon the Designated Collection Location, City shall make the final determination.

5.4.2. Regular Rolloff Collection Service

Upon request by Customer, Contractor shall collect Solid Waste from Single-family Residential, Multi-family Residential or Commercial Premises using Rolloff Collection Service. Contractor must deliver, exchange, or remove Rolloff Boxes for Customers within one (1) Work Day of request by Customer. Contractor shall charge the Customer for Regular Rolloff Collection Service based on each load and the actual weight of each load according to the rate schedule in Exhibit B and Exhibit C, with the exception of the COD Rolloff Rates described in Section 9.6.7

5.4.3. Rolloff Collection – Construction and Demolition Debris

Upon request by Customer, Contractor shall Collect Construction and Demolition Debris from Single-family Residential, Multi-family Residential or Commercial Premises using Rolloff Box Collection Service. Contractor shall provide open top Rolloff Boxes to Customers. Contractor shall deliver, exchange, or remove Rolloff Boxes for Customer within one (1) Work Day of request by Customer. Contractor shall deliver all loads of mixed Construction and Demolition Debris to a C&D processing facility for separation and recovery of Recyclable Material. Contractor shall divert a minimum of 65% of all Construction and Demolition Debris Collected.

For all projects covered by the City's Green Building Standards, Contractor shall fully cooperate with Customer in Customer's compliance with Section 10-8 of the Lomita Municipal Code (e. g., by reviewing Customer's waste management plan and by providing documentation from processing facilities to which material was delivered, etc.). Contractor shall charge the Customer for Regular Rolloff Collection Service based on each load and the actual weight of each load according to the rate schedule in Exhibit B and Exhibit C, with the exception of the COD Rolloff Rates described in Section 9.6.7.

5.4.4. Rolloff Collection – Source Separated Recyclables

Upon request by Customer, Contractor shall Collect source-separated Recyclables from Customers using Rolloff Box Collection Service. Contractor shall provide open top Rolloff Boxes to Customers. Contractor shall deliver, exchange, or remove Rolloff Boxes for Customer within one (1) Work Day of request by Customer. Contractor shall deliver all loads of source-separated Recyclables to a processing facility for recovery of Recyclable Material. Contractor shall charge the Customer for Regular Rolloff Collection Service based on each load and the actual weight of each load and actual tipping fees according to the rate schedule in Exhibit B and Exhibit C, with the exception of the COD Rolloff Rates described in Section 9.6.7.

5.5 City Facilities

Contractor shall Collect and dispose of all Refuse, Recyclable Material, and Green Waste put in Containers for Collection at all facilities owned, leased, and/or operated by the City at no charge. City facilities include, but are not limited to, City Hall, City offices, parks, corporation yards, recreation centers, and community centers. Contractor shall provide the number and size of Containers, and frequency of service at the City's direction. Service levels and number of City facilities served may increase during the Term of this Agreement without any additional compensation paid to the Contractor.

5.6 City-sponsored Special Events

Upon request by City, Contractor shall provide Solid Waste Collection and Disposal/processing service for City-sponsored special events at no charge, as requested by City. Contractor shall provide Collection Services in such a manner that all Solid Waste and recycling needs of the event are adequately and properly provided. This shall include providing Containers (Carts, Bins, Roll-off Boxes, and/or clearly labeled cardboard waste boxes with liners) to Collect and dispose of, or process, all Refuse, Recyclables, and Organics. The Contractor shall provide services at up to ten (10) City-sponsored events, at no cost to City, ratepayers, or event organizers.

5.7 Community Development Review

Contractor, upon City's request, shall assist City's Community Development Department by reviewing applicants' plans for Single-family Residential, Multi-family Residential, and Commercial projects with respect to the adequacy of provision for effective and economical storage and Collection of Solid Waste.

Section 6 OPERATIONS PERSONNEL AND EQUIPMENT

6.1 Operations

6.1.1. Manner of Collection

Contractor shall provide Commercial Collection service with as little disturbance as possible and shall leave any Cart in an upright position, and leave Bins and Carts at the same point it was collected without obstructing alleys, roadways, driveways, sidewalks or mail boxes.

6.1.2. Hours of Collection

To protect the peace and quiet of residents, Contractor shall not Collect Solid Waste before 7:00 a.m. or after 6:00 p.m. However, Contractor may provide service to Commercial Customers that are more than 600 feet away from a residential zone as early as 6:00 a.m. Contractor may provide service on Sundays to Commercial Customers upon request, and only between the hours of 9:00 am and 5:00 pm. The City may direct Contractor to reduce the Collection hours in areas around schools and in high traffic areas during peak traffic hours. When the City is conducting road rehabilitation projects, the City reserves the right to temporarily redirect or restrict Contractor from Collection in the affected areas if needed. The hours of Collection may be extended due to extraordinary circumstances with the prior written (e.g., e-mail) consent of the City Manager.

6.1.3. Holidays

Contractor shall not Collect Solid Waste on the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. In any week in which one of these holidays falls on a weekday, Collection Services for the Holiday and each Work Day thereafter will be delayed one Work Day for the remainder of the week. Friday Collection Services shall be performed on Saturday.

6.1.4. Complaints for Missed Collections

In the case of a Complaint for a missed Collection received on a Collection day, Contractor shall make the Collection not later than 5 p.m. if it has been notified by noon, or on the first Collection day after the Complaint is received, if the Complaint was received after noon.

6.1.5. Hazardous Waste Inspection and Reporting

Contractor has the right and obligation to inspect Solid Waste put out for Collection and to reject Solid Waste observed to be contaminated with Household Hazardous Waste or Hazardous Waste. In the event a Customer sets out for Collection any Household Hazardous Waste or Hazardous Waste, Contractor shall reject the material, tag the Container with instructions to the Customer for the proper method to discard of Hazardous Waste, and record the event in the Customer's profile in Contractor's billing system.

Contractor shall notify all agencies with jurisdiction, if appropriate, including the California Department of Toxic Substances Control and Local Emergency Response Providers and the National Response Center of reportable quantities of Hazardous Waste, found or observed in Solid Waste anywhere within the City. In addition to other required notifications, if Contractor observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Wastes unlawfully disposed of or released on any City property, including storm drains, streets or other public rights of way, Contractor will immediately notify the City Manager.

6.1.6. Refusal to Collect

When Solid Waste is not Collected from any Customer, Contractor shall notify its Customer in writing, at the time Collection is not made, through the use of a "tag" or otherwise, of the reasons why the Collection was not made.

6.1.7. Load Weight

Contractor shall not load its Collection vehicles such that the vehicle's gross weight (the total weight of the load and the vehicle) exceeds the manufacturer's gross vehicle weight rating (GVWR), or exceeds any other weight limits imposed by state or local laws or regulations.

6.1.8. Private Streets and Alleys

Contractor shall use its best efforts to prevent damage to alleys and to private streets, alleys and parking lots over which Collection equipment may be operated and to obtain all required approvals for operation of its Collection vehicles on private streets, parking lots and private alleys.

6.1.9. Property Damage

If Contractor's employees or subcontractors cause any injury, damage or loss to City property, including but not limited to City streets or curbs, Contractor shall reimburse City for City's cost of repairing such injury, damage or loss. Such reimbursement is not in derogation of any right of City to be indemnified by Contractor for any such injury, damage or loss. With the prior written approval of City, Contractor may repair the damage at Contractor's sole cost and expense.

6.1.10. Route Maps and Changes

Upon request by City, Contractor shall provide the City with maps of Contractor's routes in a format acceptable to the City. Contractor shall submit to the City, in a format acceptable to City, maps of any proposed route changes at least sixty (60) calendar days prior to the proposed date of implementation. Contractor shall not implement any route changes without the prior review of the City. Contractor shall provide Customers with at least thirty (30) days advance notice of any changes in their Collection day.

6.1.11. Route Audits

If the City receives repeated complaints by Customers, or if the City believes that Contractor has not routed the City efficiently, or if Contractor has received repeated complaints about missed Collections, the City reserves the right to conduct audits of Contractor's routes using a third party at Contractor's expense. Contractor shall cooperate with the City in connection with any such audit, including permitting City employees or agents, designated by the City, to ride in the Collection vehicles to conduct the audits. Contractor shall have no responsibility or liability for the salary, wages, benefits or worker compensation claims of any Person designated by the City to conduct such audits.

6.1.12. Commingling of Routes

Contractor shall not commingle City Collection routes with other city or county routes without the express prior written authorization of the City Manager. Each route shall be dedicated exclusively to City-generated Solid Waste Collected within City boundaries under this Agreement.

6.2 Personnel

6.2.1. Qualifications

Contractor shall employ a sufficient number of qualified personnel to perform the services set forth in this Agreement. Contractor shall ensure that its employees comply with all applicable laws and regulations and meet all federal, state and local requirements related to their employment and position. Contractor shall provide operating and safety training that meets minimum OSHA standards for all its drivers, helpers, and those employees who are otherwise directly involved in Collection operations. Contractor shall train its drivers and helpers in the identification of Hazardous Waste. Each driver shall at all times carry a valid California driver's license, and any other required licenses for the type of vehicle that is being operated. Each driver shall comply with all applicable state and federal laws, regulations and requirements.

6.2.2. Conduct

Contractor's employees shall conduct themselves in a competent, thorough, and courteous manner. The City may request the transfer of any employee who materially violates any provision in this Agreement, or who is negligent, careless, or discourteous in the performance of their duties. Contractor's field operations personnel shall wear a clean uniform with the employee and Contractor's name. Contractor's employees, who normally come into contact with the public, shall bear a company photo identification card. Contractor's employees shall not in any way represent themselves as employees of City.

6.2.3. Fees and Gratuities

Contractor shall not, nor shall it permit any officer, agent or employee to, request, solicit, demand or accept, either directly or indirectly, any fee or gratuity for the performance of services required under this Agreement.

6.2.4. Drug and Alcohol Testing

Contractor shall prescreen all applicants seeking employment that would result in the applicant, if hired, driving Contractor's vehicles within City. The prescreening shall include drug and alcohol testing by a certified independent testing laboratory. Contractor shall reject any applicant for employment within City who tests positively for any prohibited substance. In addition, Contractor shall conduct unannounced random drug and alcohol

testing of all employees performing driving duties within City pursuant to the regulations administered by the Federal Motor Carrier Safety Administration (49 CFR, Part 40). The random testing shall be conducted by a certified independent testing laboratory. Any employee who tests positive for prohibited substances or alcohol shall be immediately and permanently removed from any assignment to perform duties under this Agreement.

6.2.5. Service Supervisor

Contractor has designated a supervisor to be in charge of the Collection Service within the Service Area. At least thirty (30) calendar days prior to replacing the designated supervisor Contractor shall notify City in writing of the name and qualifications of the new service supervisor. Contractor shall ensure that such replacement is an individual with like qualifications and experience. The supervisor shall be available to the City Manager through the use of a mobile telephone at all times that Contractor is providing Collection Services. In the event the supervisor is unavailable due to illness or vacation, Contractor shall designate an acceptable substitute who shall be available and who has the authority to act in the same capacity as the supervisor, the service supervisor shall provide the City with an emergency phone number where the supervisor can be reached outside of normal business hours.

6.2.6. Non-discrimination

In the performance of all work and services under this Agreement, Contractor shall not discriminate against any person on the basis of such person's race, sex, color, national origin, religion, marital status, age, disability or sexual orientation. Contractor shall comply with all applicable local, state and federal laws and regulations regarding nondiscrimination, including those prohibiting discrimination in employment.

6.2.7. Lockouts

Contractor shall not institute a lockout of any or all of its employees unless Contractor has previously provided an alternate plan of continuing the highest level of services during the entire possible period of such a lockout with ample fully trained substitutes for all such locked out employees, and City has approved such alternate plan in writing prior to such lockout being instituted by Contractor.

6.3 Vehicles

6.3.1. General

Contractor shall provide vehicles that are sufficient in number and capacity to efficiently perform the work required by this Agreement. Contractor shall at all times own and maintain reserve Collection equipment which can be put into service within one (1) hour of any breakdown. Such reserve equipment shall correspond in size and capacity to the equipment used by Contractor to perform its regular Collection services.

Contractor shall equip vehicles so as to prevent Solid Waste from being blown or otherwise escape from the vehicle. Contractor shall be responsible to promptly clean any spillage or Solid Waste that leaks or otherwise escapes its vehicles.

Each Collection vehicle shall carry a broom, shovel, and operable fire extinguisher, and shall be equipped with a radio to enable the driver to communicate directly with Contractor's dispatcher and/or main office.

No Collection Vehicle shall be utilized if it is leaking fluids. Contractor shall clean up any leaks or spills from its vehicles. Contractor shall equip all Collection Vehicles with absorbent for such cleanups. No fluids shall be washed into storm drains at any time.

6.3.2. Appearance

Contractor shall paint each vehicle periodically (including performing all necessary body work), as frequently as necessary to maintain a positive public image. Contractor shall mark the rear, and both sides of each vehicle with the Contractor's name, telephone number, and a vehicle number in letters not less than six (6) inches in height. Contractor shall maintain each vehicle in a clean and sanitary condition both inside and out.

6.3.3. Maintenance

Contractor shall perform all scheduled maintenance functions upon Collection Vehicles in accordance with the manufacturer's specifications and schedule. Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown or any other cause so as to maintain all equipment in a safe and operable condition. Contractor shall keep accurate records of all Collection Vehicle maintenance and repair, recorded according to date and mileage,

including signed verifications that repairs and maintenance has been properly performed, and shall make such records available to City upon request.

6.3.4. Emissions

Contractor's Collection Vehicles shall comply with all rules and regulations of the South Coast Air Quality Management District, the Air Resource Board, and any other air-quality regulatory body that may be in authority during the Term of this Agreement.

6.3.5. Noise

Contractor's vehicles using compaction mechanisms during the stationary compaction process shall not exceed a noise level of seventy-five (75) decibels (dB)A at a distance of twenty-five (25) feet from the Collection vehicle measured at an elevation of five (5) feet above ground level. Contractor shall submit to City, upon City's request, a certificate of vehicle noise level testing, by an independent testing entity, for any Collection vehicle which City or Contractor has received more than one complaint regarding excessive noise in a twelve month period.

6.3.6. Safety

Contractor shall equip each vehicle with appropriate safety equipment, including any new safety related technologies that become standard in the waste industry during the Term of this Agreement. Collection vehicles shall be well marked and highly visible. At a minimum, Collection vehicles shall have a back-up warning alarm, and a video back-up system, or its equivalent.

6.3.7. Vehicles Used for Bulky Items

Vehicles used for Collection of Bulky Items shall not use compactor mechanisms or mechanical handling equipment that may damage reusable goods or release Freon or other gases from pressurized appliances. Contractor may use vehicles with mechanical packing mechanisms if used for the purpose of collecting Bulky Items that are not deemed recyclable or reusable or do not contain Freon or other gases.

6.3.8. Inspection of Vehicles

Contractor shall inspect each Collection vehicle daily to ensure that all equipment is operating properly. Collection vehicles that are not operating properly shall be removed from service until repaired and operating properly.

Contractor shall regularly inspect each Collection vehicle to ensure it meets the requirements of the California Vehicle Code and the California Highway Patrol. Contractor shall provide to the City copies of its Biannual Inspection of Terminal ("BIT") inspection reports to City within 30 days of its receipt of such reports. Contractor shall make all records related to its vehicles available to City upon request by the City Manager.

City may cause or require any Collection vehicle used in performance of this Agreement to be inspected and tested at any time and in such manner as may be appropriate to determine that the vehicle is being maintained in compliance with the provisions of this Agreement.

Upon request, Contractor shall furnish City a written inventory of all equipment, including Collection Vehicles, used in providing service pursuant to this Agreement. This inventory shall list all equipment by manufacturer, ID number, date of acquisition, type and capacity.

Any Collection Vehicle that the City Manager deems inappropriate for use in City for any reason (including its appearance) shall be removed from service in City, until such time as the City Manager determines the issue regarding said Collection vehicle is corrected.

6.4 Containers

If any Solid Waste enterprise providing Solid Waste Collection Services to Customers prior to the Effective Date does not remove the Containers it had in use prior to the Effective Date, Contractor shall Collect and dispose of all such Containers at no additional charge to City or Customers.

6.4.1. Carts

Contractor shall provide Cart Collection Customers with Carts during the Term of this Agreement. Carts and Cart lids must meet color, size, uniformity, and quality requirements of the City. Contractor shall provide and maintain Carts and Cart lids with consistent colors and in good condition. Contractor shall maintain all Carts in good repair. If a Cart is broken or damaged, Contractor shall repair or replace such Carts by the next regularly scheduled Collection day provided that the Customer notifies the Contractor two (2) Work Days in advance of the next Collection day.

Carts shall be marked or labeled to include the Contractor's name and phone number, and information about what materials should and should not be placed in each type of Cart. City shall approve what information is marked on Carts.

6.4.2. Cart Exchange

Upon notification to the Contractor by the City or a Customer that a change in the size or number of Carts is required, the Contractor shall deliver such Carts to such Customer by the next regularly scheduled Collection day provided that the Customer notifies the Contractor two (2) Work Days in advance of the next Collection day. Each Cart Customer shall be entitled to receive one (1) free Refuse Cart exchange, one (1) free Recycling Cart exchange and one (1) free Organics Cart exchange per year during the Term of this Agreement. For exchanges that exceed one (1) per year, Contractor may charge Customers the cart exchange fee shown in Exhibit A.

6.4.3. Cart Replacement

Any Cart damaged by the Contractor shall be replaced by the Contractor, at the Contractor's expense. If a Cart is lost, stolen or damaged beyond repair through no fault of the Contractor, the Contractor shall deliver replacement Cart to Customer by the next regularly scheduled Collection day provided that the Customer notifies the Contractor two (2) Work Days in advance of the next Collection day. Each Cart Customer shall be entitled to the replacement of one (1) lost, destroyed, or stolen Refuse Cart, one (1) lost, destroyed, or stolen Recycling Cart, and one (1) lost, destroyed, or stolen Organics Cart during the initial Term of this Agreement at no cost. For replacements of more than one (1) lost, destroyed, or stolen Cart of each type during the initial Term, Contractor may charge Customer the Cart replacement fee shown in Exhibit A. Customers shall be entitled to one (1) free replacement Cart of each type during the Term of this Agreement.

6.4.4. Ownership of Carts

Contractor shall own all Carts provided under this Agreement. In the event this Agreement is not extended or renewed, Contractor shall remove all Carts in service from the City.

6.4.5. Bins

Contractor shall provide Bin Collection Customers with Bins required during the Term of this Agreement. The size and quantity of Bins shall be determined by mutual agreement between Customer and Contractor, and shall be subject to City approval. Contractor shall maintain Bins in a clean condition and free from putrescible residue. Bins shall be watertight, and constructed of heavy metal, or other durable material. Bins shall be well painted, and maintained in good repair.

Contractor shall mark each Bin with the name of Contractor and phone number in letters not less than three (3) inches high. Bins shall be labeled to include instructions on what materials should and should not be placed in the Bin. Contractor shall replace Bins upon City's request if the City deems it necessary to maintain a neat appearance. All Refuse Bins shall be painted a uniform color, and all Recycling Bins shall be painted a different, uniform color.

6.4.6. Bin Replacement

Upon Customer or City request, or if required to maintain the Bins in a clean condition, Contractor shall clean or replace all Bins once per year at no additional charge. Contractor shall perform cleaning or replacement of Bins more frequently if necessary to prevent a nuisance caused by odors or vector harborage, or if requested by Customer or City. Contractor shall remove graffiti from any Container within two (2) Work Days of request by City or Customer.

6.4.7. Locking Bins

Contractor shall provide locking Bins upon Customer request. Contractor shall be entitled to the monthly charge for locking bins shown in the Rate Schedule in Exhibit B and Exhibit C.

6.4.8. Rolloff Boxes

Contractor shall provide Roll-off Boxes to Rolloff Customers sufficient to meet Customer demand throughout the Term of this Agreement. Contractor shall keep all Roll-off Boxes clean, well-painted free from graffiti, and in good repair. Contractor shall display the name and phone number of Contractor in letters not less than three (3) inches high on Rolloff Boxes.

6.4.9. Rolloff Compactors

Maintenance of Customer-owned Rolloff Compactors shall be the responsibility of the Customer, and not Contractor. Contractor may sell, or lease Rolloff Compactors to Customers. Any such sale or lease shall be outside the scope of this Agreement. Any proceeds to Contractor from the sale or lease of Rolloff Compactors are not included in Gross Revenues.

Section 7 CUSTOMER SERVICE

7.1 Office Hours

Contractor shall maintain an office with assigned personnel accessible by a local or toll-free phone number. Contractor's office hours are to be from 8:00 a.m. to 5:00 p.m. Monday-Friday and 8:00 a.m. to 12:00 p.m. on Saturdays when Collection is occurring. At Contractor's expense, its telephone numbers shall be listed in Lomita-area telephone directories under both Contractor's name and the City's name. Contractor shall have the capability of responding to Customers in English, Spanish, and any other predominant languages necessary for communication between Contractor and its Customers.

7.2 Service Complaints

All Customers complaints and inquiries shall be directed to Contractor. During office hours, Contractor shall maintain a telephone answering system capable of accepting at least five (5) calls at one (1) time. Contractor shall also accept customer complaints and inquiries via email. Contractor shall record all calls and emails, including any inquiries, service requests and complaints into a customer service log.

Contractor's customer service log shall include date, time, and Customer's name and address if the Customer is willing to give this information, and date and manner of resolution of complaint or inquiry. Contractor shall maintain this information in a computerized daily customer service log. In the case of a valid complaint for a missed Collection, Contractor shall make the Collection not later than 5 p.m. on the Work Day the complaint is received, if the complaint is received by noon.

For calls received after noon, Contractor shall make the Collection not later than 5 p.m. on the next Work Day. All service complaint calls received on Contractor's answering service or via email shall be logged in the customer service log by the following Work Day. This Service customer service log shall be available for review by City Manager during Contractor's office hours. Contractor shall provide a copy of customer service log to the City with the quarterly report.

7.3 Response to Calls

All incoming calls will be answered within five (5) rings. Any call "on-hold" in excess of one and one half (1.5) minutes shall have the option to remain "on-hold" or to be switched to a message center where Customer can leave a message. Contractor's customer service

representative shall return Customer calls. For all messages left before noon, all "call backs" shall be attempted a minimum of one time prior to 5:00 p.m. on the Work Day of the call. For messages left after noon, all "call backs" shall be attempted prior to noon the next Work Day. Contractor shall make a minimum of three (3) attempts within twenty-four (24) hours of the receipt of the call. If Contractor is unable to reach the Customer on the next Work Day, Contractor shall send a postcard, or other means of communication, such as e-mail, to the Customer on the second Work Day after the call was received, indicating that Contractor has attempted to return the call.

7.4 Emergency Telephone Number

Contractor shall maintain an emergency after-hours telephone number for use by City personnel only. Contractor shall have a representative, or an answering or call-forwarding service to contact such representative, available at the emergency telephone number during all hours other than office hours.

7.5 Customer Education Program

Contractor shall develop and implement an education program for the City's waste diversion program, with goals, strategies and timetables (at no additional cost to City or Customers). The program shall include information with respect to AB 939 diversion goals, public schools waste reduction, Bulky Items pick-ups, E-Waste, Recycling, and Green Waste programs, annual holiday schedule, and the importance of the safe disposal of Hazardous Waste.

At least once per year, Contractor will provide and distribute literature in the form of fliers, cards, stickers, magnets, newsletters, or otherwise, including programming on Lomita Community Television, as Contractor and the City determines to be most effective in support of its obligation with respect to the achievement of the diversion rate required of the City. Contractor may also utilize other promotional activities to achieve the goals of this Agreement, including participation with community organizations and a minimum of three (3) events including, but not limited to, other local activities, parades and civic events.

Contractor shall also mail Customers quarterly Saving Our Resources Together ("SORT") reports and make the reports available at City Hall. The City must review all education program materials prior to being mailed/distributed. Contractor shall also provide space in Contractor's public outreach materials, such as mailers, flyers and newsletters, for the

City to include announcements, community information, articles, and photographs. The City may review any such materials prepared by Contractor and request changes as necessary prior to distribution/mailing by Contractor.

In the event that the City determines that the Customer Education Program is not effective, Contractor shall provide additional educational materials that are designed to increase diversion and participation in Contractor's diversion programs. This may include efforts by Contractor to target certain Recyclable Materials or "problem" areas of Contractor's Service Area where improvements can be maximized. Targets of outreach should be based on local trends and recycling patterns.

7.6 Additional Education Programs

Contractor shall provide additional services and programs as requested by City at a price to be mutually agreed upon between Contractor and the City Manager. In the event Contractor and the City Manager cannot reach a mutually agreed upon price for the requested service or program, City shall have the right to procure the service of other vendors or contractors to provide the requested service.

7.7 Website

Contractor shall maintain a website dedicated to services provided in the City that is accessible by the public. The website shall include answers to frequently asked questions for Collection Services, Recyclable Materials, Food Waste (if available) and Green Waste Materials specifications, Collection Service schedules. Contractor shall arrange for the City's website to include an e-mail link to Contractor and a link to Contractor's website. Contractor's website shall provide the public the ability to e-mail complaints to Contractor and request services or service changes.

7.8 Media Relations

Contractor shall notify the City Manager by e-mail or phone of all requests for news media or social media interviews related to the Collection Services program within twenty-four (24) hours of Contractor's receipt of the request. Before responding to any inquiries involving controversial issues or any issues likely to affect participation or Customer perception of services, Contractor will discuss Contractor's proposed response with the City Manager.

Copies of draft news releases or proposed trade journal articles shall be submitted to City for prior review and approval at least five (5) Work Days in advance of release, except where Contractor is required by any law or regulation to submit materials to any regulatory agency in a shorter period of time, in which case Contractor shall submit such materials to City simultaneously with Contractor's submittal to such regulatory agency.

Copies of articles resulting from media interviews or news releases shall be provided to the City within five (5) Work Days after publication.

7.9 Customer Privacy

Contractor shall not reveal or report information identifying individual Customers, or the composition or contents of a Customer's Solid Waste, Recyclable Materials, Food Waste or Green Waste to any person, governmental unit, private agency or company unless upon the authority of a court of law, by statute, or upon valid authorization of the Customer. This provision shall not be construed to preclude Contractor from preparing, participating in, or assisting in the preparation of Solid Waste characterization studies or waste stream analyses which may be required by AB 939. Contractor shall not market or distribute mailing lists with the names and addresses of Customers. The rights accorded Customers pursuant to this Section shall be in addition to any other privacy rights accorded Customers pursuant to federal or state law.

7.10 Use of Program Name

Contractor shall not use any trade name or service mark that refers to the City or its integrated waste management program without the prior express written permission of City. City will retain ownership of any such trade name or service mark. The use of any such trade name or service mark shall not create an agency relationship.

Section 8 FLOW CONTROL; AND MARKETING OF RECYCLABLES

8.1 Ownership of Solid Waste

Ownership and the right to possession of Solid Waste shall transfer directly from the Customer to Contractor by operation of law when Carts and/or Bins are set out for Collection, except where otherwise provided by Public Resources Code § 41950(c), and not as a result of this Agreement. At no time shall the City obtain any right of ownership or possession of Solid Waste or Household Hazardous Waste placed for Collection and nothing in this Agreement shall be construed as giving rise to any inference that City has any such ownership rights.

8.2 City's Ability to Control the Flow of Solid Waste

City reserves whatever, if any, right it might have or receive to exercise "flow control" i.e., the right to select disposal facilities and materials recovery facilities to which the Solid Waste to be Collected pursuant to this Agreement is to be taken. In the event City directs Contractor to transport Solid Waste to a particular disposal site or other facility, City and Contractor agree to use their best efforts to obtain indemnification against CERCLA, RCRA and related claims from the operator of the landfill or other destination to which Solid Waste collected pursuant to this Agreement is taken for disposal. In the event City requires Contractor to utilize a landfill or other disposal facility not owned or operated by Contractor or an affiliate of Contractor, Contractor shall be relieved of its liability with respect to the matters addressed in Section 12.3 of this Agreement with respect to the Solid Waste delivered to a disposal facility designated by City. In the event that City selects a transfer or disposal facility, Contractor or City, as appropriate, shall be entitled to a rate adjustment to offset for any substantiated increase or decrease in expenses resulting from the City's exercise of flow control.

8.3 Marketing of Recyclables

Contractor shall market all marketable Recyclables Collected pursuant to this Agreement. Contractor shall be entitled to all revenues (including California Redemption Value revenues) received by Contractor from the marketing of Recyclables. Contractor shall assume all risk, and enjoy all rewards, resulting from changes in market prices of Recyclables.

8.4 Recycling-Changes to Work

Should changes in law arise that necessitate any additions or deletions to the work described herein including the types of items included as Recyclable Materials, the parties shall negotiate any necessary cost changes and shall enter into an Agreement amendment covering such modifications to the work to be performed and the compensation to be paid before undertaking any changes or revisions to such work

Section 9 RATES AND BILLING

9.1 Rates

Contractor's compensation for all solid waste Collection, transportation, processing, recycling, and disposal services shall be the Rates set forth in Exhibit A, Exhibit B, and Exhibit C to this Agreement. Contractor may not charge for any franchised service not listed in the rate schedule without prior written authorization of the City.

9.2 Adjustment of Rates

Contractor shall be entitled to an adjustment of its Rates effective each July 1 during the term of this Agreement. City and Contractor acknowledge that the Rates are subject to the requirements of Article XIII D of the California Constitution (Proposition 218). City and Contractor intend for the City to adopt a schedule of Rates effective July 1, 2019, and July 1, 2024 such that the City may authorize automatic adjustments during the ensuing years (for a period not to exceed five (5) years) pursuant to Section 53756 of the Government Code.

On July 1 of 2020, 2021, 2022, and 2023, the schedule of Rates shall be adjusted based on the inflation adjustment formula shown below in Sections 9.2.2, 9.2.3, 9.2.4, 9.2.5, and 9.2.6 (Inflation Adjustment Formula). City and Contractor acknowledge that the Rates in effect as of July 1, 2019, and those Rates as they are adjusted each year by the Inflation Adjustment Formula over the ensuing five (5) years, are designed to fully compensate Contractor for its increased costs, including its increased cost of Disposal and/or Transformation.

Subject to the requirement of Proposition 218, Contractor's Rates effective July 1, 2024 shall be adjusted prospectively for the remaining three (3) years of the term of the Agreement to account for the actual cost of Disposal and/or Transformation at that time, and the expected cost of Disposal and/or Transformation over the remaining three (3) years of the term of the Agreement. On July 1, 2025, and July 1, 2026, Contractor's Rates shall be adjusted based on the Inflation Adjustment Formula. The Rates effective July 1, 2024, and those Rates as they are adjusted each year by the Inflation Adjustment Formula over the ensuing three (3) years, is intended to fully compensate Contractor for its increased costs, including its increased cost of Disposal and/or Transformation.

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Unless Rates are adjusted in any year pursuant to Sections 9.4, 17.2, or 17.3, the Parties expect the type of rate adjustment process to follow the schedule shown below in Table 1.

Table 1 – Scheduled Rate Adjustment Processes

Rates Effective Date	Rate Adjustment Process
7/1/2019	Prop 218 hearing
7/1/2020	Inflation adjustment formula
7/1/2021	Inflation adjustment formula
7/1/2022	Inflation adjustment formula
7/1/2023	Inflation adjustment formula
7/1/2024	Prop 218 hearing
7/1/2025	Inflation adjustment formula
7/1/2026	Inflation adjustment formula

On or before April 1st of each year in which an adjustment is to be made based on the Inflation Adjustment Formula, Contractor shall submit to the City a request for a rate adjustment. The request for rate adjustment shall be in a format acceptable to the City and include the following:

1. Rates currently in effect;
2. Annual operating cost statement with weighted cost categories;
3. Applicable indexes (e.g., values in CPI, PPI, and disposal tipping fees);
4. Percentage change in the values of the applicable indexes; and,
5. Calculation of the rate adjustment and proposed rates.

On or before March 1, 2024, Contractor shall submit to the City a request for a rate adjustment to be effective July 1, 2024. The rate adjustment effective July 1, 2024 shall be subject to the requirement of Prop 218. The request for rate adjustment shall be in a format acceptable to the City and include the following:

1. The Rates currently in effect;
2. The portion of each of the existing rates attributable to Disposal and/or Transformation;
3. The projected increase in the cost of Disposal and/or Transformation over the ensuing three years;

4. Calculated Rates effective July 1, 2024, when adjusted by the Inflation Adjustment Formula, are designed to fully compensate Contractor for its increased costs over the ensuing three (3) years, including the Contractor's increased cost of Disposal and/or Transformation;

If Contractor fails to submit a request for a rate adjustment in a format acceptable to the City by April 1st (or March 1 in the case of 2024), it shall be deemed to have waived its right to request a rate adjustment for that year. If Contractor's failure to submit the financial information required under this section is the result of extraordinary or unusual circumstances as demonstrated by Contractor to the satisfaction of the City Manager, City, at its sole discretion, may consider the request for the annual rate adjustment. The City's acceptance of the Contractor's request for a rate increase shall not obligate the City to grant the rate adjustment request.

The City shall review Contractor's rate adjustment request for accuracy, completeness, and conformity with the terms of this Agreement. City shall timely work with Contractor to resolve any discrepancies regarding Contractor's rate adjustment request. For a requested increase that does not require a Prop 218 hearing, City shall notify Contractor of the approved rate adjustment no later than May 15th of each year in which a rate adjustment is requested. For a requested increase that does require a Prop 218 hearing, City shall notify Contractor of the approved rate adjustment no later than April 15th of each year in which a rate adjustment is requested.

In the event a Prop 218 hearing is required for the City to approve an adjustment to Contractor's rates (either for the July 1, 2024 adjustment, or due to a request for an extraordinary adjustment pursuant to Section 9.4), Contractor shall submit the rate adjustment items listed above, or its support for an extraordinary rate adjustment, as early in the year as possible, but no later than March 1st. In the event that *final* index values are not available prior to March 1st, Contractor may use *preliminary* index values. For all calculations of the percentage change for any index, the ending index value used in one year (whether preliminary or final) shall serve as the beginning index value in the percentage change calculation in the subsequent year. City shall make its best efforts to review and approve Contractor's rate adjustment request by April 15th.

9.2.1. Diversion Data Required for Rate Adjustment

On or before April 1 of each year during the term of this Agreement, Contractor shall deliver to City diversion data for the specific services performed under this Agreement

during the preceding full or partial year in a format approved by the City. If Contractor fails to submit the diversion data in the required format by April 1st (or by March 1st in years in which a Prop 218 hearing is required), Contractor shall be deemed to have waived the rate adjustment for that year.

9.2.2. Calculation of Rate Adjustment - Overview

For purposes of adjusting rates, the Rates are comprised of the following three components. The initial amount of each of these components are shown in Exhibits A, B, and C. The annual adjustment for each of these components shall be calculated separately. Each of the calculated results of the three components shall be combined to determine the total adjustments to each of the Rates.

- Collection component
- Disposal component
- Franchise fee component

The Rates shall be adjusted according to the example in the following rate adjustment steps. Adjustments to Rates for services that do not include disposal or processing cost (e.g., scout service, bin locks, etc.) shall be calculated only based on the change in the collection and franchise fee components.

9.2.3. Rate Adjustment Step 1 – Weight of Collection Cost Categories

The actual expenses of providing Collection services in the City (excluding disposal and franchise fee expenses) for the most recent calendar year shall be organized into the categories shown below in Rate Adjustment Example Step 1. The annual cost of each category shall be assigned a relative weight based on its proportionate share of the total amount of annual costs as shown on the following page in Rate Adjustment Example Step 1.

Rate Adjustment Example Step 1 – Relative Weight of Collection Cost Categories

Cost Category	Description	Example Annual Cost	Relative Weight
Labor	Administrative, officer, drivers, operations, and maintenance salaries and wages	\$1,022,660	45.8%
Fuel & Lubricants	All fuel costs	\$128,543	5.8%
Vehicle Replacement	Collection and Collection-related vehicle depreciation costs	\$269,106	12.1%
Vehicle Maintenance	Collection or Collection-related vehicle parts accounts	\$125,422	5.6%
Other Costs	All other costs	\$686,751	30.7%
Total		\$2,232,482	100.0%

9.2.4. Rate Adjustment Step 2 – Percent Change in Collection Component

The percent change in the collection component shall be calculated based on the annual change, from January 1st to January 1st of each year, in the adjustment indexes shown on the following page in Rate Adjustment Example Step 2. The annual change in each of the adjustment indexes shall be applied to the relative weight of each collection cost category to determine the weighted change of each category. The total of the weighted change of all the cost categories shall be the annual percent change in the collection component of the Rates as shown on the following page in Rate Adjustment Example Step 2.

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Rate Adjustment Example Step 2 – Percent Change in Collection Component

Cost Category	Adjustment Index	Beginning Index Value (1/2018)	Ending Index Value (1/2019)	Percent Change	Relative Weight (a)	Weighted Percent Change
Labor	Employment Cost Index, Series ID: ceu6056210008 Employment, hours, and earnings from current employment, Waste collection (U.S. Department of Labor, Bureau of Labor Statistics)	19.31	19.50	0.98%	45.8%	0.45%
Fuel & Lubricants	Energy Information Administration (U.S. Department of Energy) California #2 Diesel Fuel, Retail sales by all sellers. (DDR007)	2.851	3.559	24.83%	5.8%	1.43%
Vehicle Replacement	Producer Price Index, Series ID: pcu336211336211 Motor vehicle body manufacturing (U.S. Department of Labor, Bureau of Labor Statistics)	238.3	241.0	1.13%	12.1%	0.14%
Vehicle Maintenance	Producer Price Index, Series ID: pcu3339243339243 Parts and attachments for industrial trucks and tractors (U.S. Department of Labor, Bureau of Labor Statistics)	259.3	264.0	1.81%	5.6%	0.10%
Other Costs	Series ID: CUURX400sa0 Consumer Price Index, All Urban Consumers, All Items, West-Size Class B/C (U.S. Department of Labor, Bureau of Labor Statistics) This shall not exceed a maximum of five percent (5%).	145.918	149.920	2.74%	30.7%	0.84%
Total Percent Change in Collection Component						2.96%

(a) From Rate Adjustment Step 1

9.2.5. Rate Adjustment Step 3 – Percent Change in Disposal Component

The percent change in the disposal component shall be calculated based on the change in the Consumer Price Index, Series ID: CUURS49ASA0, All items in Los Angeles-Long Beach-Anaheim, CA, all urban consumers, not seasonally adjusted (U.S. Department of Labor, Bureau of Labor Statistics) as shown on the following page in Rate Adjustment Example Step 3.

Rate Adjustment Example Step 3 – Percent Change in Disposal Component

Index	Beginning Index Value (1/2018)	Ending Index Value (1/2019)	Percent Change
Consumer Price Index, Series ID: CUURS49ASA0, All items in Los Angeles-Long Beach-Anaheim, CA, all urban consumers, not seasonally adjusted (U.S. Department of Labor, Bureau of Labor Statistics)	259.22	267.63	3.24%

9.2.6. Rate Adjustment Step 4 – Adjustment to Current Rates

The adjustment to the current rates shall be based on the corresponding percent change applied to each rate component as shown below in Rate Adjustment Example Step 4. The franchise fee component shall be equal to 9% of the total rate including the franchise fee.

Rate Adjustment Example Step 4 – Adjustment to Current Rates

Rate Component	Current Rate	Percent Change	Adjusted Rate
Disposal	\$8.17	3.24%	\$8.43
Collection	\$12.91	2.96%	\$13.29
Franchise Fee	\$2.08	(a)	\$2.15
Total Rate	\$23.16		\$23.87

(a) Franchise Fee shall be equal to 9% of total rate including franchise fee component.

9.3 Adjustments to Generation Factors

In the event of a change in law or change in waste generation that has the potential to materially affect the monthly unit generation factors in the rate exhibits, the City and Contractor agree that a generation study will be performed at the request of the City with the cooperation of Contractor. The study will be funded equally by the City and Contractor. The generation study will be designed to establish updated monthly unit generation factors. Contractor shall cooperate fully with the City related to the performance and completion of the generation study.

9.4 Extraordinary Rate Adjustment

Contractor may petition the City in writing at any time for an adjustment in the maximum rates on the basis of extraordinary and unusual changes in the costs of operations or programs that satisfy all of the following conditions: (i) materially alters Contractor's operations or overall costs; (ii) could not reasonably have been foreseen by a prudent operator; (iii) by all reasonable expectations will continue for a period of at least six (6) months; and (iv) is not addressed pursuant to Section 17. Contractor's request shall contain substantial proof and justification to support the need for the adjustment. The City may request from Contractor such further information as it deems necessary to fully evaluate the request and make its determination. The City shall in the exercise of its reasonable discretion approve or deny the request, in whole or in part, within sixty (60) calendar days of receipt of the written request and all other additional information requested by the City.

No Extraordinary Adjustment shall occur or rate adjustment be provided due to Contractor's use of any facility or subcontractor. Nor shall a variation from Contractor's estimate for the tonnages of Solid Waste, Recyclable Materials or Green Wastes be Collected, processed or disposed provide a basis for a rate adjustment through an Extraordinary Adjustment or otherwise, except as specifically provided for by this section.

Contractor acknowledges that any extraordinary rate adjustment shall require a Proposition 218 notice and hearing in accordance Article XIIC and Article XIID of the California Constitution, and in that event, Contractor shall be obligated to pay fees to the City pursuant to Section 10.5.

9.5 Resolution of Disputes Regarding Rate Adjustments

Any dispute regarding the computation of a rate adjustment shall be decided by the City Manager or his designee, or referred by the City Manager to the City Council as provided in Section 19. A rate adjustment computation decision by the City Manager or the City Council may be appealed by Contractor in accordance with the procedures provided in Section 19. The rates in effect at the time a rate adjustment dispute shall be submitted to the City Council shall remain in effect pending resolution of that dispute. The effective date of a rate determined through the dispute resolution procedures provided in Section 19, shall be the next immediate billing cycle of the Contractor after the date of dispute resolution.

9.6 Billing and Payment

9.6.1. Billing - General

The Contractor shall be responsible for the billing and collection of payments for all Collection Services. The Contractor shall charge Customers for all Collection Services pursuant to the rate schedules in Exhibit A, Exhibit B, and Exhibit C, or as those rates are adjusted under the terms of this Agreement.

Contractor's invoices must plainly and accurately describe the service provided. Contractor's invoices must itemize the size and number of Containers, the frequency of service and the period in which the service is provided. If a Customer starts or stops service during the billing period, Contractor shall pro-rate Customer's invoice based on the portion of the billing period the Customer receives service.

City shall have the right to approve the format and content of Contractor's invoices. City shall have the right to provide educational and other material to Contractor to include with the invoices sent to Customers. Contractor shall not charge the City to include additional educational or other materials with the invoices.

9.6.2. Single-family

Contractor shall invoice Single-family Customers with Cart Collection service quarterly in advance on or about the first day of the quarter during which service will be provided. Contractor shall invoice any Single-family Customers with Bin or Rolloff Collection service according to the billing method for Commercial or Multi-family Customers with Bins, or according to the method for billing Rolloff Customers.

9.6.3. Senior Citizen Discount

Contractor shall offer and grant a five percent (5%) discount for Cart Collection Service to eligible senior citizens. To be eligible, Customers must provide proof of eligibility in a manner acceptable to the City and Contractor, which shall include, at a minimum, a requirement of being at least sixty-five (65) years of age, head of household, with proof of residency at the service address. Such eligibility shall be renewed at the commencement of the agreement and every four (4) years thereafter and shall remain in effect at the service address until Collection Services are discontinued, or until a different owner occupies the service address.

9.6.4. Annual Pre-payment Discount

Contractor shall offer and grant a three percent (3%) discount to customers that pay in advance for one (1) year of service. Contractor shall advertise the availability of this payment option at least once per year in Contractor's public education materials sent to Customers.

The annual pre-payment discount shall remain in place even if the Customer changes the level of service during the year covered by the pre-payment. If the Customer reduces the level of service, Contractor shall refund any prorated overpaid amount within 45 days of the reduction in the service level. If the Customer increases the level of service, Contractor shall provide a separate invoice for the prorated underpaid amount, which shall be due within 60 days.

9.6.5. Commercial and Multi-family

Contractor shall invoice Commercial or Multi-family Customers with Bin Service monthly in advance on or about the first day of the month for which service will be provided. Contractor shall invoice any Commercial Customers with Cart Service monthly in advance on or about the first day of the month for which service will be provided. Contractor shall invoice Multi-family Customers with Cart Collection service Bin or Rolloff Collection service according to the billing method for Commercial or Multi-family Customers with Bins, or according to the method for billing Rolloff Customers described below.

9.6.6. Rolloff

Invoices for Rolloff Collection service shall include the work order number, date, location, and actual weight of the load along with itemized charges for the load charge and the charge for tipping fees.

9.6.7. Rolloff - COD

Contractor may require Cash on Delivery (COD) for providing temporary Rolloff Collection Service to Single-family Residential and temporary Construction and Demolition Customers. The COD pre-payment amount for each COD Rolloff load either for Single-family or for temporary Construction and Demolition Customers shall be equal to: 1) the per pull Rate for Rolloff Collection in Exhibit B or Exhibit C, plus, 2) the Disposal or Processing Cost for a standard amount of four (4) tons per load plus franchise fees.

The Rate for COD Rolloff Collection Service for Single-family and temporary Construction and Demolition Customers shall be equal to: 1) the per pull Rate for Rolloff Collection in Exhibit B or Exhibit C, plus, 2) the Disposal or Processing Cost for a standard amount of four (4) tons per load, plus, 3) the actual Disposal or Processing Cost for the actual amount of tons that exceed four (4) tons per load plus franchise fees.

If the actual amount of tons per load are equal to or less than four (4) tons, the COD pre-payment amount shall be the full and final Rate for COD Rolloff Collection Service for Single-family and temporary Construction and Demolition Customers. If the amount of tons are greater than four (4) tons, Contractor may invoice Customer for the Disposal or Processing Cost of the tons that exceed four (4) tons plus franchise fees. Invoices shall be due in fifteen (15) days.

9.6.8. Start and Stop Service – Vacant Residential Units

Upon notification by a Single-family or Multi-family Customer with Cart Collection Service that one or more Dwelling Units are or will be vacant, Contractor shall prorate and/or credit the Customer's invoice to reflect the period of time during which the Dwelling Units are vacant. Contractor shall rely on Customer's written representation of the period of time during which the Dwelling Units are vacant. Contractor shall not require any other documentation from Customer. Contractor may retrieve Customer's Carts for any vacant Dwelling Unit at no charge to Customer. Contractor may charge up to the rate in the adopted rate schedule to re-deliver a set of three Carts that have been retrieved due to vacancy. In the event of a dispute, the City Manager shall have final authority to make the determination on whether a Dwelling Unit is vacant.

9.6.9. Payment and Collection

Contractor shall provide the means for payment, and accept payments from customers, through any of the following methods: cash, check, credit card, website portal, or periodic automatic clearing house (ACH) withdrawal from Customer's bank account.

Contractor's invoices shall be due within thirty (30) days of the date of the invoice. Contractor shall be responsible to collect all billed amounts and shall incur any and all expenses for uncollectible accounts. Contractor shall notify Customers that have past due amounts at least monthly. City shall have no responsibility for collecting amounts owed to Contractor from Customers. Contractor may report to the City, on a monthly basis, any

Customers who have received Collection service and whose account is over ninety (90) days past due.

9.6.10. Delinquent Accounts – Single-family and Multi-family Carts

Contractor may take such action as is legally available to collect past due amounts from Single-family or Multi-family Customers with Cart Collection Service, including removing Recycling Carts and Green Waste Carts, and reducing Customer to the smallest size Refuse Cart. Contractor shall provide Customers with at least thirty (30) days advance notice prior to removing any Recycling or Green Waste Carts, or reducing Customer to the smallest size Refuse Cart. Contractor shall not stop Refuse Collection service to any Single-family or Multi-family Cart Customer with a delinquent service account, but shall continue to Collect Refuse using at least a 32 gallon Refuse Cart. Contractor may only discontinue providing Single-family or Multi-Family Customers with Cart Collection Service if it does not pose a health hazard.

9.6.11. Delinquent Accounts – Commercial Cart and Bin Customers

Contractor may take such action as is legally available to collect past due amounts from Commercial Cart or Bin Customers, and from Multi-family Bin Customers. If a Commercial Cart or Bin Customer, or a Multi-family Bin Customer has not paid its invoice within thirty (30) days of the invoice date, Contractor shall send a 1st past due notice informing the Customer that the amount is past due.

If a Commercial Cart or Bin Customer, or a Multi-family Bin Customer has not paid its invoice within sixty (60) days of the invoice date, Contractor shall send a 2nd past due notice informing the Customer that the amount is past due, and that service will be stopped thirty (30) days hence if the outstanding amount remains unpaid.

If a Commercial Cart or Bin Customer, or a Multi-family Bin Customer has not paid its invoice within seventy-five (75) days of the invoice date, Contractor shall send a 3rd past due notice informing the Customer that the amount is past due, and that service will be stopped fifteen (15) days hence if the outstanding amount remains unpaid. Contractor shall notify City's code enforcement officer in writing or by email at least five (5) days prior to stopping service on any Commercial or Multi-family Bin Customer.

If a Commercial Cart or Bin Customer, or Multi-family Bin Customer has not paid its invoice within ninety (90) days of the invoice date, Contractor may discontinue providing

Collection services until Customer has brought its account to current status (not more than 30 days overdue). Contractor may charge for restarting service in accordance with the rates as set forth in Exhibit A.

9.6.12. Delinquent Accounts – Rolloff Customers

Contractor may take such action as is legally available to collect past due amounts from Rolloff Customers. If a Rolloff Customer is thirty (30) days past due, Contractor shall notify Customer that service will be stopped in fifteen (15) days hence if the outstanding amount remains unpaid. Contractor may stop service for Rolloff Customers with outstanding amounts that are over forty-five (45) days past due. Contractor shall notify City's code enforcement officer in writing or by email upon stopping service on any Rolloff Customer.

Section 10 FEES PAID TO CITY

10.1 Franchise Fee

Contractor shall pay City a Franchise Fee as required by the Lomita Municipal Code. Contractor shall pay City nine percent (9%) of Contractor's Gross Revenues, in accordance with Generally Accepted Accounting Principles per month, as a Franchise Fee.

10.2 Administrative Fee

Contractor shall pay City an Administrative Fee as required by the Lomita Municipal Code. Contractor shall pay City five thousand dollars (\$5,000.00) per month for each month during the Term of this Agreement as an Administrative Fee.

10.3 Franchise and Administrative Fee Payment

These Franchise Fees and Administrative Fees shall be paid to City by 12:00 noon on or before the 30th calendar day after the end of each calendar quarter during which Collection services were provided pursuant to this Agreement. Accompanying each monthly payment shall be an accounting of the Gross Revenues for each month. Failure of Contractor to make any payment within the appropriate time period shall result in interest, compounded daily, accruing thereon at the rate permitted under California law, in addition to all other remedies of the City pursuant to this Agreement.

10.4 Reimbursement of City Expenses

Within thirty (30) days of the execution of this Agreement, Contractor shall remit a one-time reimbursement to the City of sixty-four thousand dollars (\$64,000.00). This reimbursement is to offset the City's reasonable direct and indirect administrative expenses including consultants, attorneys, and City staff time necessary to renegotiate, prepare, and review this Agreement.

10.5 Reimbursement for Rate Setting and Administrative Hearing

Contractor shall reimburse the City ten thousand dollars (\$10,000.00) for each occurrence, except those noted in Section 17.2 and 17.3, that the City is required to issue public notices and set a public hearing as part of setting maximum service rates for Collection Services under this Agreement in connection with the application of Article XIIIC and Article XIIID of the California Constitution to the imposition, payment, or collection of service rates and fees for services provided by Contractor under this

Agreement, and/or in connection with the imposition or payment of Franchise Fees under this Agreement. This shall include the first Prop 218 hearing that follows approval of this agreement. Currently, the City is required to conduct a Prop 218 hearing every five (5) years in order to continue the rate adjustment methodology in Section 9.2, or in cases in which Contractor applies for an extraordinary rate adjustment.

10.6 Acceptance of Payments by the City

No acceptance by City of any payment shall be construed as an accord that the amount is in-fact the correct amount, nor shall such acceptance of payment be construed as a release of any claim City may have against Contractor for any additional sums payable under the provisions of this Agreement or be deemed a waiver of any term of this agreement. All amounts paid shall be subject to independent audit and recompilation by City and paid by Contractor. If, after the audit, such recompilation indicates an underpayment Contractor shall pay to City the amount of the underpayment and shall reimburse City for all reasonable costs and expenses incurred in connection with the audit and recompilation within ten (10) Work Days of receipt of written notice from City that such is the case. If such recompilation indicates an overpayment, City shall notify Contractor in writing of the amount of the overpayment, less costs and expenses incurred in connection with the audit and recompilation. Contractor may offset the amounts next due following receipt of such notice by the amount specified therein.

Section 11 CONTRACTOR'S BOOKS AND RECORDS; AUDITS

11.1 Record Retention

Contractor shall maintain, in electronic form at a minimum, all records relating to the services provided in this Agreement, including, but not limited to, route maps, customer lists, billing records, weight tickets, AB 939 records, and Customer complaints for the Term, and an additional period of not less than three (3) years after the expiration or termination of this Agreement, or any longer period required by law. In addition, summaries of weight tickets identifying the disposition of waste Collected in the City shall be kept for a period of thirty (30) years.

11.2 Hazardous Waste Diversion Records

Contractor shall maintain records showing the types and quantities, if any, of Hazardous Waste found in Commercial Waste and which was inadvertently collected from Customers within the City, but diverted from landfilling.

11.3 Right to Inspect Records

The City shall have the right, upon reasonable advance notice, to inspect, audit and copy all records relating to this Agreement, including, but not limited to, route maps, customer lists, billing records, weight tickets, AB 939 records and Customer complaints, Contractor's payment of fees to City and records which may be relevant in the event of an action under CERCLA or related claims. In the absence of extraordinary circumstances, two (2) Work Days notice shall be considered reasonable. Such records shall be made available to City at Contractor's regular place of business, but in no event outside the County of Los Angeles.

11.4 Overpayment or Underpayment

Should any examination or audit of Contractor's records reveal an overpayment or underpayment by Contractor to City, the amount of underpayment, plus interest compounded monthly at the maximum lawful rate, shall be paid by Contractor to City within thirty (30) days. The principal amount of any overpayment shall be paid by City to Contractor within sixty (60) days.

11.5 Records for Competitive Procurement

In the event City decides to use a competitive process for the award of an exclusive franchise for Collection of Solid Wastes after the expiration of this franchise, Contractor agrees to cooperate with City in making route maps; customer lists, billing records, weight tickets and other relevant operating or customer services records available for inspection by prospective proposers during the competitive process.

11.6 Potentially Lost or Discarded Records

Where City has reason to believe that such records or documents may be lost or discarded due to the dissolution, disbandment or termination of Contractor's business, City may, by written request or demand of any of corporate officers, require that custody of the records be given to City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Contractor, Contractor's representatives, or Contractor's successor-in-interest.

11.7 Other Records

Contractor shall maintain all other records reasonably related to provision of Collection Services, whether or not specified in this section or elsewhere in this Agreement.

Section 12 MINIMUM DIVERSION REQUIREMENTS

12.1 Minimum Diversion Requirement

The City requires Contractor to achieve a minimum annual diversion rate of thirty percent (30%), or such other amount as may be set in accordance with the provisions of Section 17, during each calendar year of the Term of this Agreement. The annual diversion rate shall be calculated as "the tons of materials collected by Contractor from the provision of Collection Services that are sold, processed, shipped to a recycler or re-user and net of any residue amounts, or delivered to a Transformation Facility, as required by this Agreement, divided by the total tons of materials collected by Contractor in each Calendar Year." Tons delivered to a Transformation Facility each year shall only be counted as diversion up to ten percent of the City's average per capita generation tonnage calculated by CalRecycle.

12.2 Failure to Meet Minimum Diversion Requirement

Contractor's failure to meet the minimum diversion requirements set forth above in 12.1 may result in the termination of this Agreement or the imposition of liquidated damages. In determining whether or not to assess liquidated damages or terminate the Agreement, the City will consider the good faith efforts put forth by Contractor to meet the minimum diversion requirements. This consideration will include the methods and level of effort of Contractor to fully implement the public education and diversion plans.

12.3 AB 939 Performance

In addition to the requirements of this section, Contractor agrees to meet the requirements of CalRecycle and the City's Source Reduction and Recycling Element to achieve a diversion rate (in comparison with City's Solid Waste generation rates), sufficient to achieve the then-required diversion goals required for the City. Contractor agrees that failure to achieve that diversion level or other applicable diversion requirements of CalRecycle shall be a material breach of this Agreement.

12.4 Waste Generation and Characterization Studies

Contractor acknowledges that City may perform Solid Waste generation and characterization studies periodically to comply with AB 939 requirements. Contractor agrees to participate and cooperate with City and its agents and to perform studies and data collection exercises, as needed, to determine weights, volumes and composition of

City of Lomita
Solid Waste Collection Agreement

Solid Waste generated, disposed, transformed, diverted or otherwise processed to comply with AB 939.

Section 13 REPORTS AND OTHER INFORMATION

13.1 Reports - General

Contractor shall submit to the City reports and other information that the City may reasonably request or require. Reports and information shall be submitted in a format and schedule acceptable to City. All reports and information required to be furnished pursuant to this Agreement shall be furnished at the Contractor's sole expense. All reports shall be accompanied by certification statement, under penalty of perjury, that the report is true and correct.

13.2 Quarterly Reports

Contractor shall provide Quarterly reports within thirty (30) days of the end of each calendar quarter. Quarterly Reports shall include, but not be limited to, the following:

1. The number and type (refuse, recyclables, organics, etc.) of tons Collected during the quarter, and the processing or disposal facilities to which they were delivered.
2. The Contractor's quarterly diversion rate calculated pursuant to Section 12.1.
3. The number of customers participating in each of the Contractor's special Collection and Recycling programs.
4. A copy of the customer service log, including a summary of the type and number of complaints, missed pickups, and non-collection notices and their resolution.
5. A brief description of any operational issues and actions taken in response to property damage, scavenging, etc.
6. Copies of a written record of all calls related to missed pickups and responses to such calls. The number and type non-collection notices left at Customer locations.
7. A brief description of any City-sponsored special events during the quarter and the estimated amount of material Collected and Recycled.
8. Any other information reasonably requested by the City for the purpose of monitoring or administering this Agreement.

13.3 Annual Report

On or before March 31st of each year during the Term, and in conjunction with the request for a rate adjustment pursuant to Section 9.2, Contractor shall submit to City an Annual Report, for the preceding calendar year, in a form approved by the City. The Annual Report shall include, but not be limited to, a report of the previous calendar year's activities in the City, including a cumulative summary of the Quarterly Reports, the Contractor's annual diversion rate calculated pursuant to Section 12.1, information and statistics with respect to City's compliance with AB 939, Contractor's public education activities, and a tabulation and summary of Customer Complaints received by Contractor.

13.4 Reporting of Adverse Information

Contractor shall promptly report to City any adverse information relating to Contractor's performance of services pursuant to this Agreement. Adverse information shall include, but not be limited to, reports, lawsuits, warnings, notifications, notices of violation, communications or other material, submitted by Contractor to, or received by Contractor from, the South Coast Air Quality Management District, the Regional Water Quality Control Board, the Los Angeles County Local Enforcement Agency, the United States or California Environmental Protection Agency, the Securities and Exchange Commission or any other federal, state or local agency or court. Upon request by City, Contractor shall provide City with electronic copies of any documents related to adverse information.

13.5 Failure to Report

The refusal or failure of Contractor to file any required reports, or to provide required information to City, or the inclusion of any materially false or misleading statement or representation by Contractor in such report shall be deemed a material breach of the Agreement and shall subject Contractor to all remedies which are available to the City under the Agreement or otherwise, provided, that the City must follow the procedures for dispute resolution found in Section 19 of this Agreement before declaring any such material breach.

Section 14 INDEMNIFICATION, INSURANCE AND PERFORMANCE BOND

14.1 Indemnification of City

Contractor shall defend, with counsel acceptable to the City, indemnify and hold harmless, to the fullest extent allowed by law, City, its officers, officials, employees, volunteers agents and assignees (indemnitees), from and against any and all loss, liability, penalties, forfeitures, claims, demands, actions, proceedings or suits, in law or in equity, of every kind and description, (including, but not limited to, injury to and death of any person and damage to property, or for contribution or indemnity claimed by third parties) arising or resulting from or in any way connected with:

- (i) the City's grant of this franchise to Contractor;
- (ii) the operation of Contractor, its agents, employees, contractors, and/or subcontractors, in exercising the privileges granted to it by this Agreement;
- (iii) the failure of Contractor, its agents, employees, contractors, and/or subcontractors to comply with the provisions and requirements of this Agreement, applicable laws, ordinances and regulations, and/or applicable permits and licenses; and,
- (iv) the acts of Contractor, its agents, employees, contractors, and/or subcontractors in performing services under this Agreement for which strict liability is imposed by law.

The foregoing indemnity shall apply regardless of whether such loss, liability, penalty, forfeiture, claim, action, suit injury, death or damage is also caused in part by any of the indemnitees' active or passive negligence.

Contractor's obligation to defend, hold harmless, and indemnify shall not be excused because of Contractor's inability to evaluate liability or because Contractor evaluates Liability and determines that Contractor is not liable to the claimant. Contractor must respond within thirty (30) days to the tender of a claim for defense and indemnity by the City, unless this time has been extended by the City. If Contractor fails to accept or reject a tender of defense and indemnity within thirty (30) days, in addition to any other remedy authorized by law, so much of the money due Contractor by virtue of this Agreement as shall reasonably be considered necessary by the City, may be retained by the City until final disposition has been made on the claim or suit for damages, or until Contractor accepts or rejects the tender of defense, whichever occurs first.

With respect to third party claims against Contractor, Contractor waives any and all rights of any type to express or implied indemnity against the indemnitees. The indemnity provisions of this section shall survive the expiration of the period during which Collection Services are to be provided under this Agreement.

14.2 Hazardous Substances Indemnification

Contractor shall indemnify, defend with counsel acceptable to the City, protect and hold harmless the City, its officers, officials, employees, agents, assigns and any successor or successors to the City's interest from and against all claims, damages (including but not limited to special, consequential, natural resources and punitive damages) injuries, hazardous materials response mediation and removal costs, losses, demands, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, attorney's fees for the adverse party and expenses (including but not limited to attorney's and expert witness fees and costs incurred in connection with defending against any of the foregoing or enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted against City or its officers, officials, employees, agents, assigns, or contractors arising from or attributable to acts or omissions including but not limited to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance or hazardous wastes at any place where Contractor transports, transfers, processes, stores, or disposes of Garbage pursuant to this Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to section 107(e) of CERCLA, 42 U.S.C. section 9607(c) and California Health and Safety Code section 25364, to defend insure, protect, hold harmless and indemnify the City from liability under CERCLA, RCRA, other statutes or common law for any and all matters addressed in this section

14.3 Environmental Indemnification

Contractor shall indemnify, defend, protect and hold harmless City, its elected officials, officers, employees, volunteers, agents, assigns and any successor or successors to City's interest from and against all claims, actual damages (including but not limited to special and consequential damages), natural resources damages, punitive damages, injuries, costs, response, remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses (including but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in

enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted against, City or its elected officials, officers, employees, volunteers or agents arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Waste in any Solid Waste collected by Contractor pursuant to this Agreement, which is or has been transported, transferred, processed, stored, disposed of which has otherwise come to be located by Contractor, or its activities pursuant to this Agreement result in a release of a hazardous waste into the environment.

With respect to Solid Waste collected by Contractor pursuant to this Agreement which has been disposed of at places not owned or operated by Contractor. (1) Contractor may cause the owner or operator of the alternate facility to deliver a Hazardous Substances Indemnification if satisfactory to City or (2) Contractor shall provide hazardous substances indemnification, as above, or provide any combination of indemnification by the alternate facility and a Contractor indemnification satisfactory to City. Upon delivery and during the effective period of the Hazardous Substances Indemnification by an alternate facility, such facility shall be considered an "Indemnifying Alternative Facility."

This indemnity is intended to operate as an agreement pursuant to § 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, "CERCLA," 42 U.S.C. § 9607(e), and California Health and Safety Code § 25364; to defend, protect, hold harmless and indemnify City from all forms of liability under CERCLA, RCRA, other statutes or common law for any and all matters addressed in this section, and shall be limited to the extent of the City's liability. This provision shall survive the expiration of the period during which Collection Services are to be provided under this Agreement.

14.4 Proposition 218 Indemnification

Contractor shall defend with counsel acceptable to the City, hold harmless, and indemnify City, its officers, officials, employees, volunteers, agents and assignees (indemnitees) from and against any loss, liability, penalties, forfeiture, claims, damages, demands, actions, proceedings or suits, in law or equity, of every kind and description, arising from the City's setting of maximum Service Rates for Collection Services under this Agreement and/or in connection with the application of Article XIIC and Article XIID of the California Constitution to the imposition, payment, or collection of Service Rates and fees for services provided by Contractor under this Agreement, and/or in connection with the imposition or payment of Franchise Fees under this Agreement.

14.5 Sole Negligence or Willful Misconduct of City

Notwithstanding Sections 14.1, 14.2 and 14.3, Contractor's obligation to indemnify, hold harmless and defend City, its officers and employees shall not extend to any loss, liability, penalty, pain, damage, action or suit arising or resulting solely from acts or omissions constituting willful misconduct or sole negligence on the part of the City its officers or employees.

14.6 Indemnification by Subcontractors

Contractor shall require all subcontractors to enter into an agreement containing the indemnification provisions set forth Sections 14.1 through 14.3 in their entirety in which the subcontractor fully indemnifies the City in accordance with this Agreement.

14.7 Separate Counsel

City may elect to have separate legal counsel from Contractor at any time at its sole discretion, and in such case Contractor shall pay one-half (1/2) of all fees and costs and charges for such separate legal counsel.

14.8 Insurance

14.8.1. General Requirements

Contractor shall secure and maintain throughout the term of this Agreement insurance acceptable to City against claims for injuries to persons or damages to property which may arise from or in connection with Contractor's performance of work or services under this Agreement. Contractor's performance of work or services shall include performance by Contractor's employees, agents, representatives and subcontractors.

14.8.2. Coverage and Limits

Insurance coverage shall include the following policies and minimum coverage amounts:

General Liability – A broad form comprehensive general liability policy with a minimum combined single limit of ten million dollars (\$10,000,000.00) per occurrence for bodily injury, personal injury, and property damage which may arise from operations, performed pursuant to this Agreement.

Automobile Liability – An auto liability policy with a minimum combined single limit of ten million dollars (\$10,000,000.00) per occurrence for bodily injury and property damage (include coverage for Hired and Non-owned vehicles) which may arise from operations, performed pursuant to this Agreement.

Workers' Compensation and Employers' Liability – A workers compensation policy with limits as required by the Labor Code of the State of California, and an employer's liability policy with a limit of three million dollars (\$3,000,000.00).

Employee Blanket Fidelity Bond – An employee blanket fidelity bond in the amount of one hundred thousand dollars (\$100,000.00) per employee, covering dishonesty, forgery, alteration, theft, disappearance, or destruction (inside or outside).

Hazardous Waste and Environmental Liability – A hazardous waste and environmental liability policy (or an endorsement to its general liability policy) covering environmental pollution and contamination. Said coverage shall be in the amount of not less than three million dollars (\$3,000,000.00) per occurrence, and ten million dollars (\$10,000,000.00) in the aggregate for on-site, under-site, or off-site bodily injury and property damage and regulatory fines as a result of pollution conditions which may arise from operations, performed pursuant to this Agreement. This policy shall cover liability arising from the release of waste materials and/or irritants, contaminants or pollutants. Such coverage shall, if commercially available without involvement of City, automatically broaden in its form of coverage to include legislated changes in the definition of waste material and/or irritants, contaminants or pollutants. This policy shall stipulate this insurance is primary and no other insurance carried by City will be called upon to contribute to the loss suffered by the Contractor hereunder and waive subrogation against the City and other additional insureds.

14.8.3. Deductibles and Self-insured Retention

Any deductibles or self-insured retention must be declared to, and approved by, City. City shall not unreasonably withhold approval of any deductible or self-Insured retention amounts where Contractor can demonstrate a successful history of managing such Deductibles or Self-Insured Retention amounts.

14.8.4. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages
 - a) The City of Lomita, its elective and appointive boards, commissions, officers, employees, contractors, agents and volunteers are to be named as additional insureds on each of the policies and policy endorsements as respects: liability arising out of activities performed by or on behalf of Contractor; products and completed operations of Contractor; Premises owned, leased or used by Contractor; or vehicles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City of Lomita, its elective and appointive boards, commissions, officials, employees, contractors, agents or volunteers.
 - b) The insurance required by this Agreement shall be with insurer carriers that are rated by Best as A- or better, and admitted to write insurance by the State of California. The insurance required by this Agreement is in addition to, and not in lieu or limitation of, the indemnification provisions above in this Agreement.
 - c) This policy shall be considered primary insurance as respects any other valid and collectible insurance the City of Lomita may possess including any self-insured retention the City of Lomita may have, and any other insurance the City does possess shall be considered excess insurance and shall not contribute with it.
 - d) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City of Lomita, its officials, elective and appointive boards, commissions, employees, agents or volunteers.
 - e) This policy shall act for each insured, as though a separate policy had been written for each. This, however, will not act to increase the limit of liability of the insuring company.

2. Workers' Compensation and Employers Liability Coverage - The insurer shall agree to waive all rights of subrogation against the City of Lomita, its officials, elective or appointed officials, commissions, employees, agents and volunteers for losses arising from any work performed by the named insured for the City.
3. All Coverages - Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party for whatever reason except after thirty (30) days' prior written notice (ten (10) days in the event of termination for non-payment) by certified mail, return receipt requested, has been given to City of Lomita. Such notice shall be sent to the City Manager, City Attorney and City Clerk.

14.8.5. Subcontractors Required to Carry Insurance

In the event any services required under this Agreement are provided by a subcontractor, Contractor shall require any such subcontractor to provide insurance coverages in accordance with this insurance coverages required by this Agreement. Contractor shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor.

14.8.6. Rights of Subrogation

All required insurance policies shall preclude any underwriter's rights of recovery or subrogation against City with the express intention of the parties being that the required insurance coverage protects both parties as the primary coverage for any and all losses covered by the above-described insurance. Contractor shall ensure that any companies issuing insurance to cover the requirements contained in this Agreement agree that they shall have no recourse against City for payment or assessments in any form on any policy of insurance. The clauses 'Other Insurance Provisions' and 'Insured Duties in the Event of an Occurrence, Claim or Suit' as it appears in any policy of insurance in which City is named as an additional insured shall not apply to City.

14.8.7. Modification of Insurance Requirements

The insurance requirements provided in this Agreement may be modified or waived by the City, in writing, upon the request of Contractor if the City determines such

modification or waiver is in the best interest of City considering all relevant factors, including exposure to City.

14.8.8. Evidence of Coverage; Insurance Repository

Contemporaneously with the execution of this Agreement, Contractor shall file certificates and/or endorsements of insurance evidencing the above-required insurance coverage with the City Clerk. From time to time thereafter, Contractor shall provide substitute certificates or endorsements at least thirty (30) days prior to any changes in coverage or limits, or a change in the carrier. In addition, City shall have the right of inspection of all insurance policies required by this Agreement. Contractor shall establish an insurance policy repository and to maintain copies of insurance policies required pursuant to this Agreement for fifty (50) years after the end of the Term during which Collection services are to be provided pursuant to this Agreement. Contractor shall notify City's Risk Manager and City Attorney before destroying copies of such policies, and Contractor shall provide copies or originals of such policies to City. This provision shall survive the expiration of the Term of this Agreement.

14.9 Performance Bond or Letter of Credit

Upon the Effective Date of this Agreement, Contractor shall provide a performance bond or letter of credit bond (collectively "performance bond") in a form acceptable to City. Performance Bond shall be an amount equal to three hundred thousand dollars (\$300,000.00). City shall decide whether Contractor shall provide a performance bond or a letter or credit.

14.9.1. Performance Bond

If selected by City, the performance bond shall be executed by a surety company that is acceptable to the City; an admitted surety company licensed to do business in the State of California; has an "A:V11" or better rating by A. M. Best or Standard and Poors; and is included on the list of surety companies approved by the Treasurer of the United States. The performance bond shall be on terms acceptable to the City Attorney. The Performance Bond shall serve as security for the faithful performance by Contractor of all the provisions and obligations of this Agreement.

14.9.2. Letter of Credit

If selected by City, the letter of credit must be issued by an FDIC insured banking institution chartered to business in the state of California, in the City's name, and be callable at the discretion of the City. Nothing in this section shall, in any way, obligate the City to accept a letter of credit in lieu of the performance bond.

14.9.3. Failure to Perform; Forfeiture of Performance Bond

Upon Contractor's failure to pay the City an amount due, or to perform any services under this Agreement, the performance bond may be assessed by the City, for purposes including, but not limited to:

1. Reimbursement of costs borne by the City to correct any violations of this Agreement not corrected by Contractor, after City provides notice in accordance with Section 19.
2. To provide monetary remedies or to satisfy damages assessed against Contractor due to a material breach of this Agreement; or
3. To satisfy an order of the mediator.

Contractor shall deposit a replacement instrument sufficient to restore the Performance Bond to the original amount within thirty (30) days after notice from the City that any amount has been levied against the Performance Bond. Contractor shall be relieved of the foregoing requirement to replenish the Performance Bond during the pendency of an appeal from the City's decision to draw on the Performance Bond.

In the event the City draws on the Performance Bond, all of City's costs of collection and enforcement of the provisions relating to the Performance Bond called for by this section, including reasonable attorneys' fees and costs, shall be paid by Contractor.

Section 15 EMERGENCY SERVICE

15.1 Preparedness

Upon request, Contractor shall provide its management expertise and contribute to City's emergency preparedness planning efforts at no additional charge to City.

15.2 Assistance with Disaster Recovery

In the event of any natural or man-caused emergency or disaster, Contractor shall Collect and dispose of Solid Waste resulting from the emergency or disaster. Contractor shall help City and Customers recover from the disaster in a prompt and cost-effective manner. Contractor shall provide the Collection equipment and personnel normally assigned to the City for the number of Work Days that that equipment and personnel typically work in the City.

15.3 Additional Costs

If the emergency or disaster requires the Contractor to rent additional equipment, employ additional personnel, or work existing personnel overtime to Collect additional Solid Waste resulting from the event, Contractor shall receive additional compensation, above its normal compensation in this Agreement, to reimburse Contractor for its additional costs. The Contractor's additional costs shall be based on the incremental amount of labor and equipment used by Contractor to Collect Solid Waste resulting from the event. For its additional labor and equipment, City shall reimburse Contractor based on the emergency service rates shown below in Table 2. The Rates in Table 2 shall be adjusted each year on July 1st based on the same rate adjustment percent increase calculated pursuant to Section 9.2. Prior to incurring any such additional costs, Contractor shall obtain City's written authorization to incur such costs.

Table 2 – Emergency Service Rates

Labor Position or Equipment Type	Hourly Rate
Helper/Laborer	\$65.00
Driver	\$65.00
Supervisor	\$85.00
Automated Side-loader	\$125.00
Front-loader	\$125.00
Rolloff	\$125.00

15.4 City-wide Effort to Manage Disaster Debris

In the event that the City decides to oversee a coordinated effort to manage the Collection and Recycling of disaster-related Solid Waste on a city-wide basis, Contractor shall provide City with its management expertise, including a full-time recycling coordinator with the background, knowledge and capability to assist in such an effort. Contractor shall provide this individual at no additional cost to City or its Customers.

15.5 Record Keeping and Reimbursement

Contractor shall assist the City and Customers in obtaining any applicable disaster reimbursement and/or insurance claims by providing accurate records regarding the cost of services it provided during the aftermath of the disaster, and the amount of Solid Waste resulting from the disaster.

Section 16 BILLING AUDITS AND PERFORMANCE REVIEWS

16.1 Billing and Performance Audit

16.1.1. Selection and Cost

The City may conduct two (2) billing audits and performance reviews ("reviews") of Contractor's performance during the term of this Agreement. The reviews will be performed by a qualified firm under contract to the City. The City shall have the final responsibility for the selection of the firm but shall seek and accept comments and recommendations from Contractor. Contractor shall be responsible to reimburse City for the cost of the review up to a maximum of thirty-five thousand dollars (\$35,000.00) for each review.

16.1.2. Purpose

The reviews shall be designed to meet the following objectives:

1. Verify that customer billing rates have been properly calculated and they correspond to the level of service received by the customer.
2. Verify that franchise fees, and other fees required under this Agreement have been properly calculated and paid to the City.
3. Verify Contractor's compliance with the reporting requirements and performance standards of the Collection Service Agreement.
4. Verify the diversion percentages reported by Contractor.

16.1.3. Contractor's Cooperation

Contractor shall cooperate fully with the reviews and provide all requested data, including operational data, financial data and other data requested by the City within thirty (30) Work Days. Failure of Contractor to cooperate or provide the requested documents in the required time shall be considered an event of default.

16.2 City Requested Program Review

The City reserves the right to require Contractor to periodically conduct reviews of the Solid Waste, Recyclable Materials, Food Waste (if available) and Green Waste Collection programs to assess one or more of the following performance indicators: average volume of Recyclable Materials per setout per customer, average volume of Green Waste and or food scraps per setout per customer, participation level, and contamination levels. Prior to the program evaluation review, City and Contractor shall meet and discuss the purpose of the review and agree on the method, scope, and date to be provided by Contractor.

16.3 Cooperation with Other Program Reviews

If the City wants to collect program data, perform field work, conduct route audits to investigate customer participation levels and setout volumes and/or evaluate and monitor program results related to Solid Waste, Recyclable Materials, Food Waste (if available) and Green Waste collected in the City by Contractor, Contractor shall cooperate with the City or its agent(s). Contractor shall also cooperate with any waste generation studies or conducted by the City or its agent(s).

Section 17 MODIFICATIONS TO THE AGREEMENT

17.1 Agreement Modifications and Changes in Law

The City and Contractor acknowledge that the California Legislature has the authority to make comprehensive changes in Solid Waste, Recyclable Materials, Food Waste or Green Waste Management legislation and that these and other changes in law in the future which mandate certain actions or programs for counties or municipalities may require changes or modifications in some of the terms, conditions or obligations under this Agreement. Contractor agrees that the terms and provisions of the Municipal Code, as it now exists or as it may be amended in the future, shall apply to all of the provisions of this Agreement and the Customers of Contractor located within the Service Area. In the event any future change in law, modifications to the City Municipal Code, or directed changes by the City materially alters the obligations of Contractor, then the affected compensation as established under this Agreement shall be adjusted, subject to any applicable legal requirements for increasing rates. Nothing contained in this Agreement shall require any party to perform any act or function contrary to law. The City and Contractor agree to enter into good faith negotiations regarding modifications to this Agreement which may be required in order to implement changes in the interest of the public welfare or due to change in law. When such modifications are made to this Agreement, the City and Contractor shall negotiate in good faith a reasonable and appropriate compensation adjustment for any increase or decrease in the services or other obligations required of Contractor due to any modification in the Agreement under this section. The City and Contractor shall not unreasonably withhold agreement to such compensation adjustment.

17.2 Compensation Adjustments

In the event of a change in laws or regulations of any governmental agency that will require additional or different services to be provided by Contractor which are not otherwise covered by this Agreement, Contractor shall provide City with a written rate increase request for additional compensation to Contractor based on such additional or different services. If the City does not agree with such rate increase, City, in addition to negotiating with Contractor may submit the matter to non-binding mediation upon the following terms and conditions in Section 17.7. Any such adjustments to Rates due to changes in laws or regulations shall require a notice and hearing pursuant to Prop 218. The cost for the Prop 218 hearing will be shared equally between the City and Contractor.

17.3 City-directed Changes

City may direct Contractor to perform additional services (including new diversion programs and additional public education activities), eliminate programs, or modify the manner in which it performs existing services. Changes in the minimum diversion requirement set forth in this Agreement, direction of Waste to a Disposal Facility other than that originally selected by the City, direction of Recyclable Materials, Food Waste or Green Waste to a processing facility other than that selected by Contractor, pilot programs and innovative services, which may entail new Collection methods, targeted routing, different kinds of services, different types of Collection vehicles, and/or new requirements for Customers are included among the kinds of changes which City may direct. Contractor shall be entitled to an adjustment in its compensation for providing such additional or modified services but not for the preparation of its proposal to perform such services. Any such adjustments to Rates due to City-directed changes shall require a notice and hearing pursuant to Prop 218. Contractor will not be responsible for the cost of the Prop 218 hearing.

17.4 Service Proposal

Within thirty (30) calendar days of receipt of a request for a service change from the City, Contractor shall submit a proposal to provide such service. At a minimum, the proposal shall contain a complete description of the following:

- Collection methodology to be employed (manual, automated, semi-automated, and manpower).
- Equipment to be utilized (vehicle number, types, capacity, and age).
- Labor requirements (number of employees by classification).
- Type of carts to be utilized.
- Provision for program publicity, education, and marketing.
- Five (5) year projection of the financial results of the program's operations in an operating statement format including documentation of the key assumptions underlying the projections and the support for those assumptions, giving full effect to the savings or costs to existing services.

17.5 City May Permit Other Contractors to Provide Service

City shall have the right to permit other contractors or companies besides Contractor to provide additional Collection Services and that Contractor cannot or will not provide in

ninety (90) calendar days from the date when City first requests a proposal from Contractor to perform such services.

17.6 Monitoring and Evaluation

If the City requests, Contractor shall meet with the City to describe the progress of each new program and other service issues. If applicable, Contractor shall document the results of the new programs on a monthly basis, including at a minimum the tonnage diverted by material type, the end use or processor of the diverted materials and the cost per ton for transporting and processing each type of material and other such information requested by Contractor and/or City necessary to evaluate the performance of each program.

At each meeting, the City and Contractor shall have the opportunity to discuss revisions to the program. The City shall have the right to terminate a program if, in its sole discretion, Contractor is not cost effectively achieving the program's goals and objectives. Prior to such termination, the City shall meet and confer with Contractor for a period of up to ninety (90) calendar days to resolve the City's concerns. Thereafter, the City may utilize a third party to perform these services if the City reasonably believes the third party can improve on Contractor's performance and/or cost. Notwithstanding these changes, Contractor shall continue the program during the ninety (90) day period and, thereafter, until the third party takes over the program.

17.7 Dispute Resolution – Modifications to Agreement

All disputes relating to service or compensation changes as specified in this section of this Agreement shall be resolved by non-binding mediation according to the following procedures:

1. The party desiring mediation shall first give written notice thereof to the other party to this Agreement, specifying the dispute to be mediated.
2. The mediation shall be held at Lomita, California, or at such other location as may be mutually agreed among the parties. The mediation shall be conducted according to and a mediator chosen pursuant to the rules of the American Arbitration Association.
3. At least ten (10) Work Days before the date of the mediation, each side shall provide the mediator with a statement of its position and copies of all supporting documents. Each party shall send to the mediation a person who has authority to

bind the party, if a subsequent dispute will involve third parties, such as insurers or subcontractors, they shall also be asked to participate in the mediation.

Section 18 LIQUIDATED DAMAGES

18.1 Liquidated Damages

The City and Contractor acknowledge that consistent and reliable Collection Service is of utmost importance to City and that City has considered and relied on Contractor's representations as to its quality of service in awarding this Agreement to Contractor. The City and Contractor further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The City and Contractor further recognize that if Contractor fails to achieve the performance standards or fails to submit required documents in a timely manner, City, and City's residents and businesses will suffer damages and that it would be impractical and extremely difficult to ascertain and determine the exact amount of damages.

Therefore, without prejudice to City's right to treat such non-performance as an event of default under Section 19, and in accordance with Civil Code Section 1671 and Government Code Section 53069.85, the City and Contractor agree that the liquidated damages amount defined in this Section represent reasonable estimates of the amount of such damages considering all of the circumstances existing on the effective date of this Agreement, including the relationship of the sums to the range of harm to City, customers and the community as a whole that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical. The City and Contractor each confirm the accuracy of the statements made above and the fact that each party has had ample opportunity to consult with legal counsel and obtain an explanation of the liquidated damage provisions at the time that the Agreement was made. Contractor shall pay (as liquidated damages and not as penalty) the amounts shown in Table 3 on the following page.

City of Lomita
Solid Waste Collection Agreement

Table 3 – Liquidated Damages

Item		Amount
a.	Failure or neglect to resolve each complaint within the time set forth in this Agreement.	\$100.00 per incident per Customer.
b.	Failure to clean up spillage or litter caused by Contractor.	\$500.00 per incident per location.
c.	Failure to repair damage to customer property caused by Contractor or its personnel.	\$500.00 per incident per location.
d.	Failure to repair damage to City property caused by Contractor or its personnel.	\$1,500.00 per incident per location.
e.	Failure to repair damage to City streets caused by Contractor or its personnel.	\$1,500.00 per incident and the actual cost of repair to City's satisfaction; at no cost to City.
f.	Failure to maintain equipment in a clean, safe, and sanitary manner	\$250.00 per incident per day.
g.	Failure to have a vehicle operator properly licensed.	\$250.00 per incident per day.
h.	Failure to maintain or timely submit to City all documents and reports required under the provisions of this Agreement.	\$250.00 per incident per day.
i.	Commingling of materials Collected inside and outside the City of Lomita.	\$1,000.00 per incident.
j.	Failure to repair or replace damaged carts within the time required by this Agreement.	\$100.00 per incident per day.
k.	Disposal of Recyclable Materials, Food Waste, or Green Waste in the Disposal Facility without first obtaining the required permission of the City.	\$1,000.00 per load.
l.	Failure to meet minimum diversion standards.	\$15,000.00 each occurrence

18.2 Procedure for Assessment of Liquidated Damages

The City Manager may assess liquidated damages pursuant to Section 18.1 on a monthly basis. At the end of each month during the term of this Agreement, the City Manager shall issue a written notice to Contractor ("Notice of Assessment") of the liquidated damages assessed and the basis for each assessment.

The assessment shall become final unless, within ten (10) calendar days of the date of the notice of assessment, Contractor provides a written request for a meeting with the City Manager to present evidence that the assessment should not be made.

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Solid Waste Collection Agreement

The City Manager shall schedule a meeting with Contractor as soon as reasonably possible after timely receipt of Contractor's request.

The City Manager shall review Contractor's evidence and render a decision sustaining or reversing the liquidated damages as soon as reasonably possible after the meeting. Written notice of the decision shall be provided to Contractor.

In the event Contractor does not submit a written request for a meeting within ten (10) calendar days of the date of the Notice of Assessment, the City Manager's determination shall be final and Contractor shall submit payment to City no later than that tenth (10th) day. Or at the sole option of City, if monies are owed to Contractor, City may deduct the liquidated damages from amounts otherwise due to Contractor.

City's assessment or collection of liquidated damages shall not prevent City from exercising any other right or remedy, including the right to terminate this Agreement, for Contractor's failure to perform the work and services in the manner set forth in this Agreement.

Section 19 EVENTS OF DEFAULT; ADMINISTRATIVE REMEDIES; TERMINATION

19.1 Events of Default

City reserves the right to terminate this Agreement in the event of any material breach of this Agreement, including, but not limited to any of the following:

1. If Contractor practices, or attempts to practice, any fraud or deceit upon the City, or practiced any fraud or deceit or made any intentional misrepresentations in the negotiations which preceded the execution of this Agreement;
2. If Contractor becomes insolvent, unable or unwilling to pay its debts, or upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding;
3. If Contractor fails to provide or maintain in full force, effect and amount, the workers compensation, liability and indemnification coverage, Cash and Performance Bonds as required by this Agreement;
4. If Contractor violates any orders or rulings of any regulatory body having jurisdiction over Contractor relative to this Agreement, in any material manner, provided that Contractor may contest any such orders or rulings by appropriate proceedings conducted in good faith, in which case no breach of this Agreement shall be deemed to have occurred until a final decision adverse to Contractor is entered;
5. If Contractor ceases to provide Collection Service as required under this Agreement over all or a substantial portion of the City for a period of two (2) calendar days or more, for any reason within the control of Contractor;
6. If Contractor fails to make any payments required under this Agreement or refuses to provide City with required information, reports or test results as to a material matter in a timely manner as provided in this Agreement;
7. If Contractor fails to achieve diversion levels for the waste stream covered by this Agreement at levels sufficient to achieve the diversion goals required of the City, as determined by CalRecycle, or City determines that the City has or will fail to meet its diversion goals, Contractor shall have an opportunity to cure this material breach, within the time allotted by CalRecycle, or City, as appropriate;

8. If the operations of Contractor shall be contrary to the public health, safety, well-being, peace, welfare or morals, or shall be found to constitute a public nuisance;
9. If Contractor violates any material federal or state law, regulation of the CalRecycle, a local enforcement agency, the City Municipal Code, or any material condition of the Agreement affecting public health and safety in the City; or,
10. Any other act or omission by Contractor which materially violates the terms, conditions or requirements of this Agreement and which is not corrected or remedied within the time set forth in the written Notification of Deficiencies or if Contractor cannot reasonably correct or remedy the breach within the time set forth in such notice, if Contractor should fail to commence to correct or remedy such alleged deficiencies within the time set forth in such notice and diligently effect such correction or remedy thereafter.

City's rights of termination are in addition to any other rights of City upon a failure of Contractor to perform its obligations under this Agreement.

19.2 Waiver of Rights

Contractor waives any rights it may have to challenge the terms of this Agreement under federal, state, or local law except as provided in the dispute resolutions provisions of this Agreement.

19.3 Notice of Deficiencies; Response

If the City Manager determines that Contractor's performance pursuant to this Agreement may not be in conformity with the provisions of this Agreement, the California Integrated Waste Management Act (including, but not limited to, requirements for diversion, source reduction and recycling as to the waste stream subject to this Agreement) or any other applicable federal, state or local law or regulation, including but not limited to, the laws governing transfer, storage or disposal of solid and Hazardous Waste, the City may advise Contractor in writing of such suspected deficiencies, specifying the deficiency in reasonable detail. The City, in any written Notification of Deficiencies, shall set a reasonable time within which Contractor is to respond. Unless the circumstances necessitate correction and response within a shorter period of time, Contractor shall correct the deficiencies and respond to the written Notification of

Deficiencies within thirty (30) days from the receipt by Contractor of such written notice. Contractor may request additional time to correct deficiencies. City shall approve reasonable requests for additional time.

19.4 Review by City Manager; Notice of Appeal

The City Manager shall review any written response from Contractor and shall decide the matter. If the City Manager's decision is adverse to Contractor, the City Manager may order remedial actions to cure any deficiencies, assess the Performance Bond or invoke any other remedy in accordance with this Agreement and, in the event the City Manager determines that there has been a material breach and that termination is the appropriate remedy, terminate the Agreement. In addition to the foregoing actions, the City Manager may refer the matter to the City Council for proceedings in accordance with Section 19.5 and 19.6, below, or refer the matter directly to a mediator as provided in Section 19.7, below. The City Manager shall promptly inform Contractor of their decision. In the event the decision is adverse to Contractor, the City Manager shall inform Contractor, in writing, of the specific facts found and evidence relied on, and the legal basis in provisions of the Agreement or other laws for the City Manager's decision and any remedial action taken or ordered.

An adverse decision by the City Manager shall be final and conclusive unless Contractor files a "Notice of Appeal to the City Council" with the City Clerk (and serves a copy, by mail, on the City Manager and the City Attorney) within 10 days of receipt of the decision of the City Manager. A "Notice of Appeal to the City Council" shall state the factual basis and all legal contentions and shall include all relevant evidence, including affidavits, documents, and videotapes, which Contractor may choose to submit.

19.5 City Council Hearing

If a matter is referred by the City Manager to the City Council, or an adverse decision of the City Manager is appealed to the City Council by Contractor, the City Council will set the matter for an administrative hearing and act on the matter, or refer the matter to a mediator as provided in section 19.8, below. If the City Council elects to hear the matter, the City Clerk shall give Contractor fourteen (14) days written notice of the time and place of the administrative hearing. At the hearing, the City Council shall consider the administrative record, consisting of the following:

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Solid Waste Collection Agreement

1. A Staff Report by the City Manager, summarizing the proceedings to date and outlining the City Council's options;
2. The City Manager's written Notification of Deficiencies;
3. Contractor's response to the Notification of Deficiencies;
4. The City Manager's written notification to Contractor of adverse decision; and,
5. Contractor's Notice of Appeal to the City Council.

No new legal issues may be raised, nor may new evidence be submitted by Contractor or City at this hearing, or at any further point in the proceedings, absent a showing of good cause. City, Contractor's representatives and other interested persons shall have a reasonable opportunity to be heard.

19.6 City Council Determination

Based on the administrative record, the City Council shall determine by resolution whether the decision or order of the City Manager should be upheld. A tie vote of the City Council shall be regarded as upholding the decision of the City Manager. If, based upon the administrative record, the City Council determines that the performance of Contractor is in breach of any term of this Agreement or any provision of any applicable federal, state or local statute or regulation, the City Council, in the exercise of its discretion, may order Contractor to take remedial actions to cure the breach or impose any other remedy in accordance with this Agreement. The City Council may not terminate the Agreement unless it determines that Contractor is in material breach of a material term of this Agreement or any material provision of any applicable federal, state or local statute or regulation. Contractor's performance under the Agreement is not excused during the period of time prior to a final determination as to whether or not Contractor performance is in material breach of this Agreement, or the time set by City for Contractor to discontinue a portion or all of its services pursuant to this Agreement. The decision or order of the City Council shall be final and conclusive unless Contractor files a "Notice of Appeal to Mediator" with the City Clerk (and serves copies, by mail, on the City Manager and the City Attorney) within 10 Work Days of receipt of the decision or order of the City Council. With the exception of draws on the Performance Bond, the execution of City's remedies shall be stayed until Contractor has exhausted its appeals under this Section 19 of this Agreement.

19.7 Appeal to Mediator

Except as otherwise provided in this Agreement, Contractor may appeal any decision, order or action by the City Council or City Manager under this Section 19.7, as provided in 19.8, below, by filing a Notice of Appeal to Mediator with the City Clerk within ten (10) Work Days of receipt of the decision by the City Manager or City Council and following the procedures set forth in Section 19.8, below. A decision of the City Manager to refer a matter to the City Council or, in the alternative, directly to a mediator may not be appealed. A decision of the City Council with respect to rate adjustments is not subject to an appeal by Contractor to a mediator, or the provisions of Section 19.8.

19.8 Negotiation and Mediation

Except as may otherwise be set forth expressly in this Agreement, all disputes arising under this Agreement shall be resolved as set forth in this Section. Contractor and the City (the "Parties" or "Party") shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiations between the Parties' authorized representatives. The disputing Party shall give the other Parties written notice of any dispute. Within twenty (20) days after delivery of such notice, the authorized representatives shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If the matter has not been resolved within thirty (30) days of the first meeting, any Party may initiate a mediation of the dispute. The mediation shall be facilitated by a mediator that is acceptable to all Parties and shall conclude within sixty (60) days of its commencement, unless the Parties agree to extend the mediation process beyond such deadline. Upon agreeing on a mediator, the Parties shall enter into a written agreement for the mediation services with each Party paying a pro rate share of the mediator's fee, if any. The mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association; provided, however, that no consequential damages shall be awarded in any such proceeding and each Party shall bear its own legal fees and expenses.

19.9 Confidentiality

All negotiations and any mediation conducted pursuant to this section shall be confidential and shall be treated as compromise and settlement negotiations, to which Section 1152 of the California Evidence Code shall apply, which Section is incorporated in this Agreement by reference.

19.10 Injunctive Relief

Either Party may seek a preliminary injunction or other provisional judicial remedy if in its judgment such action is necessary to avoid irreparable damage or to preserve the status quo.

19.11 Continuing Obligation

Each Party shall continue to perform its obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement.

19.12 Failure of Mediation

If after good faith efforts to mediate a dispute under the terms of this Agreement the parties cannot agree to a resolution of the dispute, any party may pursue whatever legal remedies may be available to it at law or in equity before a court of competent jurisdiction and with venue in Los Angeles County.

Section 20 FAILURE TO PERFORM

Should Contractor for any reason whatsoever, except the occurrence or existence of any of the events or conditions set forth in Section 22.1, "Force Majeure," below, refuse or be unable for a period of more than forty-eight (48) hours, to Collect a material portion or all of the Solid Waste which it is obligated under this Agreement to Collect, and as a result, solid waste should accumulate in City to such an extent, in such a manner, or for such a time that the City Manager in the reasonable exercise of the City Manager's discretion, should find that such accumulation endangers or menaces the public health, safety or welfare, then City shall have the right to contract with another solid waste enterprise to Collect and transport any or all Solid Waste which Contractor is obligated to Collect and transport pursuant to this Agreement.

City shall provide twenty-four (24) hours prior written notice to Contractor during the period of such emergency, before contracting with another solid waste enterprise to Collect and transport any or all Solid Waste which Contractor would otherwise Collect and transport pursuant to this Agreement, for the duration of period during which Contractor is unable to provide such services. In such event, Contractor shall identify sources from which such substitute solid waste services are immediately available, and shall reimburse City for all of City's expenses for such substitute services during period in which Contractor is unable to provide Collection and transportation services required by this Agreement.

Section 21 TRANSFER OR ASSIGNMENT

The rights granted by this Agreement shall not be transferred, sold, hypothecated, sublet or assigned (collectively "transferred"), nor shall any of the rights or privileges in this Agreement be hypothecated, leased, assigned, sold or transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest or property therein, pass to or vest in any Person, either by act of Contractor or by operation of law, without the prior written consent of the City expressed by resolution. Any attempt to do any of the foregoing with respect to any of the rights in this Agreement without the consent of City shall be void. For purposes of this Agreement, any dissolution, merger, consolidation, change in control or other reorganization of Contractor shall be deemed an assignment of this Agreement. For purposes of this section, a change of corporate name and a transfer to an entity under common control or ownership of Contractor shall not be deemed a transfer of rights.

The decision to consent to any assignment shall be in the sole discretion of the City Manager, as confirmed by Resolution adopted by the City's City Council.

Any application for a transfer of rights shall be made in a manner prescribed by the City Manager. The application shall include a transfer fee in an amount equal to one hundred thousand dollars (\$100,000.00). The transfer fee shall be paid by Contractor or Contractor's assignee upon any such transfer of this Agreement. If City does not receive the transfer fee within thirty (30) days of the transfer date, City shall have the right to terminate this Agreement. The City, in its sole discretion, may waive all or any portion of the transfer fee.

Each and all of the provisions, agreements, terms, covenants, and obligations in this Agreement to be performed by Contractor shall be binding upon any transferee.

Section 22 GENERAL PROVISIONS

22.1 Force Majeure

Contractor shall not be in default under this Agreement in the event that the Collection, transportation and/or disposal services of Contractor are temporarily interrupted for any of the following reasons: riots; war or national emergency declared by the President or Congress and affecting the City of Lomita; sabotage; civil disturbance; insurrection; explosion; natural disasters such as floods, earthquakes, landslides and fires (including brushfires); strikes, lockouts and other labor disturbances; or other catastrophic events which are beyond the reasonable control of Contractor. "Other catastrophic events" does not include the financial inability of Contractor to perform or failure of Contractor to obtain any necessary permits or licenses from other governmental agencies or the right to use the facilities of any public entity where such failure occurs where Contractor has failed to exercise reasonable diligence. In the event a labor disturbance interrupts Collection and transportation of Solid Waste, and/or disposal of Solid Waste by Contractor as required under this Agreement, City may elect to exercise its rights under Section 19 of this Agreement.

22.2 Independent Status

Contractor is an independent entity and not an officer, agent, servant or employee of City. Contractor is solely responsible for the acts and omissions of its officers, agents, employees, Contractors and sub-contractors, if any. Nothing in this Agreement shall be construed as creating a partnership or joint venture between City and Contractor, nor an arrangement for the disposal of hazardous substances. Contractor nor its officers, employees, agents or sub-contractors shall obtain any rights to retirement or other benefits, which accrue to City employees.

22.3 Permits and Licenses

Contractor shall obtain, at its own expense, all permits and licenses required by law or ordinance and maintain same in full force and effect throughout the term of this Agreement. Contractor shall provide proof of such permits, licenses or approvals and shall demonstrate compliance with the terms and conditions of such permits, licenses and approvals upon the request of the City Manager

22.4 Ownership of Electronic and Written Materials

All reports, documents, brochures, public education materials, and other written, printed, electronic or photographic materials developed by City or Contractor in connection with the services to be performed under this Agreement, whether developed directly or indirectly by City or Contractor shall be and shall remain the property of City without limitation or restrictions on the use of such materials by City. Contractor shall not use such materials in connection with any project not connected with this Agreement without the prior written consent of the City Manager. This section does not apply to ideas or concepts described in such materials and does not apply to the format of such materials.

22.5 Transition to Next Contractor

In the event Contractor is not awarded a new contract to continue to provide Collection Services following the expiration or early termination of this Agreement, Contractor shall cooperate fully with City and any subsequent contractors to assure a smooth transition of services described in this Agreement. Such cooperation shall include but not be limited to transfer of computer data, files and tapes; providing routing information, route maps, vehicle fleet information, and list of Customers; providing a complete inventory of all carts and bins; providing adequate labor and equipment to complete performance of all Collection Services required under this Agreement; taking all actions necessary to transfer ownership of carts and bins, as appropriate, to City; including transporting such containers to a location designated by the City Manager; coordinating Collection of materials set out in new containers if new containers are provided for a subsequent Agreement and providing other reports and data required by this Agreement.

22.6 Waiver

Waiver by City or Contractor of any breach for violation of any term covenant or condition of this Agreement shall not be deemed to be a waiver of any other term, covenant or condition or any subsequent breach or violation of the same or of any other term, covenant or condition. The subsequent acceptance by City of any fee, tax, or any other monies which may become due from Contractor to City shall not be deemed to be a waiver by City of any breach for violation of any term, covenant or condition of this Agreement.

22.7 Right to Require Performance

The failure of the City at any time to require performance by Contractor of any provision hereof shall in no way affect the right of the City thereafter to enforce same. Nor shall waiver by the City of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of any provision itself.

22.8 Joint Drafting

This Agreement was drafted jointly by the parties.

22.9 Headings

Headings in this Agreement are for convenience of reference only and are not to be considered in any interpretation of the Agreement.

22.10 Exhibits

Each Exhibit referred to in this Agreement forms an essential part of this Agreement. Each such Exhibit is a part of this Agreement and each is incorporated by this reference.

22.11 Compliance with Laws and Regulations

Contractor shall comply with all applicable laws and implementing regulations of the federal and state government, as they, from time to time, may be amended, specifically including, but not limited to, RCRA, CERCLA, and AB 939; and, all applicable ordinances of the City.

22.12 Changes in Municipal Code

City shall provide written notice to Contractor of any planned amendment of the City Municipal Code that would substantially affect the performance of Contractor's services pursuant to this Agreement. Such notice shall be provided at least thirty (30) calendar days prior to the City Council's first reading of such an amendment.

22.13 Law to Govern; Venue

The law of the State of California shall govern this Agreement without regard to any otherwise governing principles of conflicts of laws. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles. In the

City of Lomita
Solid Waste Collection Agreement

event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.

22.14 Amendments

All amendments to this Agreement shall be in writing, duly executed by the parties. Purported oral amendments shall be void and of no force or effect.

22.15 Notices

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered or sent by United States certified mail, postage prepaid, return receipt requested, addressed as follows:

To City: Ryan Smoot
City Manager
City of Lomita
24300 Narbonne Ave.
Lomita, CA 90717
r.smoot@lomitacity.com

Copy to: Gary Sugano
Assistant City Manager
City of Lomita
24300 Narbonne Ave.
Lomita, CA 90717
g.sugano@lomitacity.com

Copy to: City Attorney 's Office
City of Lomita
Attention: Lauren Langer
Best Best & Krieger LLP
1230 Rosecrans Suite 110
Manhattan Beach, CA 90266
Lauren.langer@BBKLaw.com

City of Lomita
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To Contractor: William Kalpakoff
General Manager
CalMet Services, Inc.
7202 Petterson Ln.
Paramount, CA 90723
bkalpakoff@calmetservices.com

or to such other address as either party may from time to time designate by notice to the other given in accordance with this section. Notice shall be deemed effective on the date personally served if mailed, three (3) Work Days from the date such notice is deposited in the United States mail.

Notices shall be effective when received at the address as specified above. Changes in the respective address to which such notice is to be directed may be made by written notice. Facsimile or email transmission is acceptable notice, effective when received, however, facsimile or email transmissions received after 4:30 p.m. or on weekends or holidays, will be deemed received on the next Work Day. Receipt is deemed to have taken place within three (3) Work Days of notice mailed by U.S. Postal Service return receipt requested. The original of items that are transmitted by facsimile equipment or email must also be mailed as required in this Agreement.

Notice by City to Contractor of a Collection or other Customer problem or complaint may be given to Contractor orally by telephone at Contractor's local office with confirmation sent as required above by the end of the Work Day.

22.16 Severability

If any provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and enforceability of any of the remaining provisions of this Agreement.

22.17 Attorney's Fees

In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies in this Agreement or the enforcement of any of the terms, conditions, or provisions in this Agreement.

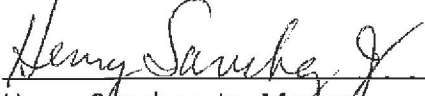
22.18 Entire Agreement

This Agreement constitutes the entire Agreement between the parties with respect to any matter referenced in this Agreement and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

City of Lomita
Solid Waste Collection Agreement

WITNESS the execution of this Agreement on the day and year written below.

CITY OF LOMITA


Henry Sanchez, Jr., Mayor

ATTEST:


Kathleen Hill, CMC, City Clerk

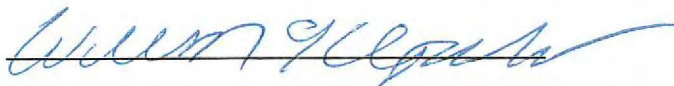


APPROVED AS TO FORM:


Christi Hogin, City Attorney

Contractor

CalMet



By: 

City of Lomita
Solid Waste Collection Agreement

Exhibit A – Residential Rate Schedule

Maximum Rates - Residential Customers July 1, 2019 - June 30, 2020				
A. CURBSIDE COLLECTION SERVICE				
1	Solid Waste Cart Sizes (gallons)	32	64	96
2	Monthly Per Unit Disposal Generation Factor	0.1298	0.1370	0.1514
3	Solid Waste Disposal Component (per ton disposal rate X the monthly generation factor)	\$ 8.43	\$ 8.91	\$ 9.84
4	Collection Component	\$ 12.32	\$ 12.45	\$ 13.76
5	Franchise Fee Component (9%)	\$ 2.05	\$ 2.11	\$ 2.33
6	Monthly Solid Waste Collection Rate (Lines A3 + A4 +A5)	\$ 22.80	\$ 23.47	\$ 25.93
B. SUBSCRIPTION BACKYARD COLLECTION SERVICE				
1	Solid Waste Cart Sizes (gallons)	32	64	96
2	Monthly Per Unit Disposal Generation Factor	0.1298	0.1370	0.1514
3	Solid Waste Disposal Component (per ton disposal rate X the monthly generation factor)	\$ 8.43	\$ 8.91	\$ 9.84
4	Collection Component	\$ 47.99	\$ 48.66	\$ 49.96
5	Franchise Fee Component (9%)	\$ 5.58	\$ 5.69	\$ 5.91
6	Monthly Solid Waste Collection Rate (Lines B3 + B4 +B5)	\$ 62.00	\$ 63.26	\$ 65.71
C. ADDITIONAL SERVICES				
1	Solid Waste Cart Sizes (gallons)	32	64	96
2	Additional Solid Waste Cart (added to Line A6)	\$ 13.66	\$ 13.66	\$ 13.66
3	Additional Recycling Cart after one free (added to Line A6 or B4)	\$ 4.21	\$ 4.21	\$ 4.21
4	Additional Green Waste Cart after one free (added to Line A6 or B4)	\$ 13.59	\$ 13.59	\$ 13.59
5	Additional Cart Exchange	\$ 12.05	each additional Solid Waste cart/occurrence	
6	Additional Cart Replacement	\$ 12.05	each additional Solid Waste cart/occurrence	
7	Additional Bulky Items Collection	\$ 42.11	first item/occurrence	
		\$ 18.12	each additional item/occurrence	

City of Lomita
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Exhibit B – Multi-family Rate Schedule

Maximum Rates - Multi-family Customers July 1, 2019 - June 30, 2020						
Container Size	Collection Frequency					
	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week
Cart Service 1X Week						
Solid Waste Cart Sizes (gallons)				96		
Monthly Per Unit Disposal Generation Factor				0.1514		
Solid Waste Disposal Component (per ton disposal rate X the monthly generation factor)				\$ 9.84		
Collection Component				\$ 13.76		
Franchise Fee Component (9%)				\$ 2.33		
Monthly Solid Waste Collection Rate				\$ 25.93		
Cart Service 65 gal Organics Collection						
Collection	\$ 68.94	\$ 135.72				
Disposal	\$ 24.60	\$ 51.64				
Franchise Fee	\$ 9.25	\$ 18.53				
TOTAL	\$ 102.79	\$ 205.89				
Cart Service 65 gal Organics Collection, Extra Empty						
Collection	\$ 21.50					
Disposal	\$ 15.00					
Franchise Fee	\$ 3.50					
TOTAL	\$ 40.00					
2 CY Organics Collection						
Collection	\$ 110.00	\$ 220.00				
Disposal	\$ 50.00	\$ 100.00				
Franchise Fee	\$ 26.00	\$ 52.00				
TOTAL	\$ 186.00	\$ 372.00				
1.5 CY						
Collection	\$ 49.90	\$ 75.32	\$ 100.75	\$ 126.17	\$ 151.61	\$ 177.03
Disposal	\$ 28.29	\$ 56.53	\$ 84.80	\$ 113.06	\$ 141.34	\$ 169.58
Franchise Fee	\$ 7.73	\$ 13.04	\$ 18.35	\$ 23.66	\$ 28.97	\$ 34.28
TOTAL	\$ 85.92	\$ 144.89	\$ 203.90	\$ 262.89	\$ 321.92	\$ 380.89
2 CY						
Collection	\$ 58.33	\$ 92.26	\$ 126.17	\$ 160.07	\$ 193.99	\$ 227.89
Disposal	\$ 37.69	\$ 75.38	\$ 113.06	\$ 150.74	\$ 188.45	\$ 226.10
Franchise Fee	\$ 9.50	\$ 16.58	\$ 23.66	\$ 30.74	\$ 37.82	\$ 44.90
TOTAL	\$ 105.52	\$ 184.22	\$ 262.89	\$ 341.55	\$ 420.26	\$ 498.89
3 CY						
Collection	\$ 75.32	\$ 126.17	\$ 177.03	\$ 227.89	\$ 278.76	\$ 329.62
Disposal	\$ 56.53	\$ 113.06	\$ 169.58	\$ 226.10	\$ 282.64	\$ 339.16
Franchise Fee	\$ 13.04	\$ 23.66	\$ 34.28	\$ 44.90	\$ 55.52	\$ 66.14
TOTAL	\$ 144.89	\$ 262.89	\$ 380.89	\$ 498.89	\$ 616.92	\$ 734.92

City of Lomita
Solid Waste Collection Agreement

Exhibit B (continued)

Maximum Rates - Multi-family Customers July 1, 2019 - June 30, 2020						
Container Size	Collection Frequency					
	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week
3 CY Compactor						
Collection	\$ 75.32	\$ 126.17	\$ 177.03	\$ 227.90	\$ 278.76	\$ 329.62
Disposal	\$ 226.10	\$ 452.25	\$ 678.35	\$ 904.46	\$ 1,130.57	\$ 1,356.70
Franchise Fee	\$ 29.81	\$ 57.21	\$ 84.60	\$ 111.99	\$ 139.38	\$ 166.78
TOTAL	\$ 331.23	\$ 635.63	\$ 939.98	\$ 1,244.35	\$ 1,548.71	\$ 1,853.10
4 CY						
Collection	\$ 92.26	\$ 160.07	\$ 227.89	\$ 295.71	\$ 363.53	\$ 431.34
Disposal	\$ 75.38	\$ 150.74	\$ 226.10	\$ 301.51	\$ 376.85	\$ 452.25
Franchise Fee	\$ 16.58	\$ 30.74	\$ 44.90	\$ 59.07	\$ 73.22	\$ 87.39
TOTAL	\$ 184.22	\$ 341.55	\$ 498.89	\$ 656.29	\$ 813.60	\$ 970.98
6 CY						
Collection	\$ 126.17	\$ 227.89	\$ 329.62	\$ 431.34	\$ 533.08	\$ 634.79
Disposal	\$ 113.06	\$ 226.10	\$ 339.16	\$ 452.25	\$ 565.30	\$ 678.35
Franchise Fee	\$ 23.66	\$ 44.90	\$ 66.14	\$ 87.39	\$ 108.63	\$ 129.87
TOTAL	\$ 262.89	\$ 498.89	\$ 734.92	\$ 970.98	\$ 1,207.01	\$ 1,443.01
40 CY Box Collection		\$ 323.68	Per pull + Disposal/Processing Cost + 9% Franchise Fee			
10 CY Box Lowboy Collection		\$ 323.68	Per pull + Disposal/Processing Cost + 9% Franchise Fee			
Compactor Collection		\$ 470.15	Per pull + Disposal/Processing Cost + 9% Franchise Fee			
Push Rates (Per 10 Ft)	\$ 10.59	\$ 21.19	\$ 31.78	\$ 42.40	\$ 52.99	\$ 63.58
Scout Service	\$ 41.06	\$ 82.14	\$ 123.20	\$ 164.23	\$ 205.31	\$ 246.36
Lock Lid Service	\$ 18.55	\$ 37.09	\$ 55.63	\$ 74.17	\$ 92.70	\$ 111.26
Back Out (Per 50 Ft)	\$ 18.55	\$ 37.09	\$ 55.63	\$ 74.17	\$ 92.70	\$ 111.26
Cart or Bin Cleaning (Ea Occurrence)	Cart	\$ 24.44	1-4 CY Bin	\$ 73.35	5+ CY Bin	\$ 73.35
Additional Bin or Cart Exchange				\$ 91.67	Each add'l cart or bin	
Additional Bin or Cart Replacement				\$ 91.67	per occurrence	
Restarting Discontinued Service due to Non-payment				\$ 29.52	Each restart	
Redelivery of Containers due to Non-payment				\$ 91.67	Each container	

City of Lomita
Solid Waste Collection Agreement

Exhibit C – Commercial Rate Schedule

Maximum Rates - Commercial Customers						
July 1, 2019 - June 30, 2020						
Container Size	Collection Frequency					
	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week
96 Gallon						
Collection	\$ 26.21					
Disposal	\$ 18.73					
Franchise Fee	\$ 4.44					
TOTAL	\$ 49.38					
Cart Service 65 gal Organics Collection						
Collection	\$ 68.94	\$ 135.72				
Disposal	\$ 24.60	\$ 51.64				
Franchise Fee	\$ 9.25	\$ 18.53				
TOTAL	\$ 102.79	\$ 205.89				
Cart Service 65 gal Organics Collection, Extra Empty						
Collection	\$ 21.50					
Disposal	\$ 15.00					
Franchise Fee	\$ 3.50					
TOTAL	\$ 40.00					
2 CY Organics						
Collection	\$ 110.00	\$ 220.00				
Disposal	\$ 50.00	\$ 100.00				
Franchise Fee	\$ 26.00	\$ 52.00				
TOTAL	\$ 186.00	\$ 372.00				
1.5 CY						
Collection	\$ 49.90	\$ 75.32	\$ 100.75	\$ 126.17	\$ 151.61	\$ 177.03
Disposal	\$ 28.29	\$ 56.53	\$ 84.80	\$ 113.06	\$ 141.34	\$ 169.58
Franchise Fee	\$ 7.73	\$ 13.04	\$ 18.35	\$ 23.66	\$ 28.97	\$ 34.28
TOTAL	\$ 85.92	\$ 144.89	\$ 203.90	\$ 262.89	\$ 321.92	\$ 380.89
2 CY						
Collection	\$ 58.33	\$ 92.26	\$ 126.17	\$ 160.07	\$ 193.99	\$ 227.89
Disposal	\$ 37.69	\$ 75.38	\$ 113.06	\$ 150.74	\$ 188.45	\$ 226.10
Franchise Fee	\$ 9.50	\$ 16.58	\$ 23.66	\$ 30.74	\$ 37.82	\$ 44.90
TOTAL	\$ 105.52	\$ 184.22	\$ 262.89	\$ 341.55	\$ 420.26	\$ 498.89
3 CY						
Collection	\$ 75.32	\$ 126.17	\$ 177.03	\$ 227.89	\$ 278.76	\$ 329.62
Disposal	\$ 56.53	\$ 113.06	\$ 169.58	\$ 226.10	\$ 282.64	\$ 339.16
Franchise Fee	\$ 13.04	\$ 23.66	\$ 34.28	\$ 44.90	\$ 55.52	\$ 66.14
TOTAL	\$ 144.89	\$ 262.89	\$ 380.89	\$ 498.89	\$ 616.92	\$ 734.92

City of Lomita
Solid Waste Collection Agreement

Exhibit C (continued)

Maximum Rates - Commercial Customers July 1, 2019 - June 30, 2020						
Container Size	Collection Frequency					
	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week
3 CY Compactor						
Collection	\$ 75.32	\$ 126.17	\$ 177.03	\$ 227.90	\$ 278.76	\$ 329.62
Disposal	\$ 226.10	\$ 452.25	\$ 678.35	\$ 904.46	\$ 1,130.57	\$ 1,356.70
Franchise Fee	\$ 29.81	\$ 57.21	\$ 84.60	\$ 111.99	\$ 139.38	\$ 166.78
TOTAL	\$ 331.23	\$ 635.63	\$ 939.98	\$ 1,244.35	\$ 1,548.71	\$ 1,853.10
4 CY						
Collection	\$ 92.26	\$ 160.07	\$ 227.89	\$ 295.71	\$ 363.53	\$ 431.34
Disposal	\$ 75.38	\$ 150.74	\$ 226.10	\$ 301.51	\$ 376.85	\$ 452.25
Franchise Fee	\$ 16.58	\$ 30.74	\$ 44.90	\$ 59.07	\$ 73.22	\$ 87.39
TOTAL	\$ 184.22	\$ 341.55	\$ 498.89	\$ 656.29	\$ 813.60	\$ 970.98
6 CY						
Collection	\$ 126.17	\$ 227.89	\$ 329.62	\$ 431.34	\$ 533.08	\$ 634.79
Disposal	\$ 113.06	\$ 226.10	\$ 339.16	\$ 452.25	\$ 565.30	\$ 678.35
Franchise Fee	\$ 23.66	\$ 44.90	\$ 66.14	\$ 87.39	\$ 108.63	\$ 129.87
TOTAL	\$ 262.89	\$ 498.89	\$ 734.92	\$ 970.98	\$ 1,207.01	\$ 1,443.01
40 CY Box Collection		\$ 323.68	Per pull + Disposal/Processing Cost + 9% Franchise Fee			
10 CY Box Lowboy Collection		\$ 323.68	Per pull + Disposal/Processing Cost + 9% Franchise Fee			
Compactor Collection		\$ 470.15	Per pull + Disposal/Processing Cost + 9% Franchise Fee			
Push Rates (Per 10 Ft)	\$ 10.59	\$ 21.19	\$ 31.78	\$ 42.40	\$ 52.99	\$ 63.58
Scout Service	\$ 41.06	\$ 82.14	\$ 123.20	\$ 164.23	\$ 205.31	\$ 246.36
Lock Lid Service	\$ 18.55	\$ 37.09	\$ 55.63	\$ 74.17	\$ 92.70	\$ 111.26
Back Out (Per 50 Ft)	\$ 18.55	\$ 37.09	\$ 55.63	\$ 74.17	\$ 92.70	\$ 111.26
Cart or Bin Cleaning (Ea Occurrence)	Cart	\$ 24.44	1-4 CY Bin	\$ 73.35	5+ CY Bin	\$ 73.35
Additional Bin or Cart Exchange				\$ 91.67	Each add'l cart or bin	
Additional Bin or Cart Replacement				\$ 91.67	per occurrence	
Restarting Discontinued Service due to Non-payment				\$ 29.52	Each restart	
Redelivery of Containers due to Non-payment				\$ 91.67	Each container	

FIRST AMENDMENT
TO AGREEMENT FOR
AGREEMENT FOR SOLID WASTE COLLECTION SERVICE

This First Amendment to the Agreement for Solid Waste Collection Service (“Amendment”) is dated this 5th day of September, 2023, by and between the City of Lomita, a municipal corporation (“City”), and Arakelian Enterprises, Inc. DBA Athens Services, a California corporation (“Contractor”). City and Contractor may hereinafter be individually referred to as “Party” or collectively as the “Parties.”

RECITALS

A. WHEREAS, the City and CalMet Services Inc. entered into that certain Agreement for Solid Waste Collection Services dated June 18, 2019 (“Agreement”) and on January 18, 2022, the City Council consented to the assignment of the Agreement to Arakelian Enterprises, Inc. DBA Athens Services;

B. WHEREAS, Public Resources Code § 40000 et seq., declares it is within the public interest to authorize and require local agencies to make adequate provision for solid waste handling within their jurisdictions;

C. WHEREAS, the Legislature enacted certain new laws pertaining or relating to solid waste handling with which City must comply, including Assembly Bill Nos. 341, 901, 1594, 1826, and Senate Bill No. 1383, creating the need for the City to improve efforts to divert solid waste from landfills, including recyclable materials and organic waste;

D. WHEREAS, the foregoing necessitates modified or additional services in order to bring City into compliance with applicable law and ensure integrated, Citywide waste management programs with the implementation of a Citywide organic waste collection program, which will include but is not limited to the establishment of a Citywide “bundled” solid waste collection system with service units receiving at least one container for solid waste, one container for recyclable materials, and one container for organic waste;

E. WHEREAS, the City recently undertook a competitive bidding process to identify contractors to provide street sweeping services, and selected Contractor to provide such services and Contractor has provided street sweeping in accordance with that certain Professional Services Contract, Agreement No. 2023-06, for the performance of street sweeping services, and the City now desires that street sweeping be included as part of the City’s integrated and exclusive solid waste collection system;

F. WHEREAS, the inclusion of street sweeping services in the Agreement will allow the City to better calibrate its diversion efforts to the extent street sweeping removes and diverts waste from City streets and rights-of-way, and where economies of scale provide the City with a material benefit to having these services provided by Contractor and Contractor is uniquely situated to enhance the City’s diversion and state law compliance goals; and

G. WHEREAS, the City Council has determined and finds that the public health, safety and well-being would be served by implementing the changes pertaining to the provision of services, as specified in this Amendment to meet the aims of the City's long-term compliance and environmental objectives.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the above recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree to amend the Agreement as follows:

TERMS

1. **Amendment Effective Date.** Except as otherwise specified in this Amendment, the Amendment shall be effective as of January 1, 2024 ("Amendment Effective Date") with the same force and effect as if this Amendment had been executed on that date.

2. **Change from CalMet to Athens Services.** All references to "CalMet" or "CalMet Services, Inc." in the Agreement are hereby deleted in their entirety and replaced with "Arakelian Enterprises, Inc. dba Athens Services ("Athens")."

3. **Definitions.** Unless specified otherwise, the following defined terms in the Agreement are hereby amended as follows: (i) the term "Commercial Premises" in Section 1.15 and the term "Multifamily Residential Premises" in Section 1.39 shall mean "Commercial" or "Commercial Business," as defined in the Article V, Chapter 3 (Integrated Waste Management) of the City of Lomita Municipal Code ("SB 1383 Ordinance"); and (iii) the term "Single-family Residential Premises" in Section 1.57 shall mean "Single-family" or "single family residential" as defined in the SB 1383 Ordinance. Further, all references to "Green Waste" in Section 1.30 (Green Waste Processing Facility) and Section 1.31 (Gross Revenues) are hereby deleted and replaced with "Organic Waste."

4. **Grant of Exclusive Rights.** Section 2.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

2.1 Grant of Exclusive Rights

This Agreement grants to Contractor for the Term of this Agreement during which Solid Waste Handling Service is to be provided, the exclusive right and privilege to Collect, transport, process, recycle, compost, retain and dispose of Solid Waste generated by single-family, multi-family, commercial and rolloff Customers, as defined in this Agreement, produced, generated and/or accumulated within the City, except as otherwise provided below. No other services shall be exclusive to the Contractor.

5. **Limitations to Scope of Exclusive Agreement.** Section 2.2(2) of the Agreement is hereby deleted in its entirety and replaced with the following:

2. Solid Waste, including Recyclable Materials and Organic Waste, which is removed from any Premises by the Waste

Generator, and which is transported personally by such Generator (or by his or her full-time employees) to a processing facility or Disposal Site in a manner consistent with all applicable laws and regulations.

6. **Term of Agreement.** Section 4.3 of the Agreement is hereby deleted in its entirety and replaced with the following:

4.3 Term

Contractor shall provide Solid Waste Collection Services and Disposal Services in accordance with this Agreement for an initial period beginning January 1, 2024 through midnight on June 30, 2038, unless this Agreement is terminated sooner pursuant to Section 19 of this Agreement or extended as provided herein. No later than January 1, 2038, by mutual agreement of City and Contractor, the Term shall be extended for an additional period of five (5) years beginning July 1, 2038 through midnight on June 30, 2043. Contractor shall notify the City prior to June 30, 2036 of its desire to extend term for an additional five years.

7. **Residential Organic Waste Collection Service.** All references to “Green Waste” in Section 5.2.4 are hereby deleted and replaced with “Organic Waste.”

8. **Commercial Organic Waste Collection Service.** Section 5.3.4 of the Agreement is hereby deleted in its entirety and replaced with the following:

5.3.4 Bin and Collection - Organics

Contractor shall Collect source-separated Organic Waste from Commercial and Multi-family Customers using Carts or Bins. Contractor shall collect, at least one (1) 96-gallon Cart for source separated Organic Waste once per week. Contractor will in all instances strive to provide customers with the minimum effective service level. Based on a waste assessment performed by Contractor, and subject to disapproval the City after advance written notice, Contractor may adjust the foregoing level of service to any one of the following container types: (i) 64-gallon Cart; (ii) 1.5 to 2 cubic yard Bin; and (iii) Roll-Off Container with a capacity of 10 or more cubic yards. Contractor shall charge Customers for Organic Waste Collection Service based on each Customer’s size and number of Carts or Bins, and number of weekly pickups according to the monthly rate schedule specified in this Agreement.

9. **Organic Waste.** All references to “Green Waste” in Sections 5.5 (City Facilities), 7.5 (Customer Education), 7.7 (Website), 7.9 (Customer Privacy), 9.6.10 (Delinquent Accounts – Single-family and Multi-family Carts), 16.2 (City Requested Program Review), 16.3 (Cooperation

with Other Program Reviews), 17.1 (Agreement Modifications and Changes in Law), and 17.3 (City-Directed Changes) are hereby deleted and replaced with “Organic Waste.”

10. **SB 1383 Program.** A new Section 5.8 is hereby added to the Agreement as provided below. Further, Exhibit 4 of this Amendment is hereby incorporated by reference and shall be Exhibit D to the Agreement.

5.8 SB 1383 Program

No later than January 1, 2024, Contractor will administer the SB 1383 program specified in Exhibit D, which is attached hereto and incorporated herein by reference. For the avoidance of doubt, the intent of the SB 1383 program is to establish and maintain a Citywide “bundled” solid waste collection system with each Service Unit receiving at least one container for Solid Waste, one container for Recyclable Materials, and one container for Organic Waste, in accordance with the SB 1383 Ordinance enforced by the City.

11. **Street Sweeping Services.** A new Section 5.9 is hereby added to the Agreement as provided below. Further, Exhibit 5 of this Amendment is hereby incorporated by reference and shall be Exhibit E to the Agreement.

Contractor will perform street sweeping services, without charge to City, as specified in Exhibit E of this Agreement, which is attached hereto and incorporated herein by reference. Notwithstanding the foregoing, City and Contractor acknowledge that Exhibit E amends and restates, and as a result, supersedes and replaces in its entirety all prior agreements or understandings between the City and Contractor concerning that certain Professional Services Contract, Agreement No. 2023-06, for the performance of street sweeping services (“Street Sweeping Contract”); therefore, all such prior agreements and understandings provided in the Street Sweeping Contract are null, void and of no further force or effect unless Exhibit E is deemed null, void and of no force or effect in its entirety in a final, unappealable decision of a court of competent jurisdiction, in which case, the agreements and understandings in force or effect under the Street Sweeping Contract prior to the Amendment Effective Date, shall apply if not expired.

12. **Compost Giveaway and Paper Shredding Events.** A new Section 5.10 is hereby added to the Agreement as provided below.

5.10 Compost Giveaway and Paper Shredding Events.

At no additional cost to City or its residents and businesses, Contractor will host two (2) annual events offering free non-mulch Compost and paper shredding services to City residents and

businesses. Contractor must host each event at a time and location mutually agreeable between the City and Contractor.

13. **Rate Adjustments.** Sections 9.2, 9.2.1 through and including 9.2.6, 9.3, and 9.4 of the Agreement are hereby deleted in their entirety and replaced with the following:

9.2 Annual Adjustment of Rates

Beginning on July 1, 2024, and annually each July 1 thereafter, Contractor shall receive an annual adjustment of the Rates set forth in in Exhibit A, Exhibit B, and Exhibit C to this Agreement. The annual adjustment shall be the sum of the percentage increase of the Consumer Price Index for Trash and Garbage Collection (CUUR0000SEHGO2) U.S. City Average (not seasonally adjusted) as may be amended or renamed and replaced from time to time by the United States Bureau of Labor Statistics (“Trash CPI”) for the 12-month period of March of the current year to March of the prior year, plus one percent (1%) (i.e., Trash CPI+1) (“Annual CPI Adjustment”).

In addition to any Annual CPI Adjustment hereunder, on July 1, 2024, and annually for each of the next five (5) annual rate adjustments through and including the annual rate adjustment taking effect July 1, 2028, the Rates set forth (i) for Single Family Residential Premises, inclusive of multifamily premises of 4 units or less, will be subject to a supplemental adjustment of five and one-half percent (5.5%) each year; and (ii) for Commercial premises, inclusive of multifamily premises of 5 units or more, will be subject to a supplemental adjustment of eight and one-half percent (8.5%) each year. Contractor shall not seek, request or be entitled to any adjustment in the rates for any reason except as specified in this Sections 9 and 17 or Exhibit E, Sec. 5 of the Agreement, and applicable subparts therein.

9.3 Annual Rate Calculations

On or before May 1, 2024, and annually each May 1 thereafter during the term of this Agreement, Contractor shall deliver to City calculations of the annual adjustment of Rates. No later than May 1, 2024, and annually thereafter each May 1 during the term of this Agreement, the City shall notify Contractor of any disagreements in Contractor’s calculation of the affected service rates to take place on the subsequent July 1st.

9.4 Proposition 218 Hearings

At the City’s election, and without admitting the applicability of Proposition 218 to this Agreement, City may conduct the hearings

with respect to the approval or adjustment of the maximum rate schedule in accordance with Proposition 218. City acknowledges that the intent of hearings is to comply with Proposition 218 if deemed applicable, and not for the City to revoke, amend, nullify, or void any previously approved adjustment of a maximum rate schedule.

9.5 Rate Invalidation Procedures.

In the event that City is unable, by operation of applicable state or federal law, or a valid majority protest pursuant to Proposition 218, to approve or implement any rate increase due to Contractor under this Agreement, in whole or in part ("Invalidation Event"), City must provide notice of an Invalidation Event. No later than thirty (30) days of the Invalidation Event, City and Contractor shall meet and confer to discuss a revised rate adjustment that may be acceptable; corresponding reductions in programs, services, or fees and payments otherwise due to City to compensate Contractor for the total amount due to Contractor that would have been recovered but for denial or prohibition of a rate adjustment relating to the same; and/or City paying to keep identified services and programs that may be removed or reduced. If City and Contractor do not reach an agreement within ninety (90) days of the Invalidation Event, or as extended by mutual agreement of the Parties, Contractor may terminate the Agreement without cause or penalty, provided that Contractor provides at least one-hundred eighty (180) days' prior written notice of termination and, during such period, cooperates with City to transition services to City or its designee. Contractor's rights hereunder are in addition to any other rights of Contractor upon the invalidation of rates that would otherwise be due to Contractor.

9.6 Competitive Rates Adjustment

Contractor's rates may be subject to a competitive review and if applicable, an rate adjustment every fifth year during the term of this Agreement. Each fifth year during the term of the Agreement, City and Contractor shall gather the comparable rates from South Bay cities as selected by the City and Contractor as of July 1st of that year ("Comparable Rates"). The Comparable Rates to be reviewed will be the rates charged to ratepayers less any portion of rates attributable to fees paid to, or collected by, the jurisdiction, and less any amount for non-solid waste related services such as but not limited to street sweeping to the extent such amounts can be reasonably identified. City and Contractor shall determine the median of those Comparable Rates and present that information to each other as soon after July 1st as the comparable rate information

is available. City shall identify any of the Comparable Rates currently charged by Contractor in the City of Lomita that are higher than the median of Comparable Rates in the other jurisdictions. Contractor shall identify any of the Comparable Rates currently charged by Contractor in the City of Lomita that are lower than the median of Comparable Rates in the other jurisdictions. City and Contractor shall meet and confer to determine which, if any, of Contractor's rates charged in the City of Lomita may be subject to a competitive rate adjustment, if any. Any such adjustment arising therefrom must be agreed upon in writing by City and Contractor prior to implementation.

14. **Delinquent Accounts.** Sections 9.6.10 of the Agreement are hereby deleted in their entirety and replaced with the following:

Contractor may take such action as is legally available to collect past due amounts from Single-family or Multi-family Customers with Cart Collection Service, including removing Recycling Carts and Organic Waste Carts, and reducing Customer to the smallest size Refuse Cart. Contractor may only discontinue service if doing so does not pose a health hazard and if Contractor notifies the City at least five days in advance when a container will be removed. City may disapprove discontinuance of service if, in the sole discretion of City, such discontinuance may pose a health hazard. To the extent permitted by applicable law, City shall place delinquent past due amounts on the property tax rolls. City shall remit any amounts received subtracting its reasonable administrative costs.

15. **Diversion.** Sections 12.1 and 12.3 of the Agreement are hereby deleted in their entirety and replaced with the following:

12.1 Diversion Requirements

Beginning calendar year 2024 and during each calendar year throughout the term of this Agreement, Contractor shall implement Recyclable Materials and Organic Waste diversion programs designed to achieve a minimum diversion of fifty percent (50%) from disposal of all waste generated in the City, or such other amount as may be set in accordance with the provisions of Section 17. For purposes of determining if Contractor achieves the minimum diversion requirements, the parties agree the methodology to calculate the annual diversion rate will be calculated in accordance with Pub. Res. Code Secs. 41780 et seq. and any regulations relating thereto.

16. **Maximum Service Rates.** Exhibits A, B, and C of the Agreement are hereby deleted in their entirety and replaced with Attachments 1, 2, and 3 of this Amendment, which are hereby incorporated by reference.

17. **Due Execution.** The person(s) executing this Amendment on behalf of a Party hereto warrant(s) that (i) such Party is duly organized and existing; (ii) such person(s) are duly authorized to execute and deliver this Amendment on behalf of said Party; (iii) by so executing this Amendment, such Party is formally bound to the provisions of this Amendment; and (iv) entering into this Amendment does not violate any provision of any other agreement to which said Party is bound.

18. **Entire Amendment.** This Amendment contains the entire agreement and understanding between the Parties with respect to the subject matter of this Amendment and supersedes any and all prior or contemporaneous oral and written representations, warranties, agreements, and understandings between the Parties concerning the subject matter of this Amendment.

19. **Full Force and Effect.** Other than as set forth in this Amendment, the terms of the Agreement shall remain unchanged and in full force and effect. In the event of any conflict between the Agreement and this Amendment, this Amendment shall apply.

20. **Severability.** If any term or provision of this Amendment or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Amendment, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Amendment shall be valid and be enforced to the fullest extent permitted by law.

21. **Counterparts.** This Amendment may be executed in counterparts, each of which shall be considered an original.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first set forth below.

CITY OF LOMITA

ARAKELIAN ENTERPRISES, INC., a
California corporation

Barry Waite

Barry Waite
Mayor

9/20/2023

Date

Ron Arakelian III

Ron Arakelian III
Executive Officer

11/19/23

Date

ATTEST:

Kathleen Horn Gregory

Kathleen Gregory
City Clerk

9/22/2023

Date



APPROVED AS TO FORM:

Trevor Rusin

Trevor Rusin
City Attorney

9/21/2023

Date

[Amendment Attachment 1]

Exhibit A

Residential Rate Schedule

Exhibit A**Maximum Service Rates - Residential (Gross)
Effective January 1, 2024****A. CURBSIDE COLLECTION SERVICE**

1	32 Gallon Curbside Monthly Solid Waste Collection Rate	\$ 29.17
2	64 Gallon Curbside Monthly Solid Waste Collection Rate	\$ 30.01
3	96 Gallon Curbside Monthly Solid Waste Collection Rate	\$ 33.18

B. SUBSCRIPTION BACKYARD COLLECTION SERVICE

1	32 Gallon Backyard Monthly Solid Waste Collection Rate	\$ 80.62
2	64 Gallon Backyard Monthly Solid Waste Collection Rate	\$ 82.21
3	96 Gallon Backyard Monthly Solid Waste Collection Rate	\$ 85.38

C. ADDITIONAL SERVICES

1	Additional Solid Waste Cart - Any Size	\$ 17.94
2	Additional Recycling Cart (after one free) - Any Size	\$ 5.52
3	Additional Organic Waste Cart (after one free) - Any Size	\$ 17.83
5	Additional Cart Exchange - Per Cart Per Occurrence	\$ 15.79
6	Additional Cart Replacement - Per Cart Per Occurrence	\$ 15.79
7	Additional Bulky Items Collection - First Item Per Occurrence	\$ 55.25
8	Additional Bulky Items Collection - Each Additional Item Per Occurrence	\$ 23.77
9	Ancillary Service (see Exhibit E - incorporated herein by reference)	See Exh E

[Amendment Attachment 2]

Exhibit B

Multifamily Rate Schedule

Exhibit B**Maximum Service Rates - Multi-Family (Gross)
Effective January 1, 2024**

Container Size	Collection Frequency							
	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week	7X Week	Extra PU
A. BUNDLED SERVICE								
65 Gallon Solid Waste Barrel	\$ 144.81	\$ 229.58	\$ 318.05	\$ 405.62	\$ 493.86	\$ 582.10	\$ 674.73	\$ 57.35
96 Gallon Solid Waste Barrel	\$ 150.94	\$ 241.38	\$ 335.74	\$ 429.14	\$ 526.77	\$ 620.89	\$ 719.72	\$ 59.77
1 Yard Solid Waste Bin	\$ 217.64	\$ 369.43	\$ 531.33	\$ 754.81	\$ 912.81	\$ 1,070.80	\$ 1,254.25	\$ 86.19
2 Yard Solid Waste Bin	\$ 302.77	\$ 603.08	\$ 843.17	\$ 1,098.45	\$ 1,355.51	\$ 1,595.01	\$ 1,958.11	\$ 90.34
3 Yard Solid Waste Bin	\$ 337.00	\$ 662.05	\$ 949.19	\$ 1,233.64	\$ 1,614.18	\$ 1,883.11	\$ 2,199.18	\$ 100.56
4 Yard Solid Waste Bin	\$ 513.38	\$ 890.23	\$ 1,282.68	\$ 1,765.46	\$ 2,173.13	\$ 2,547.10	\$ 3,091.39	\$ 153.18
6 Yard Solid Waste Bin	\$ 557.27	\$ 992.03	\$ 1,520.67	\$ 1,967.23	\$ 2,617.78	\$ 3,033.75	\$ 3,537.76	\$ 166.28
2 Yard Solid Waste Compactor	\$ 451.95	\$ 889.52	\$ 1,272.84	\$ 1,669.91	\$ 2,069.82	\$ 2,452.19	\$ 2,965.30	\$ 134.85
3 Yard Solid Waste Compactor	\$ 556.39	\$ 1,083.29	\$ 1,581.06	\$ 2,074.01	\$ 2,664.65	\$ 3,143.67	\$ 3,680.35	\$ 166.02
4 Yard Solid Waste Compactor	\$ 680.12	\$ 1,210.37	\$ 1,762.88	\$ 2,404.14	\$ 2,971.48	\$ 3,505.12	\$ 4,217.07	\$ 202.93
B. ADDITIONAL RECYCLING CONTAINERS								
65 Gallon Recycling Barrel	\$ 39.49	\$ 75.82	\$ 113.74	\$ 151.27	\$ 189.09	\$ 226.90	\$ 266.60	\$ 57.35
96 Gallon Recycling Barrel	\$ 42.12	\$ 80.88	\$ 121.32	\$ 161.35	\$ 201.69	\$ 242.03	\$ 284.38	\$ 59.77
1 Yard Recycling Bin	\$ 92.14	\$ 176.92	\$ 265.38	\$ 352.96	\$ 441.20	\$ 529.44	\$ 622.09	\$ 86.19
1.5 Yard Recycling Bin	\$ 105.32	\$ 202.20	\$ 303.29	\$ 403.37	\$ 504.22	\$ 605.07	\$ 710.96	\$ 88.27
2 Yard Recycling Bin	\$ 118.47	\$ 227.47	\$ 341.20	\$ 453.80	\$ 567.25	\$ 680.70	\$ 799.82	\$ 90.34
3 Yard Recycling Bin	\$ 131.64	\$ 252.75	\$ 379.11	\$ 504.22	\$ 630.29	\$ 756.34	\$ 888.69	\$ 100.56
4 Yard Recycling Bin	\$ 204.04	\$ 391.76	\$ 587.63	\$ 781.55	\$ 976.93	\$ 1,172.33	\$ 1,377.48	\$ 153.18
6 Yard Recycling Bin	\$ 227.08	\$ 435.98	\$ 653.98	\$ 869.79	\$ 1,087.24	\$ 1,304.68	\$ 1,533.00	\$ 166.28
2 Yard Recycling Compactor	\$ 230.36	\$ 442.31	\$ 663.45	\$ 882.40	\$ 1,102.99	\$ 1,323.59	\$ 1,555.22	\$ 134.85
3 Yard Recycling Compactor	\$ 296.18	\$ 568.67	\$ 853.01	\$ 1,134.50	\$ 1,418.13	\$ 1,701.76	\$ 1,999.57	\$ 166.02
4 Yard Recycling Compactor	\$ 329.10	\$ 631.87	\$ 947.79	\$ 1,260.56	\$ 1,575.70	\$ 1,890.85	\$ 2,221.74	\$ 202.93
C. ADDITIONAL ORGANICS CONTAINERS								
65 Gallon Organics Barrel	\$ 52.66	\$ 101.10	\$ 151.65	\$ 201.69	\$ 252.11	\$ 302.54	\$ 355.47	\$ 57.35
96 Gallon Organics Barrel	\$ 56.16	\$ 107.84	\$ 161.76	\$ 215.13	\$ 268.92	\$ 322.70	\$ 379.18	\$ 59.77
1 Yard Organics Bin	\$ 122.86	\$ 235.89	\$ 353.85	\$ 470.60	\$ 588.26	\$ 705.91	\$ 829.45	\$ 86.19
1.5 Yard Organics Bin	\$ 140.42	\$ 269.59	\$ 404.38	\$ 537.84	\$ 672.30	\$ 806.76	\$ 947.95	\$ 88.27
2 Yard Organics Bin	\$ 157.97	\$ 303.30	\$ 454.93	\$ 605.07	\$ 756.34	\$ 907.60	\$ 1,066.43	\$ 90.34

[Amendment Attachment 3]

Exhibit C

Commercial Rate Schedule

Exhibit C**Maximum Service Rates - Commercial (Gross)****Effective January 1, 2024**

Container Size	Collection Frequency							
	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week	7X Week	Extra PU
A. BUNDLED SERVICE								
65 Gallon Solid Waste Barrel	\$ 144.81	\$ 229.58	\$ 318.05	\$ 405.62	\$ 493.86	\$ 582.10	\$ 674.73	\$ 57.35
96 Gallon Solid Waste Barrel	\$ 150.94	\$ 241.38	\$ 335.74	\$ 429.14	\$ 526.77	\$ 620.89	\$ 719.72	\$ 59.77
1 Yard Solid Waste Bin	\$ 217.64	\$ 330.67	\$ 452.13	\$ 635.58	\$ 753.24	\$ 870.89	\$ 1,050.75	\$ 86.19
2 Yard Solid Waste Bin	\$ 302.77	\$ 603.08	\$ 843.17	\$ 1,098.45	\$ 1,355.51	\$ 1,595.01	\$ 1,958.11	\$ 90.34
3 Yard Solid Waste Bin	\$ 337.00	\$ 662.05	\$ 949.19	\$ 1,233.64	\$ 1,614.18	\$ 1,883.11	\$ 2,199.18	\$ 100.56
4 Yard Solid Waste Bin	\$ 513.38	\$ 890.23	\$ 1,282.68	\$ 1,765.46	\$ 2,173.13	\$ 2,547.10	\$ 3,091.39	\$ 153.18
6 Yard Solid Waste Bin	\$ 557.27	\$ 992.03	\$ 1,520.67	\$ 1,967.23	\$ 2,617.78	\$ 3,033.75	\$ 3,537.76	\$ 166.28
2 Yard Solid Waste Compactor	\$ 451.95	\$ 889.52	\$ 1,272.84	\$ 1,669.91	\$ 2,069.82	\$ 2,452.19	\$ 2,965.30	\$ 134.85
3 Yard Solid Waste Compactor	\$ 556.39	\$ 1,083.29	\$ 1,581.06	\$ 2,074.01	\$ 2,664.65	\$ 3,143.67	\$ 3,680.35	\$ 166.02
4 Yard Solid Waste Compactor	\$ 680.12	\$ 1,210.37	\$ 1,762.88	\$ 2,404.14	\$ 2,971.48	\$ 3,505.12	\$ 4,217.07	\$ 202.93
B. ADDITIONAL RECYCLING CONTAINERS								
65 Gallon Recycling Barrel	\$ 39.49	\$ 75.82	\$ 113.74	\$ 151.27	\$ 189.09	\$ 226.90	\$ 266.60	\$ 57.35
96 Gallon Recycling Barrel	\$ 42.12	\$ 80.88	\$ 121.32	\$ 161.35	\$ 201.69	\$ 242.03	\$ 284.38	\$ 59.77
1 Yard Recycling Bin	\$ 92.14	\$ 176.92	\$ 265.38	\$ 352.96	\$ 441.20	\$ 529.44	\$ 622.09	\$ 86.19
1.5 Yard Recycling Bin	\$ 105.32	\$ 202.20	\$ 303.29	\$ 403.37	\$ 504.22	\$ 605.07	\$ 710.96	\$ 90.34
2 Yard Recycling Bin	\$ 118.47	\$ 227.47	\$ 341.20	\$ 453.80	\$ 567.25	\$ 680.70	\$ 799.82	\$ 100.56
3 Yard Recycling Bin	\$ 131.64	\$ 252.75	\$ 379.11	\$ 504.22	\$ 630.29	\$ 756.34	\$ 888.69	\$ 153.18
4 Yard Recycling Bin	\$ 204.04	\$ 391.76	\$ 587.63	\$ 781.55	\$ 976.93	\$ 1,172.33	\$ 1,377.48	\$ 166.28
6 Yard Recycling Bin	\$ 227.08	\$ 435.98	\$ 653.98	\$ 869.79	\$ 1,087.24	\$ 1,304.68	\$ 1,533.00	\$ 134.85
2 Yard Recycling Compactor	\$ 230.36	\$ 442.31	\$ 663.45	\$ 882.40	\$ 1,102.99	\$ 1,323.58	\$ 1,555.21	\$ 166.02
3 Yard Recycling Compactor	\$ 296.19	\$ 568.67	\$ 853.01	\$ 1,134.51	\$ 1,418.13	\$ 1,701.76	\$ 1,999.57	\$ 202.93
4 Yard Recycling Compactor	\$ 329.10	\$ 631.87	\$ 947.79	\$ 1,260.56	\$ 1,575.70	\$ 1,890.85	\$ 2,221.74	\$ -
C. ADDITIONAL ORGANICS CONTAINERS								
65 Gallon Organics Barrel	\$ 52.66	\$ 101.10	\$ 151.65	\$ 201.69	\$ 252.11	\$ 302.54	\$ 355.47	\$ 57.35
96 Gallon Organics Barrel	\$ 56.16	\$ 107.84	\$ 161.76	\$ 215.13	\$ 268.92	\$ 322.70	\$ 379.18	\$ 59.77
1 Yard Organics Bin	\$ 122.86	\$ 235.89	\$ 353.85	\$ 470.60	\$ 588.26	\$ 705.91	\$ 829.45	\$ 86.19
1.5 Yard Organics Bin	\$ 140.42	\$ 269.59	\$ 404.38	\$ 537.84	\$ 672.30	\$ 806.76	\$ 947.95	\$ 90.34
2 Yard Organics Bin	\$ 157.97	\$ 303.30	\$ 454.93	\$ 605.07	\$ 756.34	\$ 907.60	\$ 1,066.43	\$ 100.56

[Amendment Attachment 4]

Exhibit D

COD Rate Schedule

Exhibit D
Maximum Rates - COD (Gross)
Effective January 1, 2024

High Side Trash - Includes 5 Tons Disposal	\$ 975.48
Low Boy Trash - Includes 3 Tons Disposal	\$ 975.48
Disposal per ton over limit - Trash Processed	\$ 135.00
Disposal per ton over limit - Trash Transferred	\$ 100.00
Disposal per ton over limit - Recycling Processed	\$ 85.00
Disposal per ton over limit - Organics Processed	\$ 150.00
Disposal per ton over limit - Construction & Demolition Debris Processed	\$ 110.00
Temp Bin Delivery	\$ 142.68
Temp Bin Empty	\$ 86.57
Wash Container - Per Occurrence	\$ 122.96
Relocate Container - Per Occurrence	\$ 122.96
Dry Run Charge - Per Occurrence	\$ 122.96
Roll-Off same-day expedited service - per occurrence	\$ 72.34

[Amendment Attachment 5]

Exhibit E

Ancillary Services Rate Schedule

Exhibit E**Maximum Service Rates - Ancillary Services (Gross)
Effective January 1, 2024****A. ADMINISTRATIVE CHARGES**

Returned Item Fee - Per Occurrence	\$ 35.00
Late Fee - Per Month (\$5.00 Minimum)	1.50%
Credit Hold Fee - Per Occurrence	\$ 39.50
Restarting Discontinued Service due to Non-payment - Per Occurrence	\$ 39.84
Redelivery of Containers due to Non-payment - Per Bin or 3 Cart Set Per Occurrence	\$ 123.71
Return Trip (residential/commercial missed pick-up due to customer - on scheduled service day) - per occurrence	\$ 27.50
Service Charge for more than one service-level change per year - per occurrence	\$ 37.50
IRV-Phone Payment Fee - per occurrence	\$ 7.50

B. ADDITIONAL COLLECTION CHARGES

Tires (depends on size and type - minimum fee) per tire per occurrence	\$ 50.00
Appliances containing freon - per appliance per occurrence	\$ 75.00

C. CONTAINER MAINTENANCE CHARGES

Container exchange (residential/commercial) - per 3 barrel set or per bin per occurrence	\$ 37.50
Container cleaning (residential/commercial) - per 3 barrel set or per bin per occurrence	\$ 37.50
Container replacement (residential/commercial due to customer damage) - per container per occurrence	\$ 119.00
Damage Charge - per occurrence	\$ 119.00

D. ADDITIONAL CHARGES

Access fee (unlocking gates, access via security office or intercom, etc.) - per entry per month	\$ 25.00
Bin enclosure clean-up - per occurrence	\$ 59.00
Container relocation (residential/commercial) - per container per occurrence	\$ 37.50
Driver stand-by or delay time - per each 15 minutes of delay time	\$ 47.50

[Amendment Attachment 4]

Exhibit D

SB 1383 Program

1. **Program Summary.** As provided herein, Contractor shall (i) provide account site visits and reviews, and the tracking thereof; (ii) support City public education and outreach efforts; (iii) meet with CalRecycle staff; (iv) provide Organic Waste tonnage data to both City and CalRecycle; and (v) provide Organic Waste Collection service.

2. **Acceptable Materials.** Notwithstanding any provision in this Agreement to the contrary, the Recyclable Materials that are to be accepted for collection by Contractor are set forth in Exhibit D-1 and the Organic Waste materials that are to be accepted for collection by Contractor are set forth in Exhibit D-2. City and Contractor agree that the list of acceptable Recyclable Materials and/or Organic Waste may be modified from time to time with the written approval of City.

3. **Service Changes.** Contractor may reduce or increase any Organic Waste service level, including service frequency and Container types, based on inspection, audit, or review at any time, subject to City review and disapproval. Contractor may assess additional charges for Organic Waste services above the default service level and/or above the minimum collection frequency for a given customer.

4. **Waivers.** City may provide waivers from some or all of the Organic Waste requirements specified under applicable law as follows: (i) upon application by a Customer, City may grant “de minimis waivers” as specified in Section 5-3.85(a) of the City of Lomita Municipal Code; (ii) upon application by a Customer, City may grant “physical space waivers” as specified in Section 5-385(b) of the City of Lomita Municipal Code; (iii) in the event of a disaster, City may grant Contractor a waiver of some or all discarded materials collection requirements under this Agreement and 14 CCR, Division 7, Chapter 12, Article 3 in the disaster-affected areas for the duration of the waiver, provided that such waiver has been approved by CalRecycle; (iv) Contractor may, but is not required to, separate or recover Organic Waste that City removes from homeless encampments and illegal disposal sites as part of an abatement activity to protect public health and safety; (v) Contractor may dispose of rather than process specific types of Organic Waste and/or Recyclable Materials that are subject to quarantine and meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by City or until City provides notice that the quarantine has been removed and directs Contractor to transport the materials to facilities designated by Contractor for such material; and/or (vi) upon application by a Customer, City may grant any additional waivers permitted by state law or regulations adopted or implemented after January 1, 2024. City and Contractor shall meet and confer prior to City granting any waiver under subsection (vi) to discuss impacts to Contractor and implementation of the waiver process. City’s Public Works Department in conjunction with the City’s Code Enforcement Division will be responsible for review and approval of waivers hereunder. Contractor shall not charge any Customer for the portion of services to which the Customer receives a waiver hereunder.

5. **Education and Outreach.** Contractor shall provide education and outreach activities and to create and disseminate educational materials to customers in compliance with 14 CCR Section 18985.1. In accordance with the foregoing, Contractor will provide the education information required in 14 CCR Section 18985.1 by providing regularly scheduled notices, education materials, billing inserts, or other information disseminated to customers. Contractor shall maintain records of its education and outreach activities and provide this information upon request to City. City has a shared responsibility to cooperate with Contractor with respect to the education and outreach activities and creation and dissemination of educational materials hereunder.

6. **Reporting.**

A. **Implementation Record.** Notwithstanding any provision in this Agreement to the contrary, Contractor shall prepare and maintain the records identified in 14 CCR Section 18995.2(f), arising from the Organic Waste Collection services performed by Contractor and assist City in reporting such information.

B. **Annual Report.** As part of its obligations with respect to the foregoing and under Section 13 of the Agreement, Contractor shall provide an annual report of the information identified in 14 CCR Section 18994.2, which shall include, but not be limited to the following information to the extent in the possession of Contractor: (i) the tons of Organic Waste collected by route, with map of routes; (ii) the total number of Generators that receive each type of Organic Waste Collection service provided by Contractor; (iii) the number of Organic Waste Collection Containers distributed by size and customer type; and (iv) annual totals of Organic Waste processed including facility name and location. Contractor shall provide other records to City within ten (10) business days of a request.

C. **Access to Records.** Contractor shall provide City with business hours access to and any necessary training for use of a Contractor-hosted records systems in order to validate Contractor performance in accordance with the Organic Waste program specified in this Exhibit D. City reserves the right to require Contractor to periodically submit all reports and information by electronic means in a format approved by the City. The City also reserves the right to require Contractor to periodically electronically transfer Customer data to a City-selected web-based software platform.

7. **Provision of Recovered Organic Waste Products.** Upon request of City, Contractor will meet and confer with City to discuss an amendment intended to establish a program that would be designed to assist the City in securing sufficient quantities of Compost and/or, if commercially available to Contractor, California-derived Renewable Natural Gas (“CRNG”), to meet the City’s required annual per capita procurement of products produced in accordance with 14 CCR § 18993.1.

8. **Container Color and Labeling.**

A. **Container Color.** Notwithstanding any provision in this Agreement to the contrary, all containers provided by Contractor to customers must comply with the color requirements specified in 14 CCR Section 18984.7 under the timelines and requirements of such section. Containers shall be colorfast and resistant to fading as a result of weathering or ultraviolet

degradation, and the lids and bodies shall be uniform for each Container type, as follows: (i) Refuse Container bodies and/or lids shall be black or gray; (ii) Recyclable Materials Container bodies and/or lids shall be blue; and (iii) Organic Waste Container bodies and/or lids shall be green. Hardware such as hinges and wheels on the containers may be a different color than specified herein.

B. Container Labeling. No later than January 1, 2024, Contractor shall, in accordance with 14 CCR Section 18984.8, imprint or place a label on the body or lid of each new container that has been provided by Contractor to a Customer that includes language or graphic images, or both, indicating the primary materials accepted and the primary materials prohibited in that container. Imprints or labels shall clearly indicate items that are Prohibited Container Contaminants, as defined in Section 10(A) of this Exhibit D, for each Container.

C. New or Replaced Containers. Except as expressly provided herein, nothing in this Agreement shall be construed as requiring Contractor to replace Containers in good working condition that comply with 14 CCR Section 18984.7 and 14 CCR Section 18984.8 as of January 1, 2024.

9. Route Reviews. Contractor shall on a quarterly basis, commencing January 1, 2024, conduct Contractor route reviews for Prohibited Container Contaminants, as defined in Section 10(A) of this Exhibit D, consistent with and as defined in 14 CCR Section 18984.5(b) in a manner deemed safe by Contractor. Containers may be randomly selected along hauler routes. Contractor shall develop a hauler review methodology in compliance with 14 CCR Section 18984.5(b) and submit it to City not more than annually upon the request of City.

10. Facilities Waste Evaluations. Contractor shall at least twice per year but no more than quarterly, commencing January 1, 2024, conduct waste evaluations that meet the requirements of 14 CCR Section 17409.5.1 with respect to waste delivered to a Contractor-owned or -controlled facility or with respect to information otherwise accessible to Contractor that permits it to perform characterization studies. City maintains the right to observe, or hire a third party to observe, the waste evaluations.

11. Contamination Protocols. Contractor shall implement protocols, as specified herein, to prevent the contamination of Prohibited Container Contaminants.

A. Definition. For the purposes of this Agreement, “Prohibited Container Contaminants” means the following: (i) discarded materials placed in a blue Container that are not identified as acceptable source separated Recyclable Materials; (ii) discarded materials placed in the green Container that are not identified as acceptable source separated Organic Waste; (iii) discarded materials placed in the gray or black Container that are acceptable source separated Recyclable Materials and/or source separated Organic Waste to be placed in the City’s green and/or blue Containers; and, (iv) non-Solid Waste items placed in any container.

B. First and Second Events. Upon the first and second discoveries of Prohibited Container Contaminants within a given calendar year starting January 1, Contractor will collect the contaminated waste if safe to do so, treat the waste as Refuse for handling and billing purposes, and affix a “Contamination Violation Notice” to any container with contaminated

waste. Contractor shall also report issuance of any such notices to City. The Contamination Violation Notice will contain instructions on the proper procedures for sorting waste. Contractor must also notify the customer of the following: (i) for the third and subsequent discovery of Prohibited Container Contaminants, the customer may be charged a contamination fee for each contaminated Container, and (ii) for the fifth and subsequent discoveries of Prohibited Container Contaminants, the customer may be charged a contamination fee for each contaminated container, and Contractor may increase the size of the customer's container or require an additional container(s). Contractor must also attempt to contact the Customer if it appears customer does not have the appropriate level of service for proper collection Refuse, Recyclable Materials, and Organic Waste.

C. Third and Fourth Events. Upon the third and fourth discoveries of Prohibited Container Contaminants within a given calendar year starting January 1, Contractor will collect the contaminated waste in the contaminated Container(s) if safe to do so, treat the waste as Refuse for handling and billing purposes, and affix a Contamination Violation Notice to the contaminated container. Contractor may also elect to charge the then-maximum contamination fee for the discovery of Prohibited Container Contaminants. For any assessed contamination fee, Contractor must provide digital/visual documentation of Contractor's discovery of Prohibited Container Contaminants to the Customer and City.

D. Five or More Events. Upon each of the fifth and any subsequent discoveries of Prohibited Container Contaminants within a given calendar year starting January 1, Contractor will collect the contaminated waste in the contaminated Container(s) if safe to do so, treat the waste as Refuse for handling and billing purposes, and charge a contamination fee for each event. For any assessed contamination fee, Contractor must provide to the customer and City digital/visual documentation of Contractor's discovery of Prohibited Container Contaminants. Upon five (5) business days' notice to City and the Customer, Contractor may (i) increase the size of the customer's Container, require additional containers to accommodate excessive Prohibited Container Contaminants, or increase collection frequency; (ii) impose a contamination fee equal to fees for a period of six (6) months or until the Customer has demonstrated Prohibited Container Contaminants are not in Containers for a period of three (3) consecutive months; and/or (iii) provide notice that Contractor has recommended that City commence any applicable code enforcement action against the customer. City will consult with Contractor and consider, and pursue as applicable, appropriate legal remedies against offending customers in order to secure discontinuance of the Prohibited Container Contaminants. All City costs of such action shall be recovered from the offending customers.

E. Disputes. If a Customer disputes, in writing, an assessment of a contamination fee within 30 days of the assessment, Contractor will temporarily halt any such assessment and Contractor may request a ruling by the City Manager to resolve the dispute. A request by Contractor to the City Manager to render a decision on any such dispute must be filed within ten (10) business days of receipt of a customer's written dispute, and Contractor must include written documentation and digital/visual evidence of ongoing overall problems. Upon receipt of such documentation, the City Manager will rule on the dispute within ten (10) business days, and the City Manager's decision resolving the dispute between the Customer and Contractor will be final.

12. **Edible Food Recovery.**

A. Identification of Commercial Edible Food Generators. No later than January 1, 2024 and annually every January 1 thereafter, Contractor shall assist City in identifying customers that meet the definition of Tier One or Tier Two Commercial Edible Food Generator, as defined in the SB 1383 Ordinance, and provide to City a list of such customers, which shall include the following information: customer name, service address, contact information, Tier One or Tier Two classification, and type of business.

B. Identification of Edible Food Recovery Organizations. To support City's efforts to promote Edible Food Recovery programs, as defined in the SB 1383 Ordinance, Contractor shall maintain, and update annually each January 1, a list of Food Recovery Organizations and Food Recovery Services and information about Edible Food Recovery on Contractor's website, which is specific to City and shall provide a link to information about City's Edible Food Recovery programs on Contractors website.

C. Maintain and Promote Listings. Collector shall cooperate with and assist City with the distribution of information to Commercial Edible Food Generators, as defined in the SB 1383 Ordinance, regarding City's Edible Food Recovery programs.

13. **Organic Waste Ordinance; Enforcement.** No later than the Amendment Effective Date, City will adopt and enforce an Organic Waste ordinance that complies with SB 1383 and its implementing regulations, as applicable. Contractor shall coordinate with City by providing, upon City request, notice to City of any and all persons refusing Organic Waste services. Contractor shall cooperate with City in implementing the Organic Waste ordinance and shall provide support to the City in establishing the administrative record of Contractor's outreach, education, site visits, and communications with any customers that may ultimately be subject to City enforcement. City shall bear the responsibility for code enforcement actions such as notices of code violation and assessment of penalties per the Organic Waste ordinance. Contractor shall not be liable for any claims, actions, obligations, demands, damages, liabilities, costs, or expenses for any damages or injuries caused by or arising from (i) the failure of customers to accept Organic Waste services, including any waivers granted in accordance with this Exhibit D, or (ii) the suspension or termination of services upon nonpayment in whole or in part by Customers, provided Contractor reports such instances of noncompliance or nonpayment to City for code enforcement.

14. **SB 1383 Guarantee.** Upon notice from City, Contractor shall be deemed in material breach of the Agreement subject to at least thirty (30) days to cure, in the event CalRecycle determines that the requirements of SB 1383 have not been satisfied: (i) due to the failure of Contractor to meet its obligations under this Agreement; or, (ii) due to Contractor's delay in providing information required under this Agreement that prevents City from submitting reports to CalRecycle in a timely manner (alternatively, a "Noncompliance Event"). Upon any Noncompliance Event, City shall be entitled to the reimbursement of penalties and/or fines assessed by CalRecycle against City to the extent the penalties and/or fines arise from the Noncompliance Event. Contractor shall further defend, indemnify and hold City harmless from any related administrative or legal action to the extent such action arises from a Noncompliance Event. Notwithstanding other provisions of this Agreement, Contractor's obligations hereunder shall be limited by Public Resources Code Section 40059.1.

EXHIBIT D-1
LIST OF ACCEPTABLE RECYCLABLE MATERIALS

PLASTICS

- Plastics number 1 as bottle or clamshell
- Plastics numbers 2, 4, 5, and 7
- Soda, juice, and water bottles
- Beverage and detergent jugs

METALS

- Aluminum foil and pie tins (clean)
- Scrap metal
- Steel cans, dishware, etc.
- Tin and aluminum cans

PAPER

- Paper (clean and dry, white and mixed color)
- Envelopes
- File folders (paper only)
- Junk mail and magazines
- Newspaper
- Paper grocery bags
- Telephone books

Acceptable (but may not be recycled):

- Cereal boxes (no plastic insert)
- Egg cartons (paper only and clean)
- Frozen food boxes
- Soup, milk, and juice cartons

CARDBOARD (or similar)

- Cardboard and corrugated boxes

GLASS

- Amber, green, and mixed-color glass
- Clear food glass jars
- Soda, tea, and liquor bottles

No window glass, porcelain, or non-food-related glass.

EXHIBIT D-2

LIST OF ACCEPTABLE ORGANIC WASTE MATERIALS

GREEN WASTE

- Flower and hedge trimmings
- Grass clippings
- Leaves and branches
- Weeds
- Lumber*
- Scrap wood*
- Plywood*

**Not painted or treated*

FOOD SCRAPS

- Bread, rice, and pasta
- Cheese and dairy
- Coffee grounds and filters
- Fruits and vegetables
- Flowers and herbs
- Meat, bones, and poultry
- Seafood and soft shells
- Pet food (nonmedicated)

FOOD-SOILED PAPER*

- Food-stained paper
- Paper egg cartons
- Paper napkins
- kitchen paper towels
- Pizza boxes
- Plates
- To-go boxes (no coating)
- Wood and fiber-based utensils

**Must be 100% fiber-based. No materials with - plastic, wax, or bioplastic coating, liner, or laminate.*

UNACCEPTED ITEMS

- All plastics
- Cacti, succulents, and yucca
- Compostable plastics (bioplastics)
- Coffee cups and pods
- Fats, oils, and grease
- Food stickers (please remove from items)
- Gloves
- Hard shells (clams, mussels, oysters)
- Medication
- Palm fronds
- Paper napkins with cleaning chemicals
- Paper towels with cleaning chemicals
- Parchment and wax paper
- Pet waste
- Rocks and soil
- Rubber bands and twist ties
- Tea bags
- Textiles
- Tissues and wet wipes

[Amendment Attachment 5]

Exhibit E

Street Sweeping

1. **Street Sweeping Services.** Contractor shall provide street sweeping services, as specified herein, during the Term in accordance with the terms and conditions of this Agreement. The primary objective of street sweeping is to pick up all debris to ensure the free flow of water in the gutter, reduce materials entering the storm drain system, and to maintain the streets in a state of cleanliness. Contractor will perform services in the areas mapped in Exhibit E-1.

2. **Manner of Service.** All streets and alleyways in the City- with or without curb and gutter - must be swept under the terms of this Exhibit E in addition to the specified parking lots. Each section or portion of street that is posted with "street sweeping signs" that temporarily prohibit vehicular parking during the posted times, shall be swept during the posted times. Each section or portion of street that is not posted, either with or without curb and gutter, shall also be swept, according to the schedule provided by the City. Every attempt shall be made to sweep curbside of each street unless prohibited by vehicles or other obstructions that render the provision of service impossible or hazardous in each specific circumstance.

3. **General Requirements.**

a. **Definitions.** For the purposes of this Exhibit E, the definitions provided herein shall apply: (i) "Streets" shall mean all dedicated public rights-of-way within the existing or future corporate limits of the City; (ii) "Debris" shall mean all litter, rubbish, leaves, sand, dirt, garbage and other foreign material removable from a paved street with a street sweeper; (iii) "Curb-mile" means a swept path not less than eight (8) feet wide for a cumulative total length of 5,280 feet; and (iv) "Roadbed" means entire street pavement from curb to curb. (v) "Street Sweeping Driving Route" means Contractor's planned path driven by the sweeper; (vi) "Street Sweeping Schedule" means the days and times posted by the City on streets available for sweeping and no parking.

b. **Hand Sweeping/Vacuuming.** Contractor shall remove all visible debris along curbs and medians. Some cul-de-sacs and parking lots require hand sweeping of the corners or vacuumed into the sweeper.

c. **Scheduled Machine Street Sweeping.** Regular machine sweeping of streets shall be accomplished in accordance with this Exhibit E. The sweeper shall not limit the number of times that the sweeper debris hopper is emptied for any given route. Sufficient water must be used to prevent visible dust.

d. **Business Hours.** For the purposes of this Exhibit E, business hours shall be considered from 6:00 a.m. to 4:00 p.m. Monday through Friday.

4. **Required Services.**

a. City Parking Lots. The following City-owned parking lots are to be swept on a weekly basis: (i) City Hall/County Building and Safety and Hazardous Materials/County Library parking lot located southeast of the intersection of Narbonne Ave. and 242nd St.; (ii) the City-owned parking lot located at the northeast corner of Narbonne Ave. and 245th St.; (iii) the series of “angled parking stall-parking lots,” in addition to and including the accessible locations of their collective contiguous drainage channel (both the angled parking stall-parking lots and the drainage channel are located along the west side of Narbonne Ave., spanning from approximately the northern border of the City to the intersection of Narbonne Ave. and Lomita Blvd.); (iv) City lot on the west side of Narbonne Ave.; (v) two City lots on Eshelman at Lomita Park; and (vi) City lot at the Railroad Museum.

b. Items of Excessive Size; Obstructions. Items of excessive size, such as cardboard, palm fronds, large rocks, etc., shall be physically picked up if Contractor is able to do so and placed in the sweeper by Contractor. Sweeping shall normally consist of a single pass over an area. Additional passes shall be made as necessary when conditions warrant special attention. Debris collection may require more than one pass in order to sufficiently clean the street. In addition, if a sweeper is unable to capture debris around or adjacent to a bulb out, Contractor shall be required to physically pick up and remove debris or move debris into the path of the sweeper to ensure removal from the area being swept. Notwithstanding the foregoing, Contractor is not responsible for areas missed due to parked cars or other personal property.

c. Topographic Elevation; Mud or Excessive Rain. The City possesses topographical elevation changes that will create additional surface runoff during the rainy season. Contractor should provide equipment capable of cleaning with a brush, when City requests the service, under conditions that produce mud or excessive rain-related debris carried onto the streets. In particular, this scenario has historically occurred on the streets immediately south of Pacific Coast Highway, such as Hillworth Ave., Saddle View Rd., Pennsylvania Ave., Viana Ave., Cypress St., Lucille Ave. and Narbonne Ave.

d. NPDES Permit. City, related to the National Pollution Discharge Elimination Systems (NPDES) permit, does have high priority storm drains for cleaning drains. City intends Contractor to be able to adequately clean the streets that directly feed the storm drains, in particular, and it is these streets that would likely be the prime candidates to receive extra non-emergency work in times when additional debris collects.

e. Extra Sweeping. There shall be a maximum two-hour response time for emergency sweeping. Emergency sweeping constitutes OAW, as defined in Section 5(c) of this Exhibit. Non-emergency sweeping shall take place no later than the same or next business day after requested by the City or the scheduled date. City may on occasion have need for sweeping services for sidewalks or the downtown area. Such work shall also constitute OAW.

f. Schedule Variations. Whenever the schedule of work is not followed, for any reason, Contractor shall notify City.

g. Equipment Failure. In cases of equipment failure or operator failure which precludes the sweeping of scheduled streets during their posted time frames, Contractor shall make every reasonable effort to provide services during the schedule time frames. Should the equipment

or operator failure be of such a duration that the regularly scheduled street sweeping of a posted street is not able to be swept during the designated time frames, Contractor shall sweep those neglected (not swept during the designated time frames) streets during the first available opportunity on the same day, without impacting the existing, established schedule or causing additional neglect to streets requiring sweeping on the designated day within the designated time frames. In the event that equipment or operator failure results in designated streets being neglected and, Contractor shall be responsible for recording and reporting the neglected sweeping noted in a “Deficiency/Missed Area Report.”

h. Areas to be Cleaned. All City streets including arterial, collector, industrial, residential and commercial, cul-de-sacs, alleys, parking lots, and median curbs shall be swept. The frequency shall be once per week, twice per month, or once per month according to the maps specified in Exhibit E-1. The entire length of all curbs (including bulb outs, median curbs and curb returns), uncurbed pavement edges, painted (2-way) left turn lanes and flush concrete or paved median noses shall be swept each time the associated street is swept. The entire area of each intersection shall be swept. The balance of each street shall be swept as needed. In any case, no debris shall be left on the street pavement after sweeping is completed.

i. Standard of Performance. In the event the results of a sweeping are considered unsatisfactory, applying a standard of performance in accord with similarly situated jurisdictions, Contractor shall sweep or clean the unsatisfactory area again at no cost to the City, within twenty-four (24) hours of request without interruption to the regular street sweeping schedule. The Public Works Director, or designee, will make the final determination, exercising reasonable discretion, as to whether the work has been completed and may order Contractor to re-sweep areas not swept or cleaned in the manner required hereunder.

5. Changes in Services.

a. Additional Services. Additional services may include emergency call-outs or other instances as requested by the Public Works Director, or designee. Such services will be requested orally or in writing at least twenty-four (24) hours in advance, whenever practical, except for emergency call-outs. No request for additional services shall necessitate the simultaneous assignment of more than one (1) sweeper unless a greater number is agreeable to Contractor. Such requests shall constitute OAW, as specified in Section 5(c) of this Exhibit.

b. Changes in Services. City may elect to increase or decrease the frequency or amount of street sweeping services. Contractor may agree to any such increase in writing. A net increase in curb-miles, the rate of additional miles, or added time shall constitute OAW, as specified in Section 5(c) of this Exhibit.

c. Other Associated Work. If circumstances exist that require work not specifically provided for in this Exhibit, City may request Contractor to perform such other associated work (“OAW”). When Contractor performs OAW, the labor, materials, and equipment used in the performance of such work shall be subject to the prior written approval of City and Contractor. Examples of OAW include: performance of special sweeps, flood clean-up, street sanitation for parades and celebrations, City requested clean-up services, and any contingency

where sweeper and supporting sweeper equipment could assist in a particular instance. Contractor shall be reimbursed for such services at its then-current hourly rates.

6. Schedule of Performance.

a. Days. Routine street sweeping shall be conducted Tuesday through Friday unless otherwise approved by the Public Works Director.

b. Hours. Standard operating hours for sweeping under this Exhibit shall be determined by the City and the Contractor in accordance with approved maps, as specified in Exhibit E-1. Contractor shall complete all sweeping as scheduled; mechanical failure due to a failure to adequately maintain equipment or personnel problems shall not be the acceptable reason for failure to perform services. No changes to the sweeping schedule will be allowed without the prior approval of City.

c. Holidays. All sweeping is to be completed according to Exhibit E-1, except on the following holidays: New Year's Day, January 1; Martin Luther King Jr. Day; President's Day; Memorial Day; Independence Day, July 4; Labor Day; Veterans Day; Thanksgiving Day; Day after Thanksgiving Day; Christmas Day, December 25; December 26; December 27; December 28; December 29; December 30; and December 31.

7. **Changes in Schedule Due to Weather Conditions.** Scheduled sweeping shall not be canceled for inclement weather by Contractor without approval of the Public Works Director or her/his designee. During inclement weather a two-hour standby period will be observed before a day of scheduled sweeping will be canceled. City reserves the right to suspend street sweeping functions on a day-to-day basis. Make-up sweeping will not be allowed due to inclement weather and cancellations without the approval of the Public Works Director or her/his designee.

8. **Disposal and Recycling of Materials.** Contractor shall transport and dispose of all sweeping in accordance with all City, County, State, and Federal requirements. To the extent possible, Contractor shall divert or compost all street sweepings from landfills. Contractor shall report on a monthly basis the tonnage of sweepings collected and the tonnage disposed of at a composting or recycling center and the name and address of the facility. Upon City's request, Contractor shall also provide City with the pertinent information from the composting or recycling facility certifying the percentage of material processed that is disposed at landfill and where is material sent after collection and processing at the facility.

9. Street Sweeping Equipment.

a. Operation. Street sweeper speed and broom pattern shall be in accordance with the manufacturer's recommendations. While operating, street sweepers at work shall not exceed a maximum speed of 7 mph; sweepers when driven shall have a maximum of the posted speed limit.

b. Standard Equipment. Contractor shall use such standard heavy street sweeping equipment as is necessary to clean the City streets of paper, dirt, rocks, leaves and debris.

c. Maintenance. Contractor shall maintain all equipment. Equipment should be clean and in good mechanical condition, uniformly painted and numbered.

d. Alternative Sweeper. Contractor shall provide a minimum of one (1) relief sweeper for each sweeper planned to be used to perform the contract work.

e. Cleaning. Contractor shall have all sweepers return to the Contractor's yard for washouts and hopper cleaning.

f. Vehicle Specifications. All equipment shall be: (i) standard full size motorized street sweeper with a dual cutter broom; (ii) an air regenerative sweeper equal to or larger than a Tymco 600, or shall be a vacuum sweeper with equal pick up capabilities, with dual gutter brooms; (iv) maintained in top running condition, including arriving clean, in proper working condition, and fueled for each daily schedule; (v) equipped with an electronic or mechanical tachograph capable of recording sweeping speed, start-stop, operating time, and non-operating or travel time; (vi) equipped with a mechanically or magnetically attached sign on each side of sweeper reading "This sweeper is under contract with the City of Lomita" and the sweeper shall also be identifiable with the company name and phone number on each side along with office telephone number; and (vii) alternative equipment may be used for specific areas (i.e. narrow streets and alleys) if approved by the Director of Public Works or designee.

g. Inspections. Contractor's equipment shall be subject to inspection by the Director of Public Works or designee and upon notification in writing to Contractor that any equipment does not comply with the standards herein, such equipment shall be removed from service by the Contractor and not again so used until inspected and approved in writing by the Director of Public Works or designee.

h. Lighting. All vehicles shall be equipped with an operational rotating amber light when parked or used on public streets. Contractor shall use light warnings instead of loud sound signals except where required by law for the protection of personnel.

i. Water for Dust Control. Contractor shall provide sufficient water for use street sweeping operations to maintain a near dustless condition. Water for this use will be made available by the City at no cost to Contractor provided a metering device is used to record usage. Contractor is to coordinate with the Public Works Director in advance to identify the regular location(s) for water access. Access to water/hydrants without a meter is prohibited. All water provided by the City must be metered by devices rented (with deposit) to Contractor. Contractor shall bring any such metering devices to the City's Public Works Yard to be read at a date to be determined by the Public Works Director. Contractor shall comply with all rules and regulations of the City relating to the use of water. Failure to comply may result in City's refusal to furnish water to the Contractor. If Contractor obtains water outside of the City water service area, the Contractor is responsible for payment to water purveyor. Within the City, Cal Water provides water service to a small region in the southwestern section (Palos Verdes Dr. northwest of Western, Via Madonna, Via Marquette, Rolling Vista Dr., etc.) of City. To the southeast of Western and Palos Verdes Dr. N., L.A. Department of Water and Power (DWP) has limited service. Contractor shall not obtain water from a provider that is not the City without prior approval of the City. If Contractor obtains water from a provider that is not the City, Contractor is responsible for

obtaining and paying for the water except in such circumstances where the City no longer provides water to Contractor at no cost to Contractor, in which case the City will reimburse Contractor for the cost of procuring water from the City or a replacement provider, as applicable. The magnetic sign stating service being provided under an agreement with the City shall be visible while obtaining water from hydrants.

10. **Special Equipment.** Contractor shall have all sweepers servicing City equipped with a GPS Navigation System which provides: real-time GPS tracking of vehicles with a maximum update time of three (3) minutes; historical GPS data by vehicle for a minimum of sixty (60) days; speed monitoring of vehicle; and report capability on demand, to provide activity data, route, start/stop times and locations, idle time, speed record by day or route.

11. **Equipment Storage.** Contractor shall be responsible for all costs associated with equipment storage. No material and equipment shall be stored where it will interfere with the free and safe passage of public or traffic. At the end of each day's work and at all other times when sweeping operations are suspended for any reason, Contractor shall remove all equipment and other obstructions from the roadway and open it for use by traffic.

12. **Traffic Counters.** City may at various times and locations temporarily install portable traffic counting equipment of the type which is activated by vehicles coming in contact with a hose placed in the roadway. Caution shall be used by Contractor to avoid damaging said equipment. If Contractor, while in the performance of its contract duties, damages or causes to be damaged any of the aforementioned traffic counting equipment or appurtenances, Contractor shall bear the entire cost for the restoration, repair, inspection, testing or replacement of said damaged equipment. City will endeavor to let the Contractor know of the location of any such equipment it has requested to be placed in the roadway.

13. **Parking Enforcement Officer – Coordination.** City will use a "Parking Enforcement Officer" to cite vehicles for parking during street sweeping hours. Contractor shall coordinate their sweeping activities with the Parking Enforcement Officer, including route of travel. All costs for coordination are the responsibility of Contractor, and no additional compensation will be allowed. City's Parking Enforcement Officers will follow the chain of command in identifying deficiencies or missed areas.

14. **Contractor/City Communication.** Contractor shall establish and maintain an office and have an authorized Supervisor as the point of contact for communications with City for street sweeping. Contractor's office shall have a twenty-four (24) hour telephone service and a responsible person in charge seven (7) days a week to receive all requests for emergency service, which are forwarded by City. Contractor shall respond and provide emergency service within three (3) hours from the time a call is placed by the City. Requests for routine service or complaint issues shall be resolved expeditiously within the following twenty-four (24) hour period.

15. **Vegetation.** Contractor shall report to the Director of Public Works any encroachment of vegetation which impairs one's ability to sweep.

16. **Damage.** Contractor shall report without delay any damage to City equipment, City property or private property. The Contractor shall be liable for damages solely caused by his/her

actions. Any repairs and associated cost resulting from Contractor caused damage shall be the responsibility of the Contractor

17. **Contractor's Employees.**

a. **Appearance.** Contractor's employees shall be required to wear a clean uniform bearing the Contractor's name. Employees who normally and regularly come into direct contact with the public shall also bear some means of individual identification, such as a nametag or identification card. Employees shall not remove any portion of their uniform while working within the City.

b. **Driver's License.** Employees driving the Contractor's vehicles shall at all times possess and carry a valid Commercial Driver's License as applicable issued by the State of California.

c. **Removal.** Should for any reason an employee be unsatisfactory in the opinion of City, Contractor, when notified in writing, shall cause that employee to be removed from the job and replaced by a satisfactory employee. Prior to returning a removed employee to work, Contractor shall provide in writing the reason for the individual's behavior and the means used to prevent this behavior from occurring again. Failure of the Contractor to prevent, prohibit, or resolve problems with its employees working within the City will result in sweeping operations being suspended until further notice, and cause for contract termination.

d. **Suspension; Employee Misconduct.** City may enter a contract with another party for street sweeping services during such a suspension, and the Contractor will be liable for all costs. A review for possible termination of this Exhibit will be initiated by City if Contractor has three (3) incidents of employee misconduct any time during the first five years of approved contract for street sweeping services.

e. **Level of Supervision.** Contractor shall provide adequate supervision as to furnish proper surveillance of workmanship and adherence to the schedule by the employees performing the work. The field supervisor or his/her representative shall check with the Department of Public Works weekly as to (i) schedule of work, (ii) complaints and (iii) adequacy of performance. The Supervisor shall be in the City at least 10% of the time while work is in progress. The Contractor shall be penalized Five Hundred Dollars (\$500) per month for failing to have a supervisor available to City for at least 10% of the route hours per month.

f. **Approval of Supervisor.** Contractor's Supervisor shall be someone other than the labor type of employee provided in this agreement. Contractor shall provide in writing to the City the name of the Supervisor. After City's approval of the Supervisor, the Contractor may substitute another individual provided the Contractor makes a written request to the City and said request is approved. The Supervisor should have at least two years practical experience in supervision.

g. **Emergency Telephone Numbers.** Contractor shall provide the City throughout the duration of this agreement at least two (2) telephone numbers of qualified persons who can be called anytime the Supervisor is not immediately available. An emergency 24-hour

number shall also be provided. The emergency number shall be to contact a representative of Contractor who can take the necessary action required to alleviate an emergency condition.

18. **Sweeping Practices.** Contractor shall at all-time use good sweeping practices as dictated by standards within the sweeping industry and will make adjustment to its equipment as necessary. Contractor must exercise due care so as to prevent spilling, scattering, or dropping of debris during the sweeping activity and shall clean up any such spillage, dropping, or scattering.

a. **Speed; Speed Monitoring.** Sweeping speed shall be adjusted to street conditions with a maximum speed of seven (7) miles per hour. Patterned concrete medians, intersections, and crosswalks shall be swept at a maximum speed of three (3) miles per hour. City may require the installation of sweeping speed monitoring devices to record actual vehicle speed during sweeping. The City may consider alternate speeds if manufacturer's recommendation and industry standards state that alternate speeds are safe and effective.

b. **Parked Cars.** Sweepers shall be operated as close to parked cars or other obstacles as safety allows.

c. **Barriers; Warnings.** The Contractor shall provide all labor, materials and equipment to install barriers advising the public of hazards due to cleaning. Upon completion of the work, Contractor shall promptly remove all signs and warning devices. Should the Contractor appear to be neglectful or negligent in furnishing warning and protective measures, City may direct attention to the existence of a hazard. The necessary warning and protective ensures shall be furnished and installed by Contractor, at Contractor's expense.

d. **Possible Area Closure.** In the event any of the work area is unusable for any reason, including acts of nature or vandalism, the Director of Public Works may declare a closure of any portion of the work area.

e. **Parking Lot Cleaning.** Prior to sweeping, Contractor will inspect parking lots required to be swept for areas of heavy oil deposits or excessive oil buildup, and where present will be treated with absorbent material to absorb excess oil. Absorbent will be swept up and disposed in designated container for oily waste at the City yard.

f. **Materials to be Provided by Contractor.** Contractor at his/her own cost and expense shall furnish all necessary materials, and tools supplies of good quality and in the amounts necessary to fulfill this agreement and to accomplish an acceptable and professional level of cleaning

19. **Routes and Schedules; Changes.** Street Sweeping Driving Routes shall be proposed to City by Contractor and subject to the approval of the Public Works Director. Street Sweeping Driving Routes and schedules shall be consistent with Exhibit E-1 and the sweeper shall stay off of private streets. Changes to the street sweeping schedules require approval of the City Council or designee. Street Sweeping Driving Routes shall be provided to the City no later than fourteen (14) days prior to changes in operation and subject to the Public Works Director approval. City reserves the right to request changes in routing or hours of operation at any time, subject to the agreement of Contractor. Any changes to the Street Sweeping Driving Routes or Street Sweeping Schedule shall include a version and date approved by the City to avoid confusion. The most current Street Sweeping Schedule and Street Sweeping Driving Routes shall be carried in the sweeper.

20. **Construction-Related Problems and Storm Debris.** Dirt and debris carried onto streets from identifiable construction sites is not considered the responsibility of Contractor if located within five hundred (500) feet of an identified construction site, and is reported to City when discovered, provided Contractor is required to clean all dirt and debris carried by traffic to areas beyond the foregoing limit. Storm clean-up and sweeping must be completed as soon as possible. Night sweeping may be permitted for normal storm cleanup, if authorized by the City

21. **Records and Reports.** A report shall be submitted to the City, monthly, comprising the following:

a. **Daily Log Report.** Contractor shall keep a daily log of all streets swept and a description of any special services performed. The log shall be signed by Contractor on a daily basis. Each month, a report shall be prepared from the daily log giving a brief description of all routine special and emergency activities. The log should also include data such as date, time, and speed with which sweeping occurred each day.

b. **Deficiency/Missed Area Report.** Contractor is required to correct any deficiencies in sweeping and state the reason. Recurring deficiencies will require a corrective action plan.

c. **Emergency Calls.** The Contractor shall maintain a log of emergency calls for the City, and information shall be submitted to the City, as part of the monthly report, in an easy to read format.

d. **Amount of Debris.** Contractor shall maintain a separate measurement and record detailing the amount of debris collected and disposed during sweeping activities. This information, required as part of City's NPDES permit, must be submitted to City, as part of the monthly report, in a tabulated, easy to read format.

e. **Recycled Debris.** Contractor shall maintain a separate measurement and record detailing the amount of debris deposited at a composting or recycling facility. The record shall also identify the name and address of the facility along with other required information. This information shall be submitted to City, as part of the monthly report, in a tabulated, easy to read format.

f. **Complaints.** Complaints received by City regarding Contractor's performance will be transmitted to Contractor's office in writing, by telephone, or email, and handled by the Contractor's supervisor. All complaints are to receive a follow-up response within twenty-four (24) hours following notification of Contractor. A report of Contractor's investigation and the corrective action taken shall be made promptly by Contractor to the Public Works Director. Repeat complaints may be handled by a joint visit to the site by a City Inspector and Contractor's supervisor. Complaints received directly by Contractor shall be submitted in writing electronically to City on the day such complaints are received. Contractor shall maintain a log of complaints received and (both via City staff and directly by Contractor) and corrective actions implemented which shall be submitted to City each month.

g. Equipment Maintenance/Repair Report. Contractor shall report any maintenance or repairs done on street sweepers servicing City. This information shall be submitted as part of the monthly report in an easy to read format.

22. **Restoration and Repair, Obstructions and Clean Up.** Contractor shall become familiar with all existing installations, both public and private, on the work site and shall provide adequate safeguards to prevent damage to existing structures and improvements. All fences, wall, slopes, landscaping, and other obstructions which are removed, damaged, or destroyed in the course of work shall be replaced and/or repaired, at the Contractor's expense, to the original condition.

23. **Spills Material or Equipment Spills.** The Contractor shall make additional passes on street routes to pick up any spillage of sweeping materials, debris dropped during turns, or crossing of cross gutters prior to moving to the next area. The equipment operator shall immediately stop in the event of equipment spillage such as a spillage of diesel, motor oil or hydraulic oil. A call for assistance must be made by the operator and the area cleaned within two hours. If it is determined by the Public Works Director, or his designee, that the Contractor has failed to execute a proper cleanup, any/all costs incurred by City will be billed in invoice to Contractor.

24. **Stormwater BMPs, Training, and Documentation.** Contractor shall comply with stormwater-related training required under Municipal NPDES Permit No. CAS004004. This may involve implementing and maintaining specific Best Management Practices (BMPs) to prevent pollutant loading from stormwater and non-stormwater discharges to receiving waters as required. Contracting staff whose primary job duties are related to implementation of BMPs shall be adequately trained to effectively implement, operate, and maintain such BMPs and must be versed in factors affecting BMP effectiveness. Contractor shall ensure they have received all applicable training to implement the requirements in Municipal NPDES Permit No. CAS004004 and shall provide documentation to that effect to the City.

25. **Miscellaneous Safety and Other Regulations (Equipment and Vehicle Defects).** All equipment or vehicle defects disclosed by any governmental official and not requiring immediate correction shall be corrected by the Contractor within two (2) weeks of notification.

26. **Cooperation with Utility and Other Companies.** Work within the City by utility and construction companies may be progressing concurrently with the work under this Exhibit. It is the responsibility of the Contractor to be informed of work planned by these parties and to coordinate street sweeping work accordingly. City requests that utility companies avoid work in street on posted street sweeping days; however, that is not always possible.

27. **City Special Events.** Contractor will provide street sweeping services free of charge in conjunction to a maximum of three (3) "Major" City sanctioned special events each year. City will provide Contractor thirty (30) day prior notice of scheduled event. The sweeping would be focused in the event area and associated City parking lots.

28. **Hazardous Waste.** Contractor shall not be required to remove any Hazardous Waste from the street surface. If, in the course of performing street sweeping services, any

suspected Hazardous Waste is encountered, Contractor shall immediately report the location to the City, and any other responsible agency.

Exhibit E-1

Street Sweeping Schedules

[TO BE INSERTED BY THE PARTIES]

[Amendment Attachment 1]

Exhibit A

Residential Rate Schedule

Exhibit A
Maximum Service Rates - Residential (Gross)
Effective January 1, 2024

A. CURBSIDE COLLECTION SERVICE

1	32 Gallon Curbside Monthly Solid Waste Collection Rate	\$ 29.17
2	64 Gallon Curbside Monthly Solid Waste Collection Rate	\$ 30.01
3	96 Gallon Curbside Monthly Solid Waste Collection Rate	\$ 33.18

B. SUBSCRIPTION BACKYARD COLLECTION SERVICE

1	32 Gallon Backyard Monthly Solid Waste Collection Rate	\$ 80.62
2	64 Gallon Backyard Monthly Solid Waste Collection Rate	\$ 82.21
3	96 Gallon Backyard Monthly Solid Waste Collection Rate	\$ 85.38

C. ADDITIONAL SERVICES

1	Additional Solid Waste Cart - Any Size	\$ 17.94
2	Additional Recycling Cart (after one free) - Any Size	\$ 5.52
3	Additional Organic Waste Cart (after one free) - Any Size	\$ 17.83
5	Additional Cart Exchange - Per Cart Per Occurrence	\$ 15.79
6	Additional Cart Replacement - Per Cart Per Occurrence	\$ 15.79
7	Additional Bulky Items Collection - First Item Per Occurrence	\$ 55.25
8	Additional Bulky Items Collection - Each Additional Item Per Occurrence	\$ 23.77
9	Ancillary Service (see Exhibit E - incorporated herein by reference)	See Exh E

[Amendment Attachment 2]

Exhibit B

Multifamily Rate Schedule

Exhibit B
Maximum Service Rates - Multi-Family (Gross)
Effective January 1, 2024

Container Size	Collection Frequency							
	1X Week	2X Week	3X Week	4X Week	5X Week	6X Week	7X Week	Extra PU
A. BUNDLED SERVICE (Includes Solid Waste, Recycling, & Organics Services)								
65 Gallon Solid Waste Barrel	\$ 144.81	\$ 229.58	\$ 318.05	\$ 405.62	\$ 493.86	\$ 582.10	\$ 674.73	\$ 57.35
96 Gallon Solid Waste Barrel	\$ 150.94	\$ 241.38	\$ 335.74	\$ 429.14	\$ 526.77	\$ 620.89	\$ 719.72	\$ 59.77
1 Yard Solid Waste Bin	\$ 217.64	\$ 369.43	\$ 531.33	\$ 754.81	\$ 912.81	\$ 1,070.80	\$ 1,254.25	\$ 86.19
2 Yard Solid Waste Bin	\$ 302.77	\$ 603.08	\$ 843.17	\$ 1,098.45	\$ 1,355.51	\$ 1,595.01	\$ 1,958.11	\$ 90.34
3 Yard Solid Waste Bin*	\$ 337.00	\$ 662.05	\$ 949.19	\$ 1,233.64	\$ 1,614.18	\$ 1,883.11	\$ 2,199.18	\$ 100.56
4 Yard Solid Waste Bin	\$ 513.38	\$ 890.23	\$ 1,282.68	\$ 1,765.46	\$ 2,173.13	\$ 2,547.10	\$ 3,091.39	\$ 153.18
6 Yard Solid Waste Bin	\$ 557.27	\$ 992.03	\$ 1,520.67	\$ 1,967.23	\$ 2,617.78	\$ 3,033.75	\$ 3,537.76	\$ 166.28
2 Yard Solid Waste Compactor	\$ 451.95	\$ 889.52	\$ 1,272.84	\$ 1,669.91	\$ 2,069.82	\$ 2,452.19	\$ 2,965.30	\$ 134.85
3 Yard Solid Waste Compactor	\$ 556.39	\$ 1,083.29	\$ 1,581.06	\$ 2,074.01	\$ 2,664.65	\$ 3,143.67	\$ 3,680.35	\$ 166.02
4 Yard Solid Waste Compactor	\$ 680.12	\$ 1,210.37	\$ 1,762.88	\$ 2,404.14	\$ 2,971.48	\$ 3,505.12	\$ 4,217.07	\$ 202.93
B. ADDITIONAL RECYCLING CONTAINERS								
65 Gallon Recycling Barrel	\$ 39.49	\$ 75.82	\$ 113.74	\$ 151.27	\$ 189.09	\$ 226.90	\$ 266.60	\$ 57.35
96 Gallon Recycling Barrel	\$ 42.12	\$ 80.88	\$ 121.32	\$ 161.35	\$ 201.69	\$ 242.03	\$ 284.38	\$ 59.77
1 Yard Recycling Bin	\$ 92.14	\$ 176.92	\$ 265.38	\$ 352.96	\$ 441.20	\$ 529.44	\$ 622.09	\$ 86.19
1.5 Yard Recycling Bin	\$ 105.32	\$ 202.20	\$ 303.29	\$ 403.37	\$ 504.22	\$ 605.07	\$ 710.96	\$ 88.27
2 Yard Recycling Bin	\$ 118.47	\$ 227.47	\$ 341.20	\$ 453.80	\$ 567.25	\$ 680.70	\$ 799.82	\$ 90.34
3 Yard Recycling Bin	\$ 131.64	\$ 252.75	\$ 379.11	\$ 504.22	\$ 630.29	\$ 756.34	\$ 888.69	\$ 100.56
4 Yard Recycling Bin	\$ 204.04	\$ 391.76	\$ 587.63	\$ 781.55	\$ 976.93	\$ 1,172.33	\$ 1,377.48	\$ 153.18
6 Yard Recycling Bin	\$ 227.08	\$ 435.98	\$ 653.98	\$ 869.79	\$ 1,087.24	\$ 1,304.68	\$ 1,533.00	\$ 166.28
2 Yard Recycling Compactor	\$ 230.36	\$ 442.31	\$ 663.45	\$ 882.40	\$ 1,102.99	\$ 1,323.59	\$ 1,555.22	\$ 134.85
3 Yard Recycling Compactor	\$ 296.18	\$ 568.67	\$ 853.01	\$ 1,134.50	\$ 1,418.13	\$ 1,701.76	\$ 1,999.57	\$ 166.02
4 Yard Recycling Compactor	\$ 329.10	\$ 631.87	\$ 947.79	\$ 1,260.56	\$ 1,575.70	\$ 1,890.85	\$ 2,221.74	\$ 202.93
C. ADDITIONAL ORGANICS CONTAINERS								
65 Gallon Organics Barrel	\$ 52.66	\$ 101.10	\$ 151.65	\$ 201.69	\$ 252.11	\$ 302.54	\$ 355.47	\$ 57.35
96 Gallon Organics Barrel	\$ 56.16	\$ 107.84	\$ 161.76	\$ 215.13	\$ 268.92	\$ 322.70	\$ 379.18	\$ 59.77
1 Yard Organics Bin	\$ 122.86	\$ 235.89	\$ 353.85	\$ 470.60	\$ 588.26	\$ 705.91	\$ 829.45	\$ 86.19
1.5 Yard Organics Bin	\$ 140.42	\$ 269.59	\$ 404.38	\$ 537.84	\$ 672.30	\$ 806.76	\$ 947.95	\$ 88.27
2 Yard Organics Bin	\$ 157.97	\$ 303.30	\$ 454.93	\$ 605.07	\$ 756.34	\$ 907.60	\$ 1,066.43	\$ 90.34

*City-approved "default" service (includes bundled 3-yard Solid Waste Bin service, 1.5-yard Recycling Bin service, and 96-gallon Organic Cart service).

[Amendment Attachment 3]

Exhibit C

Commercial Rate Schedule

Exhibit C
Maximum Service Rates - Commercial (Gross)
Effective January 1, 2024

Container Size		Collection Frequency							
		1X Week	2X Week	3X Week	4X Week	5X Week	6X Week	7X Week	Extra PU
A. BUNDLED SERVICE (Includes Solid Waste, Recycling, & Organics Services)									
	65 Gallon Solid Waste Barrel	\$ 144.81	\$ 229.58	\$ 318.05	\$ 405.62	\$ 493.86	\$ 582.10	\$ 674.73	\$ 57.35
	96 Gallon Solid Waste Barrel	\$ 150.94	\$ 241.38	\$ 335.74	\$ 429.14	\$ 526.77	\$ 620.89	\$ 719.72	\$ 59.77
	1 Yard Solid Waste Bin	\$ 217.64	\$ 330.67	\$ 452.13	\$ 635.58	\$ 753.24	\$ 870.89	\$ 1,050.75	\$ 86.19
	2 Yard Solid Waste Bin	\$ 302.77	\$ 603.08	\$ 843.17	\$ 1,098.45	\$ 1,355.51	\$ 1,595.01	\$ 1,958.11	\$ 90.34
	3 Yard Solid Waste Bin*	\$ 337.00	\$ 662.05	\$ 949.19	\$ 1,233.64	\$ 1,614.18	\$ 1,883.11	\$ 2,199.18	\$ 100.56
	4 Yard Solid Waste Bin	\$ 513.38	\$ 890.23	\$ 1,282.68	\$ 1,765.46	\$ 2,173.13	\$ 2,547.10	\$ 3,091.39	\$ 153.18
	6 Yard Solid Waste Bin	\$ 557.27	\$ 992.03	\$ 1,520.67	\$ 1,967.23	\$ 2,617.78	\$ 3,033.75	\$ 3,537.76	\$ 166.28
	2 Yard Solid Waste Compactor	\$ 451.95	\$ 889.52	\$ 1,272.84	\$ 1,669.91	\$ 2,069.82	\$ 2,452.19	\$ 2,965.30	\$ 134.85
	3 Yard Solid Waste Compactor	\$ 556.39	\$ 1,083.29	\$ 1,581.06	\$ 2,074.01	\$ 2,664.65	\$ 3,143.67	\$ 3,680.35	\$ 166.02
	4 Yard Solid Waste Compactor	\$ 680.12	\$ 1,210.37	\$ 1,762.88	\$ 2,404.14	\$ 2,971.48	\$ 3,505.12	\$ 4,217.07	\$ 202.93
B. ADDITIONAL RECYCLING CONTAINERS									
	65 Gallon Recycling Barrel	\$ 39.49	\$ 75.82	\$ 113.74	\$ 151.27	\$ 189.09	\$ 226.90	\$ 266.60	\$ 57.35
	96 Gallon Recycling Barrel	\$ 42.12	\$ 80.88	\$ 121.32	\$ 161.35	\$ 201.69	\$ 242.03	\$ 284.38	\$ 59.77
	1 Yard Recycling Bin	\$ 92.14	\$ 176.92	\$ 265.38	\$ 352.96	\$ 441.20	\$ 529.44	\$ 622.09	\$ 86.19
	1.5 Yard Recycling Bin	\$ 105.32	\$ 202.20	\$ 303.29	\$ 403.37	\$ 504.22	\$ 605.07	\$ 710.96	\$ 90.34
	2 Yard Recycling Bin	\$ 118.47	\$ 227.47	\$ 341.20	\$ 453.80	\$ 567.25	\$ 680.70	\$ 799.82	\$ 100.56
	3 Yard Recycling Bin	\$ 131.64	\$ 252.75	\$ 379.11	\$ 504.22	\$ 630.29	\$ 756.34	\$ 888.69	\$ 153.18
	4 Yard Recycling Bin	\$ 204.04	\$ 391.76	\$ 587.63	\$ 781.55	\$ 976.93	\$ 1,172.33	\$ 1,377.48	\$ 166.28
	6 Yard Recycling Bin	\$ 227.08	\$ 435.98	\$ 653.98	\$ 869.79	\$ 1,087.24	\$ 1,304.68	\$ 1,533.00	\$ 134.85
	2 Yard Recycling Compactor	\$ 230.36	\$ 442.31	\$ 663.45	\$ 882.40	\$ 1,102.99	\$ 1,323.58	\$ 1,555.21	\$ 166.02
	3 Yard Recycling Compactor	\$ 296.19	\$ 568.67	\$ 853.01	\$ 1,134.51	\$ 1,418.13	\$ 1,701.76	\$ 1,999.57	\$ 202.93
	4 Yard Recycling Compactor	\$ 329.10	\$ 631.87	\$ 947.79	\$ 1,260.56	\$ 1,575.70	\$ 1,890.85	\$ 2,221.74	\$ -
C. ADDITIONAL ORGANICS CONTAINERS									
	65 Gallon Organics Barrel	\$ 52.66	\$ 101.10	\$ 151.65	\$ 201.69	\$ 252.11	\$ 302.54	\$ 355.47	\$ 57.35
	96 Gallon Organics Barrel	\$ 56.16	\$ 107.84	\$ 161.76	\$ 215.13	\$ 268.92	\$ 322.70	\$ 379.18	\$ 59.77
	1 Yard Organics Bin	\$ 122.86	\$ 235.89	\$ 353.85	\$ 470.60	\$ 588.26	\$ 705.91	\$ 829.45	\$ 86.19
	1.5 Yard Organics Bin	\$ 140.42	\$ 269.59	\$ 404.38	\$ 537.84	\$ 672.30	\$ 806.76	\$ 947.95	\$ 90.34
	2 Yard Organics Bin	\$ 157.97	\$ 303.30	\$ 454.93	\$ 605.07	\$ 756.34	\$ 907.60	\$ 1,066.43	\$ 100.56

*City-approved "default" service (includes bundled 3-yard Solid Waste Bin service, 1.5-yard Recycling Bin service, and 96-gallon Organic Cart service).

[Amendment Attachment 4]

Exhibit D

COD Rate Schedule

Exhibit D
Maximum Rates - COD (Gross)
Effective January 1, 2024

High Side Trash - Includes 5 Tons Disposal	\$ 975.48
Low Boy Trash - Includes 3 Tons Disposal	\$ 975.48
Disposal per ton over limit - Trash Processed	\$ 135.00
Disposal per ton over limit - Trash Transferred	\$ 100.00
Disposal per ton over limit - Recycling Processed	\$ 85.00
Disposal per ton over limit - Organics Processed	\$ 150.00
Disposal per ton over limit - Construction & Demolition Debris Processed	\$ 110.00
Temp Bin Delivery	\$ 142.68
Temp Bin Empty	\$ 86.57
Wash Container - Per Occurrence	\$ 122.96
Relocate Container - Per Occurrence	\$ 122.96
Dry Run Charge - Per Occurrence	\$ 122.96
Roll-Off same-day expedited service - per occurrence	\$ 72.34

[Amendment Attachment 5]

Exhibit E

Ancillary Services Rate Schedule

Exhibit E
Maximum Service Rates - Ancillary Services (Gross)
Effective January 1, 2024

A. ADMINISTRATIVE CHARGES	
Returned Item Fee - Per Occurrence	\$ 35.00
Late Fee - Per Month (\$5.00 Minimum)	1.50%
Credit Hold Fee - Per Occurrence	\$ 39.50
Restarting Discontinued Service due to Non-payment - Per Occurrence	\$ 39.84
Redelivery of Containers due to Non-payment - Per Bin or 3 Cart Set Per Occurrence	\$ 123.71
Return Trip (residential/commercial missed pick-up due to customer - on scheduled service day) - per occurrence	\$ 27.50
Service Charge for more than one service-level change per year - per occurrence	\$ 37.50
IRV-Phone Payment Fee - per occurrence	\$ 7.50
B. ADDITIONAL COLLECTION CHARGES	
Tires (depends on size and type - minimum fee) per tire per occurrence	\$ 50.00
Appliances containing freon - per appliance per occurrence	\$ 75.00
C. CONTAINER MAINTENANCE CHARGES	
Container exchange (residential/commercial) - per 3 barrel set or per bin per occurrence	\$ 37.50
Container cleaning (residential/commercial) - per 3 barrel set or per bin per occurrence	\$ 37.50
Container replacement (residential/commercial due to customer damage) - per container per occurrence	\$ 119.00
Damage Charge - per occurrence	\$ 119.00
D. ADDITIONAL CHARGES	
Access fee (unlocking gates, access via security office or intercom, etc.) - per entry per month	\$ 25.00
Bin enclosure clean-up - per occurrence	\$ 59.00
Container relocation (residential/commercial) - per container per occurrence	\$ 37.50
Driver stand-by or delay time - per each 15 minutes of delay time	\$ 47.50

[Amendment Attachment 6]

Exhibit F

SB 1383 Program

1. **Program Summary.** As provided herein, Contractor shall (i) provide account site visits and reviews, and the tracking thereof; (ii) support City public education and outreach efforts; (iii) meet with CalRecycle staff; (iv) provide Organic Waste tonnage data to both City and CalRecycle; and (v) provide Organic Waste Collection service.

2. **Acceptable Materials.** Notwithstanding any provision in this Agreement to the contrary, the Recyclable Materials that are to be accepted for collection by Contractor are set forth in Exhibit F-1 and the Organic Waste materials that are to be accepted for collection by Contractor are set forth in Exhibit F-2. City and Contractor agree that the list of acceptable Recyclable Materials and/or Organic Waste may be modified from time to time with the written approval of City.

3. **Service Changes.** Contractor may reduce or increase any Organic Waste service level, including service frequency and Container types, based on inspection, audit, or review at any time, subject to City review and disapproval. Contractor may assess additional charges for Organic Waste services above the default service level and/or above the minimum collection frequency for a given customer.

4. **Waivers.** City may provide waivers from some or all of the Organic Waste requirements specified under applicable law as follows: (i) upon application by a Customer, City may grant "de minimis waivers" as specified in Section 5-3.85(a) of the City of Lomita Municipal Code; (ii) upon application by a Customer, City may grant "physical space waivers" as specified in Section 5-385(b) of the City of Lomita Municipal Code; (iii) in the event of a disaster, City may grant Contractor a waiver of some or all discarded materials collection requirements under this Agreement and 14 CCR, Division 7, Chapter 12, Article 3 in the disaster-affected areas for the duration of the waiver, provided that such waiver has been approved by CalRecycle; (iv) Contractor may, but is not required to, separate or recover Organic Waste that City removes from homeless encampments and illegal disposal sites as part of an abatement activity to protect public health and safety; (v) Contractor may dispose of rather than process specific types of Organic Waste and/or Recyclable Materials that are subject to quarantine and meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by City or until City provides notice that the quarantine has been removed and directs Contractor to transport the materials to facilities designated by Contractor for such material; and/or (vi) upon application by a Customer, City may grant any additional waivers permitted by state law or regulations adopted or implemented after January 1, 2024. City and Contractor shall meet and confer prior to City granting any waiver under subsection (vi) to discuss impacts to Contractor and implementation of the waiver process. City's Public Works Department in conjunction with the City's Code Enforcement Division will be responsible for review and approval of waivers hereunder. Contractor shall not charge any Customer for the portion of services to which the Customer receives a waiver hereunder.

5. **Education and Outreach.** Contractor shall provide education and outreach activities and to create and disseminate educational materials to customers in compliance with 14 CCR Section 18985.1. In accordance with the foregoing, Contractor will provide the education information required in 14 CCR Section 18985.1 by providing regularly scheduled notices, education materials, billing inserts, or other information disseminated to customers. Contractor shall maintain records of its education and outreach activities and provide this information upon request to City. City has a shared responsibility to cooperate with Contractor with respect to the education and outreach activities and creation and dissemination of educational materials hereunder.

6. **Reporting.**

A. **Implementation Record.** Notwithstanding any provision in this Agreement to the contrary, Contractor shall prepare and maintain the records identified in 14 CCR Section 18995.2(f), arising from the Organic Waste Collection services performed by Contractor and assist City in reporting such information.

B. **Annual Report.** As part of its obligations with respect to the foregoing and under Section 13 of the Agreement, Contractor shall provide an annual report of the information identified in 14 CCR Section 18994.2, which shall include, but not be limited to the following information to the extent in the possession of Contractor: (i) the tons of Organic Waste collected by route, with map of routes; (ii) the total number of Generators that receive each type of Organic Waste Collection service provided by Contractor; (iii) the number of Organic Waste Collection Containers distributed by size and customer type; and (iv) annual totals of Organic Waste processed including facility name and location. Contractor shall provide other records to City within ten (10) business days of a request.

C. **Access to Records.** Contractor shall provide City with business hours access to and any necessary training for use of a Contractor-hosted records systems in order to validate Contractor performance in accordance with the Organic Waste program specified in this Exhibit F. City reserves the right to require Contractor to periodically submit all reports and information by electronic means in a format approved by the City. The City also reserves the right to require Contractor to periodically electronically transfer Customer data to a City-selected web-based software platform.

7. **Provision of Recovered Organic Waste Products.** Upon request of City, Contractor will meet and confer with City to discuss an amendment intended to establish a program that would be designed to assist the City in securing sufficient quantities of Compost and/or, if commercially available to Contractor, California-derived Renewable Natural Gas ("CRNG"), to meet the City's required annual per capita procurement of products produced in accordance with 14 CCR § 18993.1.

8. **Container Color and Labeling.**

A. **Container Color.** Notwithstanding any provision in this Agreement to the contrary, all containers provided by Contractor to customers must comply with the color requirements specified in 14 CCR Section 18984.7 under the timelines and requirements of such section. Containers shall be colorfast and resistant to fading as a result of weathering or ultraviolet

degradation, and the lids and bodies shall be uniform for each Container type, as follows: (i) Refuse Container bodies and/or lids shall be black or gray; (ii) Recyclable Materials Container bodies and/or lids shall be blue; and (iii) Organic Waste Container bodies and/or lids shall be green. Hardware such as hinges and wheels on the containers may be a different color than specified herein.

B. Container Labeling. No later than January 1, 2024, Contractor shall, in accordance with 14 CCR Section 18984.8, imprint or place a label on the body or lid of each new container that has been provided by Contractor to a Customer that includes language or graphic images, or both, indicating the primary materials accepted and the primary materials prohibited in that container. Imprints or labels shall clearly indicate items that are Prohibited Container Contaminants, as defined in Section 10(A) of this Exhibit F, for each Container.

C. New or Replaced Containers. Except as expressly provided herein, nothing in this Agreement shall be construed as requiring Contractor to replace Containers in good working condition that comply with 14 CCR Section 18984.7 and 14 CCR Section 18984.8 as of January 1, 2024.

9. Route Reviews. Contractor shall on a quarterly basis, commencing January 1, 2024, conduct Contractor route reviews for Prohibited Container Contaminants, as defined in Section 10(A) of this Exhibit F, consistent with and as defined in 14 CCR Section 18984.5(b) in a manner deemed safe by Contractor. Containers may be randomly selected along hauler routes. Contractor shall develop a hauler review methodology in compliance with 14 CCR Section 18984.5(b) and submit it to City not more than annually upon the request of City.

10. Facilities Waste Evaluations. Contractor shall at least twice per year but no more than quarterly, commencing January 1, 2024, conduct waste evaluations that meet the requirements of 14 CCR Section 17409.5.1 with respect to waste delivered to a Contractor-owned or -controlled facility or with respect to information otherwise accessible to Contractor that permits it to perform characterization studies. City maintains the right to observe, or hire a third party to observe, the waste evaluations.

11. Contamination Protocols. Contractor shall implement protocols, as specified herein, to prevent the contain nation of Prohibited Container Contaminants.

A. Definition. For the purposes of this Agreement, "Prohibited Container Contaminants" means the following: (i) discarded materials placed in a blue Container that are not identified as acceptable source separated Recyclable Materials; (ii) discarded materials placed in the green Container that are not identified as acceptable source separated Organic Waste; (iii) discarded materials placed in the gray or black Container that are acceptable source separated Recyclable Materials and/or source separated Organic Waste to be placed in the City's green and/or blue Containers; and, (iv) non-Solid Waste items placed in any Container.

B. First and Second Events. Upon the first and second discoveries of Prohibited Container Contaminants within a given calendar year starting January 1, Contractor will collect the contaminated waste if safe to do so, treat the waste as Refuse for handling and billing purposes, and affix a "Contamination Violation Notice" to any Container with

contaminated waste. Contractor shall also report issuance of any such notices to City. The Contamination Violation Notice will contain instructions on the proper procedures for sorting waste. Contractor must also notify the Customer of the following: (i) for the third and subsequent discovery of Prohibited Container Contaminants, the Customer may be charged a contamination fee for each contaminated Container, and (ii) for the fifth and subsequent discoveries of Prohibited Container Contaminants, the Customer may be charged a contamination fee for each contaminated Container, and Contractor may increase the size of the Customer's container or require an additional container(s). Contractor must also attempt to contact the Customer if it appears customer does not have the appropriate level of service for proper collection Refuse, Recyclable Materials, and Organic Waste.

C. Third and Fourth Events. Upon the third and fourth discoveries of Prohibited Container Contaminants within a given calendar year starting January 1, Contractor will collect the contaminated waste in the contaminated Container(s) if safe to do so, treat the waste as Refuse for handling and billing purposes, and affix a Contamination Violation Notice to the contaminated Container. Contractor may also elect to charge the then-maximum contamination fee for the discovery of Prohibited Container Contaminants. For any assessed contamination fee, Contractor must provide digital/visual documentation of Contractor's discovery of Prohibited Container Contaminants to the Customer and City.

D. Five or More Events. Upon each of the fifth and any subsequent discoveries of Prohibited Container Contaminants within a given calendar year starting January 1, Contractor will collect the contaminated waste in the contaminated Container(s) if safe to do so, treat the waste as Refuse for handling and billing purposes, and charge a contamination fee for each event. For any assessed contamination fee, Contractor must provide to the Customer and City digital/visual documentation of Contractor's discovery of Prohibited Container Contaminants. Upon five (5) business days' notice to City and the Customer, Contractor may (i) increase the size of the customer's Container, require additional containers to accommodate excessive Prohibited Container Contaminants, or increase collection frequency; (ii) impose a contamination fee equal to fees for a period of six (6) months or until the Customer has demonstrated Prohibited Container Contaminants are not in Containers for a period of three (3) consecutive months; and/or (iii) provide notice that Contractor has recommended that City commence any applicable code enforcement action against the customer. City will consult with Contractor and consider, and pursue as applicable, appropriate legal remedies against offending customers in order to secure discontinuance of the Prohibited Container Contaminants. All City costs of such action shall be recovered from the offending customers.

E. Disputes. If a Customer disputes, in writing, an assessment of a contamination fee within 30 days of the assessment, Contractor will temporarily halt any such assessment and Contractor may request a ruling by the City Manager to resolve the dispute. A request by Contractor to the City Manager to render a decision on any such dispute must be filed within ten (10) business days of receipt of a customer's written dispute, and Contractor must include written documentation and digital/visual evidence of ongoing overall problems. Upon receipt of such documentation, the City Manager will rule on the dispute within ten (10) business days, and the City Manager's decision resolving the dispute between the Customer and Contractor will be final.

12. Edible Food Recovery.

A. Identification of Commercial Edible Food Generators. No later than January 1, 2024 and annually every January 1 thereafter, Contractor shall assist City in identifying customers that meet the definition of Tier One or Tier Two Commercial Edible Food Generator, as defined in the SB 1383 Ordinance, and provide to City a list of such customers, which shall include the following information: customer name, service address, contact information, Tier One or Tier Two classification, and type of business.

B. Identification of Edible Food Recovery Organizations. To support City's efforts to promote Edible Food Recovery programs, as defined in the SB 1383 Ordinance, Contractor shall maintain, and update annually each January 1, a list of Food Recovery Organizations and Food Recovery Services and information about Edible Food Recovery on Contractor's website, which is specific to City and shall provide a link to information about City's Edible Food Recovery programs on Contractor's website.

C. Maintain and Promote Listings. Collector shall cooperate with and assist City with the distribution of information to Commercial Edible Food Generators, as defined in the SB 1383 Ordinance, regarding City's Edible Food Recovery programs.

13. Organic Waste Ordinance; Enforcement. No later than the Amendment Effective Date, City will adopt and enforce an Organic Waste ordinance that complies with SB 1383 and its implementing regulations, as applicable. Contractor shall coordinate with City by providing, upon City request, notice to City of any and all persons refusing Organic Waste services. Contractor shall cooperate with City in implementing the Organic Waste ordinance and shall provide support to the City in establishing the administrative record of Contractor's outreach, education, site visits, and communications with any Customers that may ultimately be subject to City enforcement. City shall bear the responsibility for code enforcement actions such as notices of code violation and assessment of penalties per the Organic Waste ordinance. Contractor shall not be liable for any claims, actions, obligations, demands, damages, liabilities, costs, or expenses for any damages or injuries caused by or arising from (i) the failure of Customers to accept Organic Waste services, including any waivers granted in accordance with this Exhibit F, or (ii) the suspension or termination of services upon nonpayment in whole or in part by Customers, provided Contractor reports such instances of noncompliance or nonpayment to City for code enforcement.

14. SB 1383 Guarantee. Upon notice from City, Contractor shall be deemed in material breach of the Agreement subject to at least thirty (30) days to cure, in the event CalRecycle determines that the requirements of SB 1383 have not been satisfied: (i) due to the failure of Contractor to meet its obligations under this Agreement; or, (ii) due to Contractor's delay in providing information required under this Agreement that prevents City from submitting reports to CalRecycle in a timely manner (alternatively, a "Noncompliance Event"). Upon any Noncompliance Event, City shall be entitled to the reimbursement of penalties and/or fines assessed by CalRecycle against City to the extent the penalties and/or fines arise from the Noncompliance Event. Contractor shall further defend, indemnify and hold City harmless from any related administrative or legal action to the extent such action arises from a Noncompliance Event. Notwithstanding other provisions of this Agreement, Contractor's obligations hereunder shall be limited by Public Resources Code Section 40059.1.

EXHIBIT F-1
LIST OF ACCEPTABLE RECYCLABLE MATERIALS

PLASTICS

- Plastics number 1 as bottle or clamshell
- Plastics numbers 2, 4, 5, and 7
- Soda, juice, and water bottles
- Beverage and detergent jugs

METALS

- Aluminum foil and pie tins (clean)
- Scrap metal
- Steel cans, dishware, etc.
- Tin and aluminum cans

PAPER

- Paper (clean and dry, white and mixed color)
- Envelopes
- File folders (paper only)
- Junk mail and magazines
- Newspaper
- Paper grocery bags
- Telephone books

Acceptable (but may not be recycled):

- Cereal boxes (no plastic insert)
- Egg cartons (paper only and clean)
- Frozen food boxes
- Soup, milk, and juice cartons

CARDBOARD (or similar)

- Cardboard and corrugated boxes

GLASS

- Amber, green, and mixed-color glass
- Clear food glass jars
- Soda, tea, and liquor bottles

No window glass, porcelain, or non-food-related glass.

EXHIBIT F-2
LIST OF ACCEPTABLE ORGANIC WASTE MATERIALS

GREEN WASTE

- Flower and hedge trimmings
- Grass clippings
- Leaves and branches
- Weeds
- Lumber*
- Scrap wood*
- Plywood*

**Not painted or treated*

FOOD SCRAPS

- Bread, rice, and pasta
- Cheese and dairy
- Coffee grounds and filters
- Fruits and vegetables
- Flowers and herbs
- Meat, bones, and poultry
- Seafood and soft shells
- Pet food (nonmedicated)

FOOD-SOILED PAPER*

- Food-stained paper
- Paper egg cartons
- Paper napkins
- kitchen paper towels
- Pizza boxes
- Plates
- To-go boxes (no coating)
- Wood and fiber-based utensils

**Must be 100% fiber-based. No materials with - plastic, wax, or bioplastic coating, liner, or laminate.*

UNACCEPTED ITEMS

- All plastics
- Cacti, succulents, and yucca
- Compostable plastics (bioplastics)
- Coffee cups and pods
- Fats, oils, and grease
- Food stickers (please remove from items)
- Gloves
- Hard shells (clams, mussels, oysters)
- Medication
- Palm fronds
- Paper napkins with cleaning chemicals
- Paper towels with cleaning chemicals
- Parchment and wax paper
- Pet waste
- Rocks and soil
- Rubber bands and twist ties
- Tea bags
- Textiles
- Tissues and wet wipes

[Amendment Attachment 7]

Exhibit G

Street Sweeping

1. **Street Sweeping Services.** Contractor shall provide street sweeping services, as specified herein, during the Term in accordance with the terms and conditions of this Agreement. The primary objective of street sweeping is to pick up all debris to ensure the free flow of water in the gutter, reduce materials entering the storm drain system, and to maintain the streets in a state of cleanliness. Contractor will perform services in the in accordance with street sweeping maps, driving routes, and schedules proposed by Contractor and subject to the approval of the City Council or the Public Works Director, as designee of the City Council, which shall not be unreasonably delayed, conditioned, or denied by Contractor or City ("Approved Sweeping Plan").

2. **Manner of Service.** All streets and alleyways in the City, with or without curb and gutter, must be swept under the terms of this Exhibit G in addition to the specified parking lots. Each section or portion of street that is posted with "street sweeping signs" that temporarily prohibit vehicular parking during the posted times, shall be swept during the posted times. Each section or portion of street that is not posted, either with or without curb and gutter, shall also be swept, according to the schedule provided by the City. Every attempt shall be made to sweep curbside of each street unless prohibited by vehicles or other obstructions that render the provision of service impossible or hazardous in each specific circumstance.

3. **General Requirements.**

a. **Definitions.** For the purposes of this Exhibit G, the definitions provided herein shall apply: (i) "Streets" shall mean all dedicated public rights-of-way within the existing or future corporate limits of the City; (ii) "Debris" shall mean all litter, rubbish, leaves, sand, dirt, garbage and other foreign material removable from a paved street with a street sweeper; (iii) "Curb-mile" means a swept path not less than eight (8) feet wide for a cumulative total length of 5,280 feet; and (iv) "Roadbed" means entire street pavement from curb to curb. (v) "Street Sweeping Driving Route" means Contractor's planned path driven by the sweeper; (vi) "Street Sweeping Schedule" means the days and times posted by the City on streets available for sweeping and no parking.

b. **Hand Sweeping/Vacuuming.** Contractor shall remove all visible debris along curbs and medians. Some cul-de-sacs and parking lots require hand sweeping of the corners or vacuumed into the sweeper.

c. **Scheduled Machine Street Sweeping.** Regular machine sweeping of streets shall be accomplished in accordance with this Exhibit G. The sweeper shall not limit the number of times that the sweeper debris hopper is emptied for any given route. Sufficient water must be used to prevent visible dust.

d. **Business Hours.** For the purposes of this Exhibit G, business hours shall be considered from 6:00 a.m. to 4:00 p.m. Monday through Friday.

4. **Required Services.**

a. **City Parking Lots.** The following City-owned parking lots are to be swept on a weekly basis: (i) City Hall/County Building and Safety and Hazardous Materials/County Library parking lot located southeast of the intersection of Narbonne Ave. and 242nd St.; (ii) the City-owned parking lot located at the northeast corner of Narbonne Ave. and 245th St.; (iii) the series of "angled parking stall-parking lots," in addition to and including the accessible locations of their collective contiguous drainage channel (both the angled parking stall-parking lots and the drainage channel are located along the west side of Narbonne Ave., spanning from approximately the northern border of the City to the intersection of Narbonne Ave. and Lomita Blvd.); (iv) City lot on the west side of Narbonne Ave.; (v) two City lots on Eshelman at Lomita Park; and (vi) City lot at the Railroad Museum.

b. **Items of Excessive Size; Obstructions.** Items of excessive size, such as cardboard, palm fronds, large rocks, etc., shall be physically picked up if Contractor is able to do so and placed in the sweeper by Contractor. Sweeping shall normally consist of a single pass over an area. Additional passes shall be made as necessary when conditions warrant special attention. Debris collection may require more than one pass in order to sufficiently clean the street. In addition, if a sweeper is unable to capture debris around or adjacent to a bulb out, Contractor shall be required to physically pick up and remove debris or move debris into the path of the sweeper to ensure removal from the area being swept. Notwithstanding the foregoing, Contractor is not responsible for areas missed due to parked cars or other personal property.

c. **Topographic Elevation; Mud or Excessive Rain.** The City possesses topographical elevation changes that will create additional surface runoff during the rainy season. Contractor should provide equipment capable of cleaning with a brush, when City requests the service, under conditions that produce mud or excessive rain-related debris carried onto the streets. In particular, this scenario has historically occurred on the streets immediately south of Pacific Coast Highway, such as Hillworth Ave., Saddle View Rd., Pennsylvania Ave., Viana Ave., Cypress St., Lucille Ave. and Narbonne Ave.

d. **NPDES Permit.** City, related to the National Pollution Discharge Elimination Systems (NPDES) permit, does have high priority storm drains for cleaning drains. City intends Contractor to be able to adequately clean the streets that directly feed the storm drains, in particular, and it is these streets that would likely be the prime candidates to receive extra non-emergency work in times when additional debris collects.

e. **Extra Sweeping.** There shall be a maximum two-hour response time for emergency sweeping. Emergency sweeping constitutes OAW, as defined in Section 5(c) of this Exhibit. Non-emergency sweeping shall take place no later than the same or next business day after requested by the City or the scheduled date. City may on occasion have need for sweeping services for sidewalks or the downtown area. Such work shall also constitute OAW.

f. **Schedule Variations.** Whenever the schedule of work is not followed, for any reason, Contractor shall notify City.

g. Equipment Failure. In cases of equipment failure or operator failure which precludes the sweeping of scheduled streets during their posted time frames, Contractor shall make every reasonable effort to provide services during the schedule time frames. Should the equipment or operator failure be of such a duration that the regularly scheduled street sweeping of a posted street is not able to be swept during the designated time frames, Contractor shall sweep those neglected (not swept during the designated time frames) streets during the first available opportunity on the same day, without impacting the existing, established schedule or causing additional neglect to streets requiring sweeping on the designated day within the designated time frames. In the event that equipment or operator failure results in designated streets being neglected and, Contractor shall be responsible for recording and reporting the neglected sweeping noted in a "Deficiency/Missed Area Report."

h. Areas to be Cleaned. All City streets including arterial, collector, industrial, residential and commercial, cul-de-sacs, alleys, parking lots, and median curbs shall be swept. The frequency shall be once per week, twice per month, or once per month according to the Approved Sweeping Plan. The entire length of all curbs (including bulb outs, median curbs and curb returns), uncurbed pavement edges, painted (2-way) left turn lanes and flush concrete or paved median noses shall be swept each time the associated street is swept. The entire area of each intersection shall be swept. The balance of each street shall be swept as needed. In any case, no debris shall be left on the street pavement after sweeping is completed.

i. Standard of Performance. In the event the results of a sweeping are considered unsatisfactory, applying a standard of performance in accord with similarly situated jurisdictions, Contractor shall sweep or clean the unsatisfactory area again at no cost to the City, within twenty-four (24) hours of request without interruption to the regular street sweeping schedule. The Public Works Director, or designee, will make the final determination, exercising reasonable discretion, as to whether the work has been completed and may order Contractor to re-sweep areas not swept or cleaned in the manner required hereunder.

5. Changes in Services.

a. Additional Services. Additional services may include emergency call-outs or other instances as requested by the Public Works Director, or designee. Such services will be requested orally or in writing at least twenty-four (24) hours in advance, whenever practical, except for emergency call-outs. No request for additional services shall necessitate the simultaneous assignment of more than one (1) sweeper unless a greater number is agreeable to Contractor. Such requests shall constitute OAW, as specified in Section 5(c) of this Exhibit.

b. Changes in Services. City may elect to increase or decrease the frequency or amount of street sweeping services. Contractor may agree to any such increase in writing. A net increase in curb-miles, the rate of additional miles, or added time shall constitute OAW, as specified in Section 5(c) of this Exhibit.

c. Other Associated Work. If circumstances exist that require work not specifically provided for in this Exhibit, City may request Contractor to perform such other associated work ("OAW"). When Contractor performs OAW, the labor, materials, and equipment used in the performance of such work shall be subject to the prior written approval of City and

Contractor. Examples of OAW include: performance of special sweeps, flood clean-up, street sanitation for parades and celebrations, City requested clean-up services, and any contingency where sweeper and supporting sweeper equipment could assist in a particular instance. Contractor shall be reimbursed for such services at its then-current hourly rates.

6. Schedule of Performance.

a. Days. Routine street sweeping shall be conducted Tuesday through Friday unless otherwise approved by the Public Works Director.

b. Hours. Standard operating hours for sweeping under this Exhibit shall be determined by the City and the Contractor in accordance with Approved Sweeping Plan. Contractor shall complete all sweeping as scheduled; mechanical failure due to a failure to adequately maintain equipment or personnel problems shall not be the acceptable reason for failure to perform services. No changes to the sweeping schedule will be allowed without the prior approval of City.

c. Holidays. All sweeping is to be completed according to the Approved Sweeping Plan, except on the following holidays: New Year's Day, January 1; Martin Luther King Jr. Day; President's Day; Memorial Day; Independence Day, July 4; Labor Day; Veterans Day; Thanksgiving Day; Day after Thanksgiving Day; Christmas Day, December 25; December 26; December 27; December 28; December 29; December 30; and December 31.

7. **Changes in Schedule Due to Weather Conditions.** Scheduled sweeping shall not be canceled for inclement weather by Contractor without approval of the Public Works Director or her/his designee. During inclement weather a two-hour standby period will be observed before a day of scheduled sweeping will be canceled. City reserves the right to suspend street sweeping functions on a day-to-day basis. Make-up sweeping will not be allowed due to inclement weather and cancellations without the approval of the Public Works Director or her/his designee.

8. **Disposal and Recycling of Materials.** Contractor shall transport and dispose of all sweeping in accordance with all City, County, State, and Federal requirements. To the extent possible, Contractor shall divert or compost all street sweepings from landfills. Contractor shall report on a monthly basis the tonnage of sweepings collected and the tonnage disposed of at a composting or recycling center and the name and address of the facility. Upon City's request, Contractor shall also provide City with the pertinent information from the composting or recycling facility certifying the percentage of material processed that is disposed at landfill and where is material sent after collection and processing at the facility.

9. Street Sweeping Equipment.

a. Operation. Street sweeper speed and broom pattern shall be in accordance with the manufacturer's recommendations. While operating, street sweepers at work shall not exceed a maximum speed of 7 mph; sweepers when driven shall have a maximum of the posted speed limit.

b. Standard Equipment. Contractor shall use such standard heavy street sweeping equipment as is necessary to clean the City streets of paper, dirt, rocks, leaves and debris.

c. Maintenance. Contractor shall maintain all equipment. Equipment should be clean and in good mechanical condition, uniformly painted and numbered.

d. Alternative Sweeper. Contractor shall provide a minimum of one (1) relief sweeper for each sweeper planned to be used to perform the contract work.

e. Cleaning. Contractor shall have all sweepers return to the Contractor's yard for washouts and hopper cleaning.

f. Vehicle Specifications. All equipment shall be: (i) standard full size motorized street sweeper with a dual cutter broom; (ii) an air regenerative sweeper equal to or larger than a Tymco 600, or shall be a vacuum sweeper with equal pick up capabilities, with dual gutter brooms; (iv) maintained in top running condition, including arriving clean, in proper working condition, and fueled for each daily schedule; (v) equipped with an electronic or mechanical tachograph capable of recording sweeping speed, start-stop, operating time, and non-operating or travel time; (vi) equipped with a mechanically or magnetically attached sign on each side of sweeper reading "This sweeper is under contract with the City of Lomita" and the sweeper shall also be identifiable with the company name and phone number on each side along with office telephone number; and (vii) alternative equipment may be used for specific areas (i.e. narrow streets and alleys) if approved by the Director of Public Works or designee.

g. Inspections. Contractor's equipment shall be subject to inspection by the Director of Public Works or designee and upon notification in writing to Contractor that any equipment does not comply with the standards herein, such equipment shall be removed from service by the Contractor and not again so used until inspected and approved in writing by the Director of Public Works or designee.

h. Lighting. All vehicles shall be equipped with an operational rotating amber light when parked or used on public streets. Contractor shall use light warnings instead of loud sound signals except where required by law for the protection of personnel.

i. Water for Dust Control. Contractor shall provide sufficient water for use street sweeping operations to maintain a near dustless condition. Water for this use will be made available by the City at no cost to Contractor provided a metering device is used to record usage. Contractor is to coordinate with the Public Works Director in advance to identify the regular location(s) for water access. Access to water/hydrants without a meter is prohibited. All water provided by the City must be metered by devices rented (with deposit) to Contractor. Contractor shall bring any such metering devices to the City's Public Works Yard to be read at a date to be determined by the Public Works Director. Contractor shall comply with all rules and regulations of the City relating to the use of water. Failure to comply may result in City's refusal to furnish water to the Contractor. If Contractor obtains water outside of the City water service area, the Contractor is responsible for payment to water purveyor. Within the City, Cal Water provides water service to a small region in the southwestern section (Palos Verdes Dr. northwest of Western, Via Madonna, Via Marquette, Rolling Vista Dr., etc.) of City. To the southeast of Western and Palos Verdes Dr. N., L.A. Department of Water and Power (DWP) has limited service. Contractor shall not obtain water from a provider that is not the City without prior approval of the City. If Contractor obtains water from a provider that is not the City, Contractor is responsible for

obtaining and paying for the water except in such circumstances where the City no longer provides water to Contractor at no cost to Contractor, in which case the City will reimburse Contractor for the cost of procuring water from the City or a replacement provider, as applicable. The magnetic sign stating service being provided under an agreement with the City shall be visible while obtaining water from hydrants.

10. **Special Equipment.** Contractor shall have all sweepers servicing City equipped with a GPS Navigation System which provides: real-time GPS tracking of vehicles with a maximum update time of three (3) minutes; historical GPS data by vehicle for a minimum of sixty (60) days; speed monitoring of vehicle; and report capability on demand, to provide activity data, route, start/stop times and locations, idle time, speed record by day or route.

11. **Equipment Storage.** Contractor shall be responsible for all costs associated with equipment storage. No material and equipment shall be stored where it will interfere with the free and safe passage of public or traffic. At the end of each day's work and at all other times when sweeping operations are suspended for any reason, Contractor shall remove all equipment and other obstructions from the roadway and open it for use by traffic.

12. **Traffic Counters.** City may at various times and locations temporarily install portable traffic counting equipment of the type which is activated by vehicles coming in contact with a hose placed in the roadway. Caution shall be used by Contractor to avoid damaging said equipment. If Contractor, while in the performance of its contract duties, damages or causes to be damaged any of the aforementioned traffic counting equipment or appurtenances, Contractor shall bear the entire cost for the restoration, repair, inspection, testing or replacement of said damaged equipment. City will endeavor to let the Contractor know of the location of any such equipment it has requested to be placed in the roadway.

13. **Parking Enforcement Officer – Coordination.** City will use a "Parking Enforcement Officer" to cite vehicles for parking during street sweeping hours. Contractor shall coordinate their sweeping activities with the Parking Enforcement Officer, including route of travel. All costs for coordination are the responsibility of Contractor, and no additional compensation will be allowed. City's Parking Enforcement Officers will follow the chain of command in identifying deficiencies or missed areas.

14. **Contractor/City Communication.** Contractor shall establish and maintain an office and have an authorized Supervisor as the point of contact for communications with City for street sweeping. Contractor's office shall have a twenty-four (24) hour telephone service and a responsible person in charge seven (7) days a week to receive all requests for emergency service, which are forwarded by City. Contractor shall respond and provide emergency service within three (3) hours from the time a call is placed by the City. Requests for routine service or complaint issues shall be resolved expeditiously within the following twenty-four (24) hour period.

15. **Vegetation.** Contractor shall report to the Director of Public Works any encroachment of vegetation which impairs one's ability to sweep.

16. **Damage.** Contractor shall report without delay any damage to City equipment, City property or private property. The Contractor shall be liable for damages solely caused by his/her

actions. Any repairs and associated cost resulting from Contractor caused damage shall be the responsibility of the Contractor

17. **Contractor's Employees.**

a. **Appearance.** Contractor's employees shall be required to wear a clean uniform bearing the Contractor's name. Employees who normally and regularly come into direct contact with the public shall also bear some means of individual identification, such as a nametag or identification card. Employees shall not remove any portion of their uniform while working within the City.

b. **Driver's License.** Employees driving the Contractor's vehicles shall at all times possess and carry a valid Commercial Driver's License as applicable issued by the State of California.

c. **Removal.** Should for any reason an employee be unsatisfactory in the opinion of City, Contractor, when notified in writing, shall cause that employee to be removed from the job and replaced by a satisfactory employee. Prior to returning a removed employee to work, Contractor shall provide in writing the reason for the individual's behavior and the means used to prevent this behavior from occurring again. Failure of the Contractor to prevent, prohibit, or resolve problems with its employees working within the City will result in sweeping operations being suspended until further notice, and cause for contract termination.

d. **Suspension; Employee Misconduct.** City may enter a contract with another party for street sweeping services during such a suspension, and the Contractor will be liable for all costs. A review for possible termination of this Exhibit will be initiated by City if Contractor has three (3) incidents of employee misconduct any time during the first five years of approved contract for street sweeping services.

e. **Level of Supervision.** Contractor shall provide adequate supervision as to furnish proper surveillance of workmanship and adherence to the schedule by the employees performing the work. The field supervisor or his/her representative shall check with the Department of Public Works weekly as to (i) schedule of work, (ii) complaints and (iii) adequacy of performance. The Supervisor shall be in the City at least 10% of the time while work is in progress. The Contractor shall be penalized Five Hundred Dollars (\$500) per month for failing to have a supervisor available to City for at least 10% of the route hours per month.

f. **Approval of Supervisor.** Contractor's Supervisor shall be someone other than the labor type of employee provided in this agreement. Contractor shall provide in writing to the City the name of the Supervisor. After City's approval of the Supervisor, the Contractor may substitute another individual provided the Contractor makes a written request to the City and said request is approved. The Supervisor should have at least two years practical experience in supervision.

g. **Emergency Telephone Numbers.** Contractor shall provide the City throughout the duration of this agreement at least two (2) telephone numbers of qualified persons who can be called anytime the Supervisor is not immediately available. An emergency 24-hour

number shall also be provided. The emergency number shall be to contact a representative of Contractor who can take the necessary action required to alleviate an emergency condition.

18. **Sweeping Practices.** Contractor shall at all-time use good sweeping practices as dictated by standards within the sweeping industry and will make adjustment to its equipment as necessary. Contractor must exercise due care so as to prevent spilling, scattering, or dropping of debris during the sweeping activity and shall clean up any such spillage, dropping, or scattering.

a. **Speed; Speed Monitoring.** Sweeping speed shall be adjusted to street conditions with a maximum speed of seven (7) miles per hour. Patterned concrete medians, intersections, and crosswalks shall be swept at a maximum speed of three (3) miles per hour. City may require the installation of sweeping speed monitoring devices to record actual vehicle speed during sweeping. The City may consider alternate speeds if manufacturer's recommendation and industry standards state that alternate speeds are safe and effective.

b. **Parked Cars.** Sweepers shall be operated as close to parked cars or other obstacles as safety allows.

c. **Barriers; Warnings.** The Contractor shall provide all labor, materials and equipment to install barriers advising the public of hazards due to cleaning. Upon completion of the work, Contractor shall promptly remove all signs and warning devices. Should the Contractor appear to be neglectful or negligent in furnishing warning and protective measures, City may direct attention to the existence of a hazard. The necessary warning and protective ensures shall be furnished and installed by Contractor, at Contractor's expense.

d. **Possible Area Closure.** In the event any of the work area is unusable for any reason, including acts of nature or vandalism, the Director of Public Works may declare a closure of any portion of the work area.

e. **Parking Lot Cleaning.** Prior to sweeping, Contractor will inspect parking lots required to be swept for areas of heavy oil deposits or excessive oil buildup, and where present will be treated with absorbent material to absorb excess oil. Absorbent will be swept up and disposed in designated container for oily waste at the City yard.

f. **Materials to be Provided by Contractor.** Contractor at his/her own cost and expense shall furnish all necessary materials, and tools supplies of good quality and in the amounts necessary to fulfill this agreement and to accomplish an acceptable and professional level of cleaning

19. **Routes and Schedules; Changes.** The sweeper shall stay off of private streets. Changes to the Approved Sweeping Plan require approval of the City Council or designee. The Approved Sweeping Plan shall be provided to the City no later than fourteen (14) days prior to changes in operation. City reserves the right to request changes in routing or hours of operation at any time, subject to the agreement of Contractor. Any changes to the Approved Sweeping Plan shall include a version and date approved by the City to avoid confusion. The most current Approved Sweeping Plan shall be carried in the sweeper.

20. **Construction-Related Problems and Storm Debris.** Dirt and debris carried onto streets from identifiable construction sites is not considered the responsibility of Contractor if

located within five hundred (500) feet of an identified construction site, and is reported to City when discovered, provided Contractor is required to clean all dirt and debris carried by traffic to areas beyond the foregoing limit. Storm clean-up and sweeping must be completed as soon as possible. Night sweeping may be permitted for normal storm cleanup, if authorized by the City

21. **Records and Reports.** A report shall be submitted to the City, monthly, comprising the following:

a. **Daily Log Report.** Contractor shall keep a daily log of all streets swept and a description of any special services performed. The log shall be signed by Contractor on a daily basis. Each month, a report shall be prepared from the daily log giving a brief description of all routine special and emergency activities. The log should also include data such as date, time, and speed with which sweeping occurred each day.

b. **Deficiency/Missed Area Report.** Contractor is required to correct any deficiencies in sweeping and state the reason. Recurring deficiencies will require a corrective action plan.

c. **Emergency Calls.** The Contractor shall maintain a log of emergency calls for the City, and information shall be submitted to the City, as part of the monthly report, in an easy to read format.

d. **Amount of Debris.** Contractor shall maintain a separate measurement and record detailing the amount of debris collected and disposed during sweeping activities. This information, required as part of City's NPDES permit, must be submitted to City, as part of the monthly report, in a tabulated, easy to read format.

e. **Recycled Debris.** Contractor shall maintain a separate measurement and record detailing the amount of debris deposited at a composting or recycling facility. The record shall also identify the name and address of the facility along with other required information. This information shall be submitted to City, as part of the monthly report, in a tabulated, easy to read format.

f. **Complaints.** Complaints received by City regarding Contractor's performance will be transmitted to Contractor's office in writing, by telephone, or email, and handled by the Contractor's supervisor. All complaints are to receive a follow-up response within twenty-four (24) hours following notification of Contractor. A report of Contractor's investigation and the corrective action taken shall be made promptly by Contractor to the Public Works Director. Repeat complaints may be handled by a joint visit to the site by a City Inspector and Contractor's supervisor. Complaints received directly by Contractor shall be submitted in writing electronically to City on the day such complaints are received. Contractor shall maintain a log of complaints received and (both via City staff and directly by Contractor) and corrective actions implemented which shall be submitted to City each month.

g. **Equipment Maintenance/Repair Report.** Contractor shall report any maintenance or repairs done on street sweepers servicing City. This information shall be submitted as part of the monthly report in an easy to read format.

22. **Restoration and Repair, Obstructions and Clean Up.** Contractor shall become familiar with all existing installations, both public and private, on the work site and shall provide adequate safeguards to prevent damage to existing structures and improvements. All fences, wall, slopes, landscaping, and other obstructions which are removed, damaged, or destroyed in the course of work shall be replaced and/or repaired, at the Contractor's expense, to the original condition.

23. **Spills Material or Equipment Spills.** The Contractor shall make additional passes on street routes to pick up any spillage of sweeping materials, debris dropped during turns, or crossing of cross gutters prior to moving to the next area. The equipment operator shall immediately stop in the event of equipment spillage such as a spillage of diesel, motor oil or hydraulic oil. A call for assistance must be made by the operator and the area cleaned within two hours. If it is determined by the Public Works Director, or his designee, that the Contractor has failed to execute a proper cleanup, any/all costs incurred by City will be billed in invoice to Contractor.

24. **Stormwater BMPs, Training, and Documentation.** Contractor shall comply with stormwater-related training required under Municipal NPDES Permit No. CAS004004. This may involve implementing and maintaining specific Best Management Practices (BMPs) to prevent pollutant loading from stormwater and non-stormwater discharges to receiving waters as required. Contracting staff whose primary job duties are related to implementation of BMPs shall be adequately trained to effectively implement, operate, and maintain such BMPs and must be versed in factors affecting BMP effectiveness. Contractor shall ensure they have received all applicable training to implement the requirements in Municipal NPDES Permit No. CAS004004 and shall provide documentation to that effect to the City.

25. **Miscellaneous Safety and Other Regulations (Equipment and Vehicle Defects).** All equipment or vehicle defects disclosed by any governmental official and not requiring immediate correction shall be corrected by the Contractor within two (2) weeks of notification.

26. **Cooperation with Utility and Other Companies.** Work within the City by utility and construction companies may be progressing concurrently with the work under this Exhibit. It is the responsibility of the Contractor to be informed of work planned by these parties and to coordinate street sweeping work accordingly. City requests that utility companies avoid work in street on posted street sweeping days; however, that is not always possible.

27. **City Special Events.** Contractor will provide street sweeping services free of charge in conjunction to a maximum of three (3) "Major" City sanctioned special events each year. City will provide Contractor thirty (30) day prior notice of scheduled event. The sweeping would be focused in the event area and associated City parking lots.

28. **Hazardous Waste.** Contractor shall not be required to remove any Hazardous Waste from the street surface. If, in the course of performing street sweeping services, any suspected Hazardous Waste is encountered, Contractor shall immediately report the location to the City, and any other responsible agency.