



CITY OF WEST HOLLYWOOD

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**OFFICE OF THE
CITY CLERK**

December 2, 2014

Arakelian Enterprises
Attn: Gary Clifford, Vice President
PO Box 60009
City of Industry, CA 91716

**Re: Franchise Agreement
Contract # 7174**

Dear Mr. Clifford:

Enclosed are three (3) executed originals of the above referenced agreement by and between the City of West Hollywood and Arakelian Enterprises.

Please read your contracts carefully. If there is an insurance clause in these agreements, please make sure the City has your current insurance certificates on file.

Please contact Sharon Perlstein at 323-848-6383, if you need additional information.

Thank you,

Catherine Ross
Deputy Clerk

Enc.
cc: Sharon Perlstein, City Engineer

7174

AGREEMENT BETWEEN
City of West Hollywood

AND

Arakelian Enterprises, Inc.
D.B.A. Athens Services

FOR

INTEGRATED SOLID WASTE MANAGEMENT
SERVICES

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This agreement (hereinafter "Agreement") is made and entered into so as to be effective as of January 1, 2015 (the "Effective Date"), by and between the CITY of West Hollywood, a General Law City of the State of California, hereinafter referred to as "CITY," and Arakelian Enterprises, Inc. D.B.A. Athens Services, hereinafter referred to as "CONTRACTOR".

RECITALS:

- A. The Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB 939"), has declared that it is in the public interest to authorize and require local agencies to make adequate provision for the disposal of all Solid Waste within their jurisdictions.
- B. The Legislature of the State of California, by enactment of its California Global Warming Solutions Act of 2006 ("AB 32"), requires that commercial generators statewide participate in recycling programs.
- C. The Legislature of the State of California, by enactment of Assembly Bill 341 ("AB 341") adopted a goal that seventy-five percent of solid waste generated state-wide be diverted from landfill by the year 2020. Furthermore, AB 341 requires that each commercial solid waste generator, including multi-family dwellings of five or more units, provide for recycling programs, and each City or County implement recycling programs for commercial solid waste generators, including multi-family dwellings of five or more units;
- D. The Legislature of the State of California, by enactment of Assembly Bill 1594 ("AB 1594") eliminates cities and counties from receiving landfill diversion credit from green waste used being used as Alternative Daily Cover effective January 1, 2020;
- E. The Legislature of the State of California, by enactment of Assembly Bill 1826 ("AB 1826") adopted requirements for each commercial solid waste generator, including multi-family dwellings of five or more units, to provide for organics recycling programs, and for each City or County to implement organics recycling programs for commercial solid waste generators, including multi-family dwellings of five or more units by April 1, 2016;
- F. Pursuant to California Public Resources Code Section 40059(a)(1), the City Council of the CITY has determined that the public health, safety, and welfare require that an exclusive franchise agreement be awarded to a qualified Solid Waste enterprise for Collection Services within the City Limits.
- G. The City Council finds that every city and county in California, including the City, could face fines up to \$10,000 a day for not meeting the above mandated goals.
- H. CITY and CONTRACTOR are mindful of the provisions of the laws governing the safe Collection, transport, Recycling, and disposal of Solid Waste, including AB 939, the Resource Conservation and Recovery Act ("RCRA"), and the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"). CITY and CONTRACTOR desire to leave no doubts as to their respective roles, and to memorialize that by entering into this Agreement. CITY is not thereby becoming an "arranger" or a "generator" as those terms are used in CERCLA, and that it is CONTRACTOR, not CITY, who is "arranging for" the Collection, transport for disposal, composting, and Recycling of municipal Solid Waste in the CITY which may contain Hazardous Substances. CITY and CONTRACTOR understand and agree that it is

CONTRACTOR, and not CITY, who will arrange to Collect Solid Waste, that CITY has not, and, by this Agreement does not, instruct CONTRACTOR on its Collection methods, nor supervise the Collection process, nor do the Parties intend to place title to such Solid Waste in CITY but rather intend that whatever, if any, title in and to such Solid Waste that otherwise might exist in or with CITY in the absence of this Agreement is hereby transferred to CONTRACTOR, and further that if CONTRACTOR gains title to such Solid Waste it is by operation of law and agreement with its Customers and is not the result of this Agreement. By entering this Agreement CITY and CONTRACTOR further desire to confirm that CONTRACTOR has agreed to indemnify the CITY in connection with any claims relating to the inadvertent or intentional Collection, transportation and/or disposal of hazardous materials that may occur in connection with CONTRACTOR's performance under this Agreement.

- I. CONTRACTOR has agreed, as part of this Agreement, to provide such services described in this Agreement as are necessary or desirable to ensure CITY complies with the requirements of AB 341, AB 939, AB 1594, AB 1826, and Public Resources Code Section 40000, et seq.

COVENANTS:

Now, therefore, in consideration of the mutual covenants, Contracts and consideration contained herein, the CITY and CONTRACTOR hereby agree as hereinafter set forth:

Article 1. Definitions

For the purpose of this Agreement the definitions contained in this Article shall apply unless otherwise specifically stated. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Use of the masculine gender shall include the feminine gender. The meaning of terms or words not defined herein shall be as commonly understood in the Solid Waste industry if such words or terms have a special meaning in that industry which is different than their common understanding.

1.01 Agreement. This written document and all future amendments hereto, between the CITY and the CONTRACTOR, governing the provision of Collection Services as provided herein.

1.02 Agreement Year. Except for the six (6) month period from January 1, 2015 to June 30, 2015, the Agreement Year shall be for each twelve (12) month period from July 1 to June 30, beginning July 1, 2015.

1.03 Agreement Administrator. That person, or their designee, designated by the City Manager to administer and monitor the provisions of this Agreement.

1.04 Alternative Daily Cover. Cover material used to cover compacted Solid Waste in a Disposal Site, other than at least six (6) inches of earthen material, placed on the surface of the active face of the Solid Waste fill area at the end of each operating day to control vectors, fires, odors, blowing litter, and scavenging, as defined in Section 20164 of the California Code of Regulations as may be amended from time to time.

1.05 Applicable Law. All federal, state, county, and local laws, regulations, rules, orders, judgments, decrees, rulings, permits, approvals, or other requirement of any governmental entity or regulatory or quasi-regulatory authority having jurisdiction over an aspect of the Collection Services, including judicial interpretations thereof, that are in force on the Effective Date, and as may be enacted, issued or amended thereafter, until termination or expiration of this Agreement.

1.06 Bill or Billings. The statements of charges provided to Customers for services rendered by CONTRACTOR. CONTRACTOR or CITY may provide Customers with Billings.

1.07 Bin. A metal or plastic container, with a capacity of one (1) cubic yard up to and including ten (10) cubic yards, designed or intended to be mechanically dumped into a loader packer type truck that is approved for such purpose by the CITY and used for the Collection of Refuse, Food Waste, Green Waste, Recyclable Material, and/or other Solid Waste.

1.08 Biohazardous or Biomedical Waste. Any waste which may cause disease or reasonably be suspected of harboring pathogenic organisms; included are waste resulting from the operation of medical clinics, hospitals, and other facilities processing wastes which may consist of, but are not limited to, human and animal parts, contaminated bandages, pathological specimens, Sharps, contaminated clothing and surgical gloves.

1.09 Brown Goods. Electronic equipment such as stereos, televisions, computers, VCR's and other similar items Collected.

1.10 Bulky Items. Solid Waste that cannot and/or would not typically be accommodated within a Cart including specifically: furniture (including chairs, sofas, mattresses, and rugs); appliances (including refrigerators with and without Freon, ranges, washers, dryers, water heaters, dishwashers, plumbing fixtures, small household appliances and other similar items, commonly known as "White Goods"); and clothing. For purposes of this Agreement, and notwithstanding any provision hereof to the contrary, Bulky Items shall specifically include items commonly known in the waste industry as "Brown Goods," "E-Waste" and "Universal Waste" (including, without limitation all types of Electronic Waste, stereos, televisions, computers and monitors, cellular phones, VCRs, microwaves and other similar type of equipment and products). Bulky Items do not include car bodies, Construction and Demolition Debris (with the exception of appliances/White Goods described above), items weighing more than sixty (60) pounds, exceeding four (4) feet in width and eight (8) feet in length, or items that cannot reasonably be moved with equipment of the type which, pursuant to industry standards, would normally be carried in a truck Collecting Bulky Items. In the event a question arises as to whether a specific item, or category of items meets the definition of Bulky Items, the Agreement Administrator shall be responsible to determine whether said definition shall apply, which determination shall be final and binding.

1.11 Bulky Green Waste. Green Waste such as tree trunks and branches with a diameter of not less than six (6) inches and not more than two (2) feet and a length of not more than five (5) feet in its longest dimension, which are attributed to the normal activities of a SFD Service Unit. Bulky Green Waste must be generated by and at the SFD Service Unit wherein the Bulky Green Waste are Collected.

1.12 Bundled Green Waste. Any Green Waste resulting from normal yard and landscaping maintenance generated at SFD Service Units that is tied or bundled and placed out for Collection. Bundled Green Waste does not include items herein defined as Exempt Waste. Bundled green waste shall not exceed forty-eight (48) inches long and twenty-four (24) inches in diameter, with a bundled weight limit of forty-five (45) lbs.

1.13 Business Service Unit. All retail, professional, wholesale and industrial facilities, and other commercial enterprises offering goods or services to the public.

1.14 Cart. A heavy plastic receptacle with wheels and a rated capacity not exceeding ninety-six (96) gallons, that is normally Collected by mechanical means, having a hinged tight-fitting lid and wheels, that is approved for such purpose by the CITY for the Collection of Food Waste, Green Waste, Organic Waste, Recyclable Materials, Refuse, and/or other Solid Waste.

1.15 Change in Law. The enactment, issuance, adoption, repeal, amendment or modification of any federal, state or local statute, ordinance or regulation, or a regulatory agency or other administrative agency interpreting a regulation or statute, or a judicial decision interpreting a law, statute, ordinance or regulation, in a manner different than relied upon by municipalities and the solid waste and collection industry after the Effective Date.

1.16 CITY. The City of West Hollywood, California.

1.17 CITY Collection Service. The Collection of Solid Waste by CONTRACTOR, from CITY Service Units in the Service Area pursuant to the terms and conditions set forth in this Agreement, including those Collection Services defined in 1.18, 1.19, 1.20, 1.21, 1.22, and 1.23 of this Article.

1.18 CITY Food Waste Collection Service. The Collection of Food Waste, by the CONTRACTOR, from CITY Service Units in the Service Area and the delivery of that Food

Waste to the Food Waste Processing Facility or other Organics Waste processing facility, as appropriate.

1.19 CITY Green Waste Collection Service. The Collection of Green Waste, by the CONTRACTOR, from CITY Service Units in the Service Area and the delivery of that Green Waste to the Green Waste Processing Facility or other Organics Waste processing facility, as appropriate.

1.20 CITY Organic Waste Collection Service. CITY Green Waste Collection Service and CITY Food Waste Collection Service.

1.21 CITY Recycling Service. The Collection of Recyclable Materials placed in separate Containers from Refuse or Organic Waste, by the CONTRACTOR, from CITY Service Units in the Service Area and the delivery of those Recyclable Materials to a Materials Recovery Facility.

1.22 CITY Refuse Collection Service. The Collection of Refuse, by CONTRACTOR, from premises owned or controlled by CITY, including CITY Service Units in the Service Area pursuant to the terms and conditions set forth in this Agreement.

1.23 CITY Roll-off Service. The provision of Roll-Off Containers at premises owned or controlled by CITY, including the CITY Service Units, for the accumulation of Green Waste, Recyclable Materials and Refuse, and the Collection and disposal of those materials and such other Bulky Items from premises owned or controlled by the CITY, including the CITY Service Units, as may be directed by the CITY.

1.24 CITY Service Unit. All premises owned or controlled by CITY in the Service Area including those properties as set forth in Exhibit 1, which is attached to and included in this Agreement.

1.25 Collection or Collected. The process whereby Organic Waste, Recyclable Materials, Refuse, and other Solid Waste is removed from a Service Unit by CONTRACTOR and transported to a Disposal Facility, Food Waste Processing Facility, Green Waste Processing Facility, Materials Recovery Facility or other approved facility, as appropriate.

1.26 Collection Services. SFD Collection Service, MFD Collection Service, Commercial Collection Service, and CITY Collection Service.

1.27 Commercial Collection Service. The Collection of Solid Waste by CONTRACTOR from Commercial Service Units in the Service Area pursuant to the terms and conditions set forth in this Agreement, including those Collection Services defined in 1.28, 1.29, 1.30, 1.31, and 1.32 of this Article.

1.28 Commercial Food Waste Collection Service. The Collection of Food Waste from Commercial Service Units in the Service Area, and the delivery of that Food Waste to a Food Waste Processing Facility or other Organics Waste processing facility, as appropriate.

1.29 Commercial Green Waste Collection Service. The Collection of Green Waste from Commercial Service Units in the Service Area, and the delivery of that Green Waste to a Green Waste Processing Facility or other Organics Waste processing facility, as appropriate.

1.30 Commercial Recycling Service. The Collection of Recyclable Materials placed in separate Containers from Refuse or Organic Waste from Commercial Service Units in the Service Area, the delivery of those Recyclable Materials to a Materials Recovery Facility, and the processing and marketing of those Recyclable Materials.

1.31 Commercial Refuse Collection Service. The Collection of Refuse from Commercial Service Units in the Service Area pursuant to the terms and conditions set forth in this Agreement.

1.32 Commercial Roll-Off Collection Service. Solid Waste handling services provided by CONTRACTOR on an as needed and temporary basis, or permanent basis, to any Premises in the Service Area, in connection with construction, demolition, cleanup or other projects, and by use of Roll-Off Containers.

1.33 Commercial Service Unit. Business Service Units, MFD Service Units, and Mixed Use Dwellings that utilize a Bin, Cart or Roll-Off Container for the accumulation and set-out of Solid Waste.

1.34 Commercial Temporary Bin Collection Service. Solid Waste handling services provided by CONTRACTOR on an as needed and temporary basis to any Premises in the Service Area in connection with construction, demolition, cleanup or other projects, and by use of temporarily placed Bins.

1.35 Compactor. Any Roll-Off Container that has a compaction mechanism, whether stationary or mobile.

1.36 Container. Any and all types of receptacles, including Carts, Bins and Roll-Off Containers, used pursuant to the terms of this Agreement for the Collection of Refuse, Recyclable Materials, Organic Waste, or other Solid Waste.

1.37 Contaminant. In the context of material not deemed Green Waste, any material not normally produced from gardens or landscapes such as, but not limited to, brick, rocks, gravel, large quantities of dirt, concrete, sod, non-Organic Wastes, oil and wood or wood products, including but not limited to, stumps, diseased elms, and other diseased trees. In the context of material not deemed Recyclable Materials, those materials not meeting the specifications set forth by CONTRACTOR, which must be consistent with industry standards.

1.38 CONTRACTOR. Arakelian Enterprises, Inc. D.B.A. Athens Services.

1.39 Construction and Demolition Debris (C&D). Used or discarded materials resulting from construction, remodeling, repair or demolition operations on any type of structure.

1.40 County. Los Angeles County, California.

1.41 CPI. The Consumer Price Index or "CPI" for All Urban Consumers (CPI-U), all items index, U.S. city average, Series ID# CUUR0000SA0.

1.42 Customer. Any person or entity receiving Collection Services from CONTRACTOR pursuant to this Agreement.

1.43 Disposal Facility. The facility or facilities at which Solid Waste Collected under this Agreement may be disposed as designated by the CONTRACTOR and approved by the CITY as set forth in Exhibit 3.

1.44 Diversion Plan. CONTRACTOR's written plan to achieve diversion from landfill disposal as described in Exhibit 4.

1.45 Dwelling Unit. An individual living unit within a SFD Service Unit, MFD Service Unit, or Mixed Use Dwelling.

1.46 Effective Date. January 1, 2015.

1.47 Electronic Waste (E-Waste). Waste that is powered by batteries or electricity,

such as computers, telephones, answering machines, radios, stereo equipment, tape players/recorders, phonographs, videocassette players/recorders, compact disc players/recorders, calculators and other items also defined as CEDs.

1.48 Environmental Laws. Environmental Laws mean all federal and state statutes, County, local and CITY ordinances concerning public health, safety and the environment including, by way of example and not limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.; the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; the Federal Clean Water Act, 33 USC §1251 et seq.; the Toxic Substances Control Act, 15 USC §2601 et seq.; the Occupational Safety and Health Act, 29 USC §651 et seq.; the California Hazardous Waste Control Act, California Health and Safety Code §25100 et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code §25300 et seq.; the Porter-Cologne Water Quality Control Act, California Water Code §13000 et seq.; the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code §25249.5 et seq.; as currently in force or as hereafter amended, and all rules and regulations promulgated there under.

1.49 Exempt Waste. Biohazardous or Biomedical Waste, Hazardous Waste, Sludge, Stable Matter, automobiles, automobile parts, boats, boat parts, boat trailers, internal combustion engines, lead-acid batteries, those wastes under the control of the Nuclear Regulatory Commission.

1.50 Facility. Any plant or site, owned or leased and maintained, operated or used by CONTRACTOR for purposes of performing under this Agreement.

1.51 Food Waste. Food scraps and trimmings from food preparation including, but not limited to: meat, fish and dairy waste, fruit and vegetable waste, grain waste, and acceptable food packaging such items as pizza boxes, paper towels, waxed cardboard and food Contaminated paper products. Food Waste must be generated by and at the Service Unit wherein the Food Waste is Collected.

1.52 Food Waste Processing Facility. Any facility selected by CONTRACTOR that is designed, operated and legally permitted for the purpose of receiving and processing Food Waste.

1.53 Green Waste. Any vegetative matter resulting from normal yard and landscaping maintenance that is not more than forty-eight (48) inches in its longest dimension or six (6) inches in diameter. Green Waste includes plant debris, such as grass clippings, leaves, pruning, weeds, branches, brush, Holiday trees, and other forms of vegetative Organic Waste and must be generated by and at the Service Unit wherein the Green Waste are Collected.

1.54 Green Waste Processing Facility. Any facility designed, operated and legally permitted for the purpose of receiving and processing Green Waste and Bulky Green Waste.

1.55 Gross Receipts. All monies, fees, charges, consideration, and revenue received by CONTRACTOR and any Affiliate of CONTRACTOR, for the performance of the services set forth in this Agreement, including services carried out by any permissible subcontractor hereunder. Gross Receipts include, without limitation, any franchise fee imposed and Collected pursuant to this Agreement. Gross Receipts does not include revenue from the sale of Recyclable Material, Green Waste, Food Waste, and other material, which is diverted from disposal.

1.56 Hazardous Substance. "Hazardous Substance" shall mean any of the following: (a) any substances defined, regulated or listed (directly or by reference) as

"Hazardous Substances," "hazardous materials," "Hazardous Wastes," "toxic waste," "pollutant" 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 §5101, 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, and 25316; (vi) the Clean Air Act, 42 USC §7401 et seq.; and (vii) California Water Code §13050; (b) 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 laws or regulations, including any of the 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.

1.57 Hazardous Waste. "Hazardous Waste" means 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 thereunder.

1.58 Household Hazardous Waste (HHW). Any Hazardous Waste generated at a SFD or MFD Service Unit.

1.59 Materials Recovery Facility (MRF). An appropriately permitted facility where Solid Waste, including Recyclable Materials, is transferred, or is processed, sorted or separated for the purposes of recovering reusable or Recyclable Materials.

1.60 Maximum Service Rates. The rates listed in Exhibit 11 that CONTRACTOR may charge to Customers.

1.61 Multi-Family Dwelling (MFD) Collection Service. The Collection of Solid Waste by CONTRACTOR, from MFD Service Units in the Service Area pursuant to the terms and conditions set forth in this Agreement, including those Collection Services defined in 1.60, 1.61, 1.62, 1.63, 1.64, and 1.65 of this Article.

1.62 MFD Food Collection Service. The Collection of Food Waste from MFD Service Units in the Service Area, and the delivery of that Food Waste to a Food Waste Processing Facility or other Organics Waste processing facility, as appropriate.

1.63 MFD Green Waste Collection Service. The Collection of Green Waste from MFD Service Units in the Service Area, and the delivery of that Green Waste to a Green Waste Processing Facility or other Organics Waste processing facility, as appropriate.

1.64 MFD Bulky Item Collection Service. The periodic on-call Collection of Bulky Items from MFD Service Units in the Service Area, and the delivery of those Bulky Items to a Disposal Facility, Materials Recovery Facility or such other facility as may be appropriate under the terms of this Agreement. MFD Bulky Item Collection Service does not include the Collection of Bulky Items through the use of Roll-Off Containers.

1.65 MFD Organic Waste Collection Service. MFD Green Waste Collection Service and MFD Food Waste Collection Service.

1.66 MFD Recycling Service. The Collection of Recyclable Materials placed in separate Containers from Refuse or Organic Waste from MFD Service Units in the Service Area, the delivery of those Recyclable Materials to a Materials Recovery Facility, and the processing and marketing of those Recyclable Materials.

1.67 MFD Refuse Collection Service. The Collection of Refuse from MFD Service Units in the Service Area pursuant to the terms and conditions of this Agreement.

1.68 MFD Service Unit. Any residence with five (5) or more Dwelling Units, rooming house, residential health recovery facility, or small nursing facility, including any flat, apartment, condominium, town home, service-enriched housing or other residence, and other Dwelling Units in detached buildings on a single parcel, and excluding a hotel, motel, dormitory, sheltered nursing facility, rooming house, or other such similar facility as determined by CITY.

1.69 Mixed Use Dwelling. A building or structure which contains at least one (1) Business Service Unit and at least one (1) Dwelling Unit and utilizes either a common or separate Bin or Cart for the accumulation and Collection of Solid Waste.

1.70 Municipal Code. The Municipal Code of the City of West Hollywood, as may be updated from time to time.

1.71 Non-Collection Notice. A Non-Collection Notice or red tag developed and used by the CONTRACTOR, as approved by the 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.

1.72 Organic Waste. Includes Food Waste and Green Waste. Organic Waste must be generated by and at the Service Unit wherein the Organic Waste is Collected.

1.73 Overages. Any Solid Waste in excess of the capacity of a Container or in excess of the amount corresponding to the service classification to which a Customer subscribes, as appropriate.

1.74 Parties. The CITY and the CONTRACTOR.

1.75 Performance Review. The review of CONTRACTOR's performance as described in Article 19 and Exhibit 9.

1.76 Premises. Any parcel of real property in the CITY where Solid Waste is produced, generated or accumulated.

1.77 Prior Agreement. The agreement entered between CITY and CONTRACTOR dated October 21, 2003, which terminates as of the Effective Date.

1.78 Rebuilt Vehicle. For purposes of this Agreement, "rebuilt" means, at a minimum, replacement of worn parts and reconditioning or replacement of hydraulic systems, transmissions, differentials, electrical systems, engines, and brake systems. In addition, the rebuilt vehicle must be repainted and its tires must have at least eighty-five percent (85%) of tread remaining.

1.79 Recycling. The processing of Solid Waste for the purpose of returning it to the economy in the form of raw materials for new, reused, or reconstituted products, or other uses resulting in diversion from landfill disposal.

1.80 Recyclable Materials. Shall initially include: newsprint (including inserts); mixed paper (including magazines, catalogs, envelopes, junk mail, corrugated cardboard, Kraft 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 and small scrap (not exceeding forty (40) pounds in weight nor two (2) feet in any dimension for any single item); bimetal containers; mixed plastics such as plastic bags, plastic film, plastic containers (#1-5 and #7), and bottles including containers made of HDPE, LDPE, PET, or PVC; textiles; and aseptic containers.

1.81 Refuse. All non-recyclable or non-compostable Solid Waste attributed to the normal activities of a Service Unit. Refuse does not include Recyclable Materials, Organic Waste, Construction and Demolition Debris, Bulky Item Waste, Universal Waste, E-Waste, or Exempt Waste.

1.82 Roll-Off Container. A metal Container with a capacity of ten (10) or more cubic yards that is normally loaded onto a motor vehicle and transported to an appropriate facility.

1.83 Self Hauler. A person or entity which personally or with its employees removes and transports Solid Waste from a Premises that is owned or controlled by such person or entity to a Disposal Facility or MRF under such terms, conditions and regulations as may be set forth in the Municipal Code, or any other CITY ordinance, resolution, regulation or policy, as such may be adopted or amended from time to time.

1.84 Service Area. The jurisdictional boundaries that comprise the City of West Hollywood, including areas, which may be annexed by the CITY.

1.85 Service Unit. SFD Service Units, MFD Service Units, CITY Service Units or Commercial Service Units.

1.86 Single-Family Dwelling (SFD) Collection Service. The Collection of Solid Waste by CONTRACTOR from SFD Service Units in the Service Area pursuant to the terms and conditions set forth in this Agreement, including those Collection Services defined in 1.84, 1.85, 1.86, 1.87, 1.88, and 1.89 of this Article.

1.87 SFD Bulky Item Collection Service. The periodic on-call Collection of Bulky Items from SFD Service Units in the Service Area, and the delivery of those Bulky Items to a Disposal Facility, Materials Recovery Facility or such other facility as may be appropriate under the terms of this Agreement. SFD Bulky Item Collection Service does not include the Collection of Bulky Items through the use of Roll-Off Containers.

1.88 SFD Food Waste Collection Service. The Collection of Food Waste from SFD Service Units in the Service Area, and the delivery of that Food Waste to a Food Waste Processing Facility or other Organics Waste processing facility, as appropriate.

1.89 SFD Green Waste Collection Service. The Collection of Green Waste from SFD Service Units in the Service Area, and the delivery of that Green Waste to a Green Waste Processing Facility or other Organics Waste processing facility, as appropriate.

1.90 SFD Organic Waste Collection Service. SFD Green Waste Collection Service and SFD Food Waste Collection Service.

1.91 SFD Recycling Service. The Collection of Recyclable Materials from SFD Service Units in the Service Area, the delivery of those Recyclable Materials to a Materials Recovery Facility, and the processing and marketing of those Recyclable Materials.

1.92 SFD Refuse Collection Service. The Collection of Refuse from SFD Service Units in the Service Area pursuant to the terms and conditions of this Agreement.

1.93 SFD Service Unit. A detached or attached Dwelling Unit on a Premises containing four (4) or fewer Dwelling Units.

1.94 Sharps. Hypodermic needles, pen needles, intravenous needles, lancets, and other devices that are used to penetrate the skin for the delivery of medications. Sharps must be generated at the Dwelling Unit wherein the Sharps are Collected.

1.95 Sludge. The accumulated solids, residues, and precipitates generated as a result of waste treatment or processing, including wastewater treatment, water supply treatment, or operation of an air pollution control facility, and mixed liquids and solids pumped from septic tanks, grease traps, privies, or similar disposal appurtenances or any other such waste having similar characteristics or effects.

1.96 Solid Waste. Except as provided below, all "Solid Waste" as defined in California Public Resources Code Section 40191, as that section may be amended from time to time, which is generated within the CITY, and excluding Exempt Waste.

1.97 Source Separated Organic Waste. Organic Waste that is Collected separately from Refuse and/or Recyclable Materials.

1.98 Source Separated Recyclable Materials. Recyclable Materials that are Collected separately from Refuse and/or Organic Waste.

1.99 Stable Matter. Manure and other waste matter normally accumulated in or about a stable, or any animal, livestock or poultry enclosure, and resulting from the keeping of animals, poultry or livestock.

1.100 Transformation. "Transformation" means incineration, pyrolysis, distillation, gasification, or biological conversion other than composting. "Transformation" does not include composting.

1.101 Universal Waste (U-Waste). Materials that the California Department of Toxic Substances Control considers Universal Waste (California Code of Regulations Title 22, Div 4.5, Ch. 23), including materials such as batteries, thermostats, lamps, cathode ray tubes, computers, telephones, answering machines, radios, stereo equipment, tape players/recorders, phonographs, video cassette players/recorders, compact disc players/recorders, calculators, some appliances, aerosol cans, fluorescent lamps, and certain mercury-containing devices.

1.102 Used Oil. Any oil that has been refined from crude oil or has been synthetically produced, and is no longer useful to the Customer because of extended storage, spillage or contamination with non-hazardous impurities such as dirt or water; or has been used and as a result of such use has been contaminated with physical or chemical impurities. Used Oil must be generated by and at the SFD Service Unit wherein the Used Oil is Collected. Used Oil does not include transmission fluid.

1.103 Used Oil Filter. Any oil filter that is no longer useful to the Customer because of extended storage, spillage or Contamination with non-hazardous impurities such as dirt or water; or has been used and as a result of such use has been Contaminated with physical or chemical impurities. Used Oil Filters must be generated by and at the SFD Service Unit wherein the Used Oil Filter is Collected.

1.104 White Goods. Discarded refrigerators, ranges, water heaters, freezers, and other similar household appliances.

1.105 Work Day. Any day, Monday through Saturday, that is not a holiday as set forth in Section 4.05 of this Agreement.

Article 2. Term of Agreement

2.01 Initial Term. The Initial Term of this Agreement shall be for a five and one-half (5½) year period beginning January 1, 2015 and terminating on June 30, 2020.

2.02 First Five (5) Year Extension. The CITY shall offer the CONTRACTOR a five (5) year extension to the initial term of this Agreement, with the extension period beginning July 1, 2020 and terminating on June 30, 2025, and only if the CONTRACTOR has met all the following conditions, described in this section:

2.02.1 Performance Review. CITY must complete a Performance Review as described in Section 19.03 and Exhibit 9. The Performance Review will consist of an evaluation of the CONTRACTOR's performance for calendar years 2015, 2016, 2017, and 2018 and must be completed no later than May 1, 2019. The CONTRACTOR must pay all costs associated with conducting the Performance Review, and based on the results of the Performance Review, CONTRACTOR must be in material compliance with all requirements of this Agreement to be eligible for any extension to the term of this Agreement.

2.02.2 Compliance with Fifty Percent Diversion Requirement. During the Initial Term, CONTRACTOR must be in compliance with the minimum diversion requirement of fifty percent (50%) diversion from all franchised tonnage Collected for calendar years 2015, 2016, 2017, 2018, and 2019, and for the period January 1, 2020 through June 30, 2020. CONTRACTOR's compliance with this requirement will be determined both at the time Annual reports are submitted in accordance with Section 17.04 and during the Performance Review described in Section 2.02.1 above. At any time after March 1, 2016, CITY determines that CONTRACTOR has not met its diversion requirements, the term of this Agreement shall terminate twenty-four (24) months after CITY issues CONTRACTOR notice of non-compliance, but in no event later than June 30, 2020, except as provided in Section 2.02.4.1 below. CONTRACTOR'S franchised diversion requirements are separate from the CITY'S compliance with any State-mandated diversion requirements.

2.02.3 Sixty Percent Diversion Requirement. CONTRACTOR must also increase required diversion to sixty percent (60%) beginning on July 1, 2020, and any CONTRACTOR requested increase to the Maximum Service Rates associated with the increased diversion requirements shall not exceed ten percent 10.0%. If CONTRACTOR'S requested increase exceeds ten percent (10.0%) for any of the Maximum Services Rates as listed in Exhibit 11, the term of this Agreement may not be extended beyond June 30, 2020 except as provided in Section 2.02.4.2 below.

CONTRACTOR must submit any request for an increase in the Maximum Service Rates by April 1, 2019, and any such CONTRACTOR requested increase to the Maximum Service Rates would be done in lieu of the regularly scheduled July 1st CPI adjustment for Maximum Service Rates effective July 1, 2020.

If CONTRACTOR does not submit a request for a rate increase by April 1, 2019 for costs associated with increased diversion, but has met the requirements of Sections 2.02.1 and 2.02.2 then CONTRACTOR's required diversion will increase to sixty percent (60%) beginning on July 1, 2020 and CONTRACTOR will not be eligible for any rate increases for such increased diversion except the regularly scheduled CPI increases until July 1, 2025.

The CITY reserves its right to conduct a Detailed Rate Review in accordance with Section 5.08 and Exhibits 7 and 8 regardless of the amount of CONTRACTOR's non-CPI request to increase Maximum Service Rates.

2.02.4 Written Offer of Extension. If the CITY determines that the CONTRACTOR is in compliance with the terms and conditions of this Agreement, using the process described in Sections 2.02.1, 2.02.2 and 2.02.3 above, the CITY shall offer the CONTRACTOR a first five-year extension to the initial term of the Agreement.

The CITY shall offer such an extension to CONTRACTOR in writing on or about September 1, 2019. CONTRACTOR shall provide a written response to the CITY as to whether CONTRACTOR accepts or rejects the CITY's offer within twenty (20) Work Days of the date of the CITY's offer. If CONTRACTOR fails to provide such notice to the CITY within twenty (20) Work Days, the CITY's offer shall be deemed withdrawn and the CITY shall have no obligation to extend the term of this Agreement.

2.02.4.1 Exception to Meeting Fifty Percent (50%) Diversion Requirement. At CITY'S sole discretion and only for the express purposes of completing the current Term or granting an extension to the Term of Agreement, in the event that CONTRACTOR has not met its diversion requirements, the CITY may assess Administrative Charges in accordance with Article 18 in lieu of CONTRACTOR meeting its diversion requirements. CONTRACTOR must make payment in full of any such assessed Administrative Charges to be eligible for an extension to the Term of Agreement.

2.02.4.2 Exception to CONTRACTOR's Requested Increase to Maximum Service Rates Over Ten Percent (10.0%). At CITY'S sole discretion and only for the express purposes of granting an extension to the Term of Agreement, in the event that CONTRACTOR's requested increase to the Maximum Service Rates is higher than ten percent (10%) to increase required diversion to sixty percent (60%), at the CITY's sole option, the CITY may negotiate alternatives to CONTRACTOR's requested rate increase in lieu of not extending this Agreement beyond June 30, 2020. Any such negotiations must be completed by July 1, 2019 or this Agreement may not be extended beyond June 30, 2020.

2.02.5 Scheduled CPI Adjustments to Maximum Service Rates. Following the year for any non-CPI rate increase to take effect (i.e., the CONTRACTOR requested increase to the Maximum Service Rates associated with required additional diversion described in Section 2.02.3 above), future rates will be adjusted using a CPI adjustment on July 1st of each year during the remaining years in the extension period with a maximum CPI increase of 6.0% as set forth in Section 5.07, subject to any applicable state law requirements (including for example Proposition 218).

2.03 Second Five-Year Extension. The CITY shall offer the CONTRACTOR an additional five (5) year extension to the term of this Agreement, with the extension period beginning July 1, 2025 and terminating on June 30, 2030, and only if the CONTRACTOR has met all the following conditions described in this section:

2.03.1 Performance Review. CITY must complete a Performance Review as described in Section 19.03 and Exhibit 9. The Performance Review will consist of an evaluation of the CONTRACTOR's performance for calendar years 2019, 2020, 2021, 2022, and 2023, and must be completed no later than May 1, 2024. The CONTRACTOR must pay all costs associated with conducting the Performance Review,

and based on the results of the Performance Review, CONTRACTOR must be in material compliance with all requirements of this Agreement to be eligible for any extension to the term of this Agreement.

2.03.2 Compliance with Sixty Percent Diversion Requirement CONTRACTOR must be in compliance with the minimum diversion requirement of sixty percent (60%) diversion from all franchised tonnage Collected for the period July 1, 2020 through December 31, 2020, and for calendar years 2021, 2022, 2023, 2024, and for the period January 1, 2025 through June 30, 2025. CONTRACTOR's compliance with this requirement will be determined both at the time Annual reports are submitted in accordance with Section 17.04 and during the Performance Review described in Section 2.03.1 above. At any time after March 1, 2021 CITY determines that CONTRACTOR has not met its diversion requirements, the term of this Agreement shall terminate twenty-four (24) months after CITY issues CONTRACTOR notice of non-compliance, but in no event later than June 30, 2025, except as provided in Section 2.03.4.1 below. CONTRACTOR'S franchised diversion requirements are separate from the CITY'S compliance with any State-mandated diversion requirements.

2.03.3 Seventy Percent Diversion Requirement. CONTRACTOR must also increase required diversion to seventy percent (70%) beginning on July 1, 2025 and thereafter, and any CONTRACTOR requested increase to the Maximum Service Rates associated with the increased diversion requirements shall not exceed ten percent (10.0%). If CONTRACTOR's requested increase exceeds ten percent (10.0%) for any of the Maximum Services Rates as listed in Exhibit 11, the term of this Agreement may not be extended beyond June 30, 2025, except as provided in Section 2.03.4.2 below.

CONTRACTOR must submit any request for an increase in the Maximum Service Rates by April 1, 2024, and any such CONTRACTOR requested increase to the Maximum Service Rates would be done in lieu of the regularly scheduled July 1st CPI adjustment for Maximum Service Rates effective July 1, 2025.

If CONTRACTOR does not submit a request for a rate increase by April 1, 2024 for costs associated with increased diversion, but has met the requirements of Sections 2.03.1 and 2.03.2 then CONTRACTOR's required diversion will increase to seventy percent (70%) beginning on July 1, 2025, and CONTRACTOR will not be eligible for any rate increases for such increased diversion except the regularly scheduled CPI increases.

The CITY reserves its right to conduct a Detailed Rate Review in accordance with Section 5.08 and Exhibits 7 and 8 regardless of the of the amount of CONTRACTOR's non- CPI request to increase Maximum Service Rates.

2.03.4 Written Offer of Extension. If the CITY determines that the CONTRACTOR is in compliance with the terms and conditions of this Agreement, using the process described in Sections 2.03.1, 2.03.2 and 2.03.3 above, the CITY shall offer the CONTRACTOR a second five-year extension to the term of the Agreement.

The CITY shall offer such an extension to CONTRACTOR in writing on or about September 1, 2024. CONTRACTOR shall provide a written response to the CITY as to whether CONTRACTOR accepts or rejects the CITY's offer within twenty (20) Work Days of the date of the CITY's offer. If CONTRACTOR fails to provide such notice to the CITY within twenty (20) Work Days, the CITY's offer shall be deemed

withdrawn and the CITY shall have no obligation to extend the term of this Agreement.

2.03.4.1 Exception to Meeting Sixty Percent (60%) Diversion Requirement. At CITY'S sole discretion and only for the express purposes of completing the current Term or granting an extension to the Term of Agreement, in the event that CONTRACTOR has not met its diversion requirements, the CITY may assess Administrative Charges in accordance with Article 18 in lieu of CONTRACTOR meeting its diversion requirements. CONTRACTOR must make payment in full of any such assessed Administrative Charges to be eligible for an extension to the Term of Agreement.

2.03.4.2 Exception to CONTRACTOR'S Requested Increase to Maximum Service Rates Over Ten Percent (10.0%). At CITY'S sole discretion and only for the express purposes of granting an extension to the Term of Agreement, in the event that CONTRACTOR'S requested increase to the Maximum Service Rates is higher than ten percent (10%) to increase required diversion to seventy percent (70%), at the CITY'S sole option, the CITY may negotiate alternatives to CONTRACTOR'S requested rate increase in lieu of not extending this Agreement beyond June 30, 2025. Any such negotiations must be completed by July 1, 2024 or this Agreement may not be extended beyond June 30 2025.

2.03.5 Scheduled CPI Adjustments to Maximum Service Rates. Following the year for any non-CPI rate increase to take effect (i.e., the CONTRACTOR requested increase to the Maximum Service Rates associated with required additional diversion described in Section 2.03.3 above), future rates will be adjusted using a CPI adjustment on July 1st of each year during the remaining years in the extension period with a maximum CPI increase of 6.0% as set forth in Section 5.07, subject to any applicable state law requirements (including for example Proposition 218).

Article 3. Grant of Franchise

3.01 Grant of Exclusive Agreement. Except as hereinafter expressly set forth, CITY hereby grants to CONTRACTOR and CONTRACTOR hereby accepts from CITY, for the term hereof, the exclusive agreement, right, and privilege to engage in Collection of Solid Waste within the Service Area. The exclusive franchise, right and privilege to engage in Collection of Solid Waste within CITY granted to CONTRACTOR by this Agreement shall be interpreted to be consistent with all Applicable 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 any Changes in Law (other than Changes in Law by City) limit the ability of CITY to lawfully grant CONTRACTOR the scope of services as specifically set forth herein, CONTRACTOR agrees that the scope of this Agreement will 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 as a result thereof.

3.02 Matters Excluded from Scope of Franchise. Notwithstanding any other provisions set forth in this Agreement to the contrary, the exclusive franchise granted herein shall exclude:

3.02.1 Collection of any Solid Waste otherwise within the scope of this Agreement by a Self Hauler.

3.02.2 The sale or donation of Recyclable Material by the person or entity that generated such Recyclable Material (the "Generator") to any person or entity other

than CONTRACTOR; provided, however, to the extent permitted by law, if the Generator is required to pay monetary or non-monetary consideration for the Collection, transportation, transfer, or processing of Recyclable Material to any person or entity other than CONTRACTOR, the fact that the Generator receives a reduction or discount in price (or in other terms of the consideration the Generator is required to pay) shall not be considered a sale or donation;

3.02.3 Any Solid Waste otherwise within the scope of this Agreement which is Collected or transported to a Disposal Facility or MRF by CITY employees in the course and scope of their employment with CITY;

3.02.4 The Collection, transportation, or disposal of Hazardous Waste; Universal Waste; E-Waste; Biohazardous Waste; untreated medical waste; infectious waste; Animal Waste; used cooking fats, oils, grease and similar waste; or other materials which do not constitute Solid Waste;

3.02.5 Temporary Roll-off Container Collection service, including the Collection, transfer, transport, Recycling, processing, and/or disposal of Construction and Demolition Debris hauled by a company as permitted by the CITY. CITY may direct CONTRACTOR to count disposal and diversion tonnages as part of CONTRACTOR's diversion requirements, provided that CONTRACTOR pays a ten percent (10%) franchise fee on all Temporary Roll-off Container material Collected by CONTRACTOR. CONTRACTOR must meet all diversion requirements established by the CITY for Temporary Roll-off Container materials (set by the CITY at eighty-five percent diversion as of the Effective Date).

3.02.6 The Collection, transportation, and disposal of Green Waste and related Refuse by a gardener, or landscaper, as an incidental part of the gardening or landscaping services provided to its customers, rather than as a hauling service, provided that such Solid Waste is not Collected or transported by a third party hired for the primary purpose of Collecting and transporting said materials;

3.02.7 Solid Waste Handling Services provided by any person having a legal right to continue doing so, pursuant to Public Resources Code Section 49520, *et. seq.*, or otherwise, as long as and to the extent such legal right continues to exist; except that to the degree any territory in which CONTRACTOR has a franchise granted by another governmental entity is annexed into CITY during the term, CONTRACTOR agrees the provisions of this Agreement shall apply to such territory and further acknowledges that this Agreement constitutes any notice required by the Public Resources Code in connection therewith.

3.03 Enforcement of Exclusivity. CONTRACTOR shall be responsible for enforcing the exclusivity of this Agreement. CITY shall reasonably assist CONTRACTOR in its efforts to enforce the exclusivity hereof. In addition, CITY shall adopt such ordinances or other regulations as it deems to be necessary or desirable to protect the exclusive rights granted herein. CITY shall have the right, but not the obligation, to enforce the exclusivity hereof, 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 hereof, or to assist CONTRACTOR in doing so.

Article 4. General Requirements Applicable to Services Provided by CONTRACTOR

4.01 Service Standards. CONTRACTOR shall perform all Collection Services under this Agreement in a professional manner, consistent with the standards applicable in its industry. Collection Services described in this Agreement shall be performed regardless of weather conditions or difficulty of Collection, unless CITY and CONTRACTOR reasonably determine it would be unsafe for CONTRACTOR's employees to do so.

4.02 Labor and Equipment. CONTRACTOR shall provide and maintain all labor, equipment, tools, facilities, and personnel supervision required for the performance of CONTRACTOR's obligations under this Agreement. CONTRACTOR shall at all times have sufficient backup equipment and labor to fulfill CONTRACTOR's obligations under this Agreement. No compensation for CONTRACTOR's services or for CONTRACTOR's supply of labor, equipment, tools, facilities or supervision shall be provided or paid to CONTRACTOR by CITY or by any Customer except as expressly provided by this Agreement.

4.03 Collection Schedule. CONTRACTOR shall establish Collection routes and a Collection schedule which shall be approved by the Agreement Administrator such that Customers at all Service Units within the CITY will have not less than one established Collection day each week. CONTRACTOR shall provide notice to each Customer of its established Collection day(s), and shall provide at least one week's notice to Customers of any change in their established Collection day(s). CONTRACTOR may not change its established Collection schedules without obtaining the prior written consent of the Agreement Administrator.

4.04 Coordination With Street Sweeping Services. CONTRACTOR shall make reasonable efforts to coordinate route schedules with the CITY's street sweeping schedule. CONTRACTOR shall provide all routes and route schedules to the CITY and work with CITY to resolve conflicts with street sweeping schedules.

4.05 Holiday Service. If the regularly scheduled Collection day falls on New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, or Christmas Day, Collection days for the remainder of that week shall all be postponed one Collection day. If one of these holidays falls on a Saturday, the CONTRACTOR shall perform Collection on the following Monday. Customers with six-day or seven-day per week service that miss a pickup due to a holiday shall have special arrangements made to accommodate their solid waste needs at no additional cost. Such arrangements may include two pickups (morning and afternoon) the day before the skipped Collection day, manual Collection of additional bags placed next to the Container the day after the skipped Collection day, a temporary Container, or other mutually agreed upon arrangements.

4.06 Inspections. The CITY shall have the right to inspect the CONTRACTOR'S facilities or Collection vehicles and their contents during normal operation hours while operating inside or outside the CITY.

4.07 Commingling of Materials. Until delivery to the intended disposal, recycling or processing facility, CONTRACTOR shall not at any time commingle any Solid Waste Collected pursuant to this Agreement with any other material Collected by CONTRACTOR inside or outside the CITY of West Hollywood without the express prior written authorization of the Agreement Administrator.

4.08 Spillage and Litter. CONTRACTOR shall not litter Premises in the process of providing Collection Services or while its vehicles are on the road. CONTRACTOR shall transport all materials Collected under the terms of this Agreement in such a manner as to prevent the spilling or blowing of such materials from the CONTRACTOR'S vehicle. CONTRACTOR shall exercise all reasonable care and diligence in providing Collection Services so as to prevent spilling or dropping of Solid Waste and shall immediately, at the time of occurrence, clean up such spilled or dropped Solid Waste. CONTRACTOR shall not be responsible for cleaning up sanitary conditions caused by the carelessness of the Customer; however, the CONTRACTOR shall clean up any material or residue that are spilled or scattered by the CONTRACTOR or its employees.

4.09 Ownership of Materials. Title to Solid Waste, including Recyclable Materials, or Organic Waste, shall pass to CONTRACTOR at such time as said materials are placed in CONTRACTOR'S Collection containers.

4.10 Report of Accumulation of Refuse. CONTRACTOR shall direct its drivers to note (1) the addresses of any Premises at which they observe that Refuse is accumulating and is not being delivered for Collection; and (2) the address, or other location description, at which Refuse has been dumped in an apparently unauthorized manner. CONTRACTOR shall deliver the address or description to CITY within five (5) working days of such observation.

4.11 Non-Collection. CONTRACTOR shall not be required to Collect any Solid Waste that is not placed in a Container. In the event of non-collection, CONTRACTOR shall affix to the Container a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain a copy of such notices during the term of this Agreement.

4.12 Warning Notice. CONTRACTOR shall place a red tag or other warning notice approved by the CITY on all Recyclable loads that are contaminated, indicating to the Customer why the load was not recycled. CONTRACTOR shall notify CITY on a monthly basis of any warning notices issued, and shall provide copies of such warnings to CITY upon request. CITY may address the matter with habitual offenders through code enforcement. CONTRACTOR should not remove Recycling Containers without prior written CITY authorization.

4.13 Hazardous Waste Inspection and Reporting. CONTRACTOR reserves the right and has the duty under law to inspect Solid Waste put out for Collection and to reject Solid Waste observed to be contaminated with Hazardous Waste and the right not to Collect Hazardous Waste put out with Solid Waste. 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 if reportable quantities of Hazardous Waste, are 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 Agreement Administrator, CITY Manager, or the CITY Manager's designee. CONTRACTOR shall implement and maintain a training program that will assist its employees in identifying and properly disposing of any Hazardous Waste that may come into their possession.

4.14 Hazardous Waste Diversion Records. CONTRACTOR shall maintain records showing the types and quantities, if any, of Hazardous Waste found in Solid Waste and which was inadvertently Collected from Customers within the CITY, but diverted from landfilling.

4.15 Access to Security Buildings. CONTRACTOR is responsible for obtaining and securing keys and remote controls used to gain access to security buildings. CONTRACTOR is responsible for closing and locking all doors used to gain access to container storage areas and parking structures. If CONTRACTOR misplaces a key or remote control, CONTRACTOR is responsible for the cost of rekeying or changing security codes, which may include issuing new keys and remotes to all residents. CONTRACTOR shall establish a coding system for key/remote identification to safeguard against address identification if key or remote is lost. Keys, key rings or remotes will not carry the address for which the key is used.

Article 5. Compensation and CONTRACTOR Rates

5.01 Billing by CITY. Except as identified in the Maximum Service Rates, CITY will Bill Customers for SFD Collection Services, MFD Recycling Services and MFD Green Waste Collection Services. CONTRACTOR shall invoice CITY on the 25th of each month for services to be provided to these Customers the following month. CITY will pay CONTRACTOR within fifteen (15) days of receipt of the invoice. The CITY will pay CONTRACTOR at a per unit rate based on the number of single family and multi-family units as determined by the CITY annually. CITY will provide CONTRACTOR with the Customer count for each fiscal year commencing July 1. CONTRACTOR shall have 30 days to review and contest the count. The Customer count will not be adjusted during the fiscal year.

5.02 CONTRACTOR Compensation. The Maximum Service Rates set forth in Exhibit 11, and as more fully defined as CONTRACTOR compensation in this Article, shall be the maximum amount CONTRACTOR may charge Customers as full, entire and complete compensation due pursuant to this Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, letters of credit, overhead, disposal, transfer, profit and all other things necessary to perform all the services required by this Agreement in the manner and at the times prescribed. CONTRACTOR shall impose no other charges for services provided to Customers unless approved by the CITY Manager.

5.03 Billing by CONTRACTOR. CONTRACTOR will Bill Customers directly for all services other than Collection Services billed by CITY. For all services for which CONTRACTOR is responsible for billing, CONTRACTOR shall provide Customers with itemized Bills, detailing charges for all services, including charges for late payments, as well as the period of service to which the Bill applies. CONTRACTOR acknowledges that it, and not Customers, is to pay a franchise fee and the other fees noted herein to CITY as consideration for this Agreement. Accordingly, CONTRACTOR's Bills shall not include separate itemization of a "franchise fee" or other similar designation relating to fees that CONTRACTOR is required to pay to CITY. CONTRACTOR will Bill customers monthly, but no sooner than the first of the month for which service is being Billed, with payment due no sooner than the last day of the month for which service is being Billed. Billings may not contain the designation "payable upon receipt," and instead shall contain a due date, which date shall not be earlier than the last day of the period for which services are provided.

Customers that have more than one Refuse Bin serviced at the same location will receive a discount on each additional Bin in accordance with the approved rate schedule.

CONTRACTOR shall Bill Customers for additional Single Family Refuse Carts, special pickups, and other charges that are not included in the CITY's Billings at the rates not to exceed the CITY-approved Maximum Service Rates.

CONTRACTOR shall provide services pursuant to this Agreement at rates it sets, charges to,

and collects from Customers or CITY; provided, however, CONTRACTOR's rates shall not exceed those set forth in the attached Exhibit 11, which sets out the Maximum Service Rates that may be charged by CONTRACTOR to the Customer or CITY for the various different service options that may occur hereunder, as such Maximum Service Rates may be adjusted from time to time pursuant to the terms hereof.

5.03.1 Discounts. CONTRACTOR shall provide the following discounts for services rendered to Multi-Family Customers, and shall notify all such Customers in writing of the availability and amount of the following discounts at least once per year. These discounts apply to the entire rate for all services provided by the CONTRACTOR to the building for which the CONTRACTOR Bills the Customer. Customers may receive only one discount of 10%; discounts are not cumulative if Customer meets criteria for both discounts. CITY is responsible for any discounts offered to Single Family Customers.

5.03.1.1 Senior Citizen Discount. CONTRACTOR shall offer a ten percent (10%) service fee discount to property owners who (1) are sixty-five (65) years of age or older, (2) are the legal owners of the Multi-Family Residential building, and (3) who reside in this building receiving Collection Services.

5.03.1.2 Low-Income Discount. CONTRACTOR shall offer a ten percent (10%) service fee discount to property owners who (1) are the legal owners of a Multi-Family Residential building, (2) reside in this building receiving Collection Services, and (3) have an annual gross income for the household which is less than fifty percent (50%) of the area median income.

5.03.2 Partial Month Service. Customers ordering service after the first of any calendar month shall be charged on a prorated daily basis, and CONTRACTOR shall reimburse Customers that pay in advance for service not used, on a prorated daily basis, within 30 days of Customer terminating service. CITY shall not be responsible for or participate in efforts to collect amounts due from Customers and the CONTRACTOR shall handle issues relating to Customer non-payment in accordance with Sections 5.04 and 5.05.

5.04 Non-Payment, Collections, Suspension of Service. Customers may be assessed a late payment fee of ten percent (10%) of the outstanding balance after 60 days, plus interest on the outstanding balance not to exceed an annual rate of twelve percent (12%). CONTRACTOR may not discontinue service to Multi-family Customers. The CITY may, in its discretion, allow a delinquent Bill at a MFD Service Unit to be billed on the property tax rolls pursuant to CITY's Municipal Code.

For Commercial Customers, once a payment is 70 days past due, CONTRACTOR may send Customers a notice (with a copy to the CITY) that service will be suspended if payment is not made within an additional thirty (30) days. After sending the letter and receiving written approval from the CITY, CONTRACTOR may then discontinue service.

Notwithstanding the above, in the event of a Billing dispute or to avoid negatively impacting public health or safety, CONTRACTOR shall continue to provide service to any Customer if directed to do so by CITY without regard to the status of said Customer account.

5.04.1 Review of Billings. CONTRACTOR shall review each Customer's account annually, and submit to CITY a written report of its annual review of all Customer accounts annually on the anniversary of the Effective Date of this Agreement. The purpose of the annual Customer account review is to confirm that the

amount which CONTRACTOR is Billing each Customer is correct. Results of this Billing review should be submitted as part of the CONTRACTOR Annual Route Audit Methodology described in Exhibit 10.

CONTRACTOR shall maintain copies of all Billings as well as records of receipts from said Billings, each in chronological order, as required by Section 17.01 for inspection by CITY upon request. CONTRACTOR may, at its option, maintain those records in computer form, on microfiche, or in any other manner, provided that the records can be preserved and retrieved for inspection and verification in a timely manner, are sufficient to verify the accuracy of franchise fees and other fees owed to the CITY.

5.05 Credit for Missed Pickups. CONTRACTOR shall credit Customers for missed pickups, provided that the pickup was not made up within 24-hours. A Customer with daily service is not required to accept two pickups on the same day in order for CONTRACTOR to make up a pickup. The credit shall represent that portion of the monthly charge represented by one pickup. In addition to crediting these Customers for service not received, CONTRACTOR shall still pay CITY administrative charges as indicated in Section 18.02. Credit for missed pickups shall cover the prior 60-day period of Collection.

5.06 CONTRACTOR payments to CITY.

5.06.1 Franchise Fee Payments. Throughout the term of this Agreement CONTRACTOR shall pay to CITY a franchise fee in an amount equal to 10% of the Gross Receipts derived by CONTRACTOR from services Billed by CONTRACTOR and provided in CITY pursuant to the terms of this Agreement.

5.06.2 AB 939 Fee Amount. In order to support the CITY's outreach and administration of AB 939 programs, and to offset the costs CITY will incur in the production of promotional materials and annual newsletters, and in other activities connected therewith as a result of entering into this Agreement, CONTRACTOR shall pay an AB 939 Fee to CITY in the amount of \$126,340.92 per year, adjusted annually as set forth herein. The AB 939 Fee shall be payable on July 1st of each year, beginning with July 1, 2015, and shall be deemed late if received after July 31st. This fee shall be adjusted annually each July 1st by a percentage equal to the percentage change between the average CPI value for the most recently completed calendar year and the average CPI value for the prior most recently completed calendar year.

5.06.3 Time and Method of Payment. On or before the thirtieth (30th) day following the end of each calendar quarter during the term of this Agreement, CONTRACTOR shall remit the franchise fee due to CITY for gross receipts received that calendar quarter. If the franchise fee is not paid on or before the thirtieth (30th) day following the end of the calendar quarter, CONTRACTOR shall pay to CITY a penalty in an amount equal to ten percent (10%) of the amount owing for that quarter, plus 12% interest per annum prorated to each day of delinquency.

If the AB 939 Fee, as provided in Section 5.06.2 above, is not paid by July 31st of each Agreement Year, CONTRACTOR shall pay to CITY a penalty in an amount equal to ten percent (10%) of the amount owing for that year, plus twelve percent (12%) interest per annum prorated to each day of delinquency.

CITY may charge the same late payment penalties for other payments due to the CITY pursuant to the terms hereof.

Each quarterly franchise fee remittance to CITY shall be accompanied by a statement detailing Gross Receipts for the period covered from all operations conducted or permitted, pursuant to

this Agreement. In addition, CONTRACTOR shall maintain copies of all Billing and Collection records for five (5) years, following the date of Billing, for inspection and verification by CITY at any reasonable time upon request.

5.07 Adjustments To Maximum Service Rates. Customer rates shall be adjusted each July 1st by a percentage equal to the percentage change between the 12 month average CPI value for the most recently completed calendar year and the 12 month average CPI value for the prior most recently completed calendar year (i.e., January to December). Such a CPI rate adjustment will not, however, occur in years in which the Maximum Service Rates are adjusted using a Detailed Rate Review in accordance with Section 5.08.

5.07.1 On April 1 2015 and each April 1st thereafter, CONTRACTOR shall submit a written request to the CITY for an adjustment in the Maximum Service Rates in a form approved by the CITY. CONTRACTOR'S request shall include the basis and calculations for the increase, and a complete schedule of the requested Maximum Service Rates.

5.07.1.1 The increase shall not exceed six percent (6.0%) per annum in any Agreement Year.

5.07.1.2 Notwithstanding the above, any calculated CPI adjustment above six percent (6.0%) shall be added to the result of the subsequent years' CPI adjustment and the result shall be the CPI adjustment for that subsequent year, provided that no annual CPI adjustment shall ever exceed six percent (6.0%).

5.07.1.3 Notwithstanding the above, in any year that the CPI adjustment results in a negative number, there shall be no adjustment. Instead, the negative CPI adjustment shall be added to the result of the subsequent year's CPI adjustment and the result shall be the CPI adjustment for that subsequent year.

5.07.1.4 No annual adjustment to the Maximum Service Rates that would otherwise become effective hereunder shall take effect if, during the previous Agreement Year, CONTRACTOR has (a) committed an Event of Default (Section 23.06), (b) materially breached this Agreement without cure, pursuant to Section 23.02, (c) failed to provide the CITY with all reports required of CONTRACTOR by this Agreement, (d) failed to pay any franchise fee owed to the CITY, or (e) failed to meet the minimum diversion requirements set forth in Article 6.

5.07.1.5 At least sixty (60) days prior to charging Customers any rate increased due to an increase in the CPI as noted above, CITY shall notify the CONTRACTOR of the CITY's approval or denial of CONTRACTOR's requested rate increase. Any such approval or denial of CONTRACTOR'S requested CPI increase may be done at the administrative level, or through an action by City Council, and in accordance with state law (including for example Proposition 218). CITY may not unreasonably deny CONTRACTOR'S CPI increase provided that any such CPI conforms to this Section 5.07.

5.08 Detailed Rate Review. The CITY or CONTRACTOR may request a Detailed Rate Review to be conducted by the CITY or CITY's designee in accordance with the Detailed Rate Review Methodology as specified in Exhibit 8 to determine the reasonableness of CONTRACTOR's compensation associated with increases of sixty percent (60%) or higher of CONTRACTOR's minimum diversion as specified in Article 6. The CONTRACTOR shall pay the cost for the Detailed Rate Review and the cost of such a Detailed Rate Review is not an allowable pass-through cost.

5.08.1 Supporting Information. Any request for a Detailed Rate Review shall be accompanied by a copy of CONTRACTOR's certified annual financial statements for West Hollywood prepared by a Certified Public Accountant, which shall have been prepared in compliance with Rule 58 of the "Rules and Regulations of the State Board of Accountancy," as established by the California Code of Regulations, Title 16, Chapter 1. Such Certified Public Accountant shall be entirely independent of the CONTRACTOR and shall have no financial interest whatsoever in the business of the CONTRACTOR. The CITY may specify the form and detail of the financial statements.

5.09 Grants. From time to time, Federal, State or local agencies including the CITY may provide to CONTRACTOR grants to assist in financing qualified programs provided by CONTRACTOR (including, without limitation, grants for diversion programs and related equipment, alternative fuel vehicles and equipment, and Household Hazardous Waste Collection and disposal.) In the event that CONTRACTOR receives grant funding for services or equipment to be used for services pursuant to this Agreement, CONTRACTOR shall notify CITY of receipt of any such grant funds. Only as it directly relates to grant funds used for services or equipment pursuant to this Agreement, CONTRACTOR agrees that the total amount of CONTRACTOR compensation shall be reduced by an amount equal to fifty percent (50%) of the amount of any such grant received from Federal, State or local agencies other than the CITY, and by an amount equal to one-hundred percent (100%) of the amount of any such grant received from the CITY. The CITY Council shall determine whether the reduction in CONTRACTOR compensation shall be: (1) passed through to certain waste generators designated by CITY as a reduction to Maximum Service Rates; (2) as an offset to the next increase to Maximum Service Rates requested by CONTRACTOR as calculated in accordance with Section 5.07; (3) paid to CITY for use as CITY directs; or, (4) applied in any combination of (1) through (3).

5.10 Discretionary Adjustments. Not more than once every eighteen (18) months, CONTRACTOR may request an adjustment to the Maximum Service Rates set forth in Exhibit 11 at reasonable times other than as set forth in Sections 5.07 or 5.08 for unusual changes in the cost of providing service under this Agreement. Any such discretionary adjustments shall be an amount not greater than the actual increase or incremental increase, as the case may be, in the costs (i.e. on any direct or indirect cost, whether fixed or variable) of CONTRACTOR'S provision of services under this Agreement.

5.10.1 Allowable Costs. The City shall not unreasonably deny properly supported discretionary rate adjustments to increase Maximum Service Rates, and in accordance with state law (including for example Proposition 218), as a result of the following:

5.10.1.1 New or increased state or county taxes, fees or other state or federal governmental charges relating to the services performed by CONTRACTOR under this Agreement;

5.10.1.2 Change In Law. As used herein, "Change in Law" means the enactment, issuance, adoption, repeal, amendment or modification of any federal, state or local statute, ordinance or regulation, or a regulatory agency or other administrative agency interpreting a regulation or statute, or a judicial decision interpreting a law, statute, ordinance or regulation, in a manner different than relied upon by municipalities and the solid waste and collection industry;

5.10.1.3 Modifications to the CITY's municipal code or other CITY requirements relating to this Agreement that increase CONTRACTOR'S cost of provided services, or

5.10.1.4 New or modified CONTRACTOR programs or services which are requested by the CITY pursuant to the Agreement.

5.10.2 Unallowable Costs. CITY shall not approve any CONTRACTOR requested discretionary adjustments to increase Maximum Service Rates as a result of the following:

5.10.2.1 Changes in the market value of Recyclable Materials or processing costs for Recyclable Materials or Organic Waste;

5.10.2.2 Inaccurate estimates by the CONTRACTOR of its cost of operations (such as increased labor, insurance, fuel or vehicle costs), or

5.10.2.3 Costs of compliance with South Coast Air Quality Management District and Air Resource Board rules and standards for Collection Vehicles as of January 1, 2015.

For each request for a discretionary adjustment to the Maximum Service Rates brought pursuant to this Section, CONTRACTOR shall prepare a schedule documenting the extraordinary costs. Such request shall be prepared in a form acceptable to CITY with support for assumptions made by CONTRACTOR in preparing the estimate. CITY shall review the CONTRACTOR'S request and, in the City Council's sole judgment and absolute, unfettered discretion (other than as provided in Section 5.10.1), make the final determination as to whether an adjustment to the Maximum Service Rates will be made, and, if an adjustment is permitted, the appropriate amount of the adjustment and in accordance with state law (including for example Proposition 218).

In the event that CONTRACTOR's request for a discretionary adjustment for Change In Law as identified in Section 5.10.1.2 is not approved, either of the Parties may voluntarily terminate this Agreement after twenty-four (24) months of submittal of a written notice for early termination. Alternatively, the Parties may negotiate alternatives to early termination.

Any adjustments under this Section 5.10 rate adjustment shall be effective thirty (30) days after approval by the City Council.

Article 6. Diversion Requirements and Guarantee

6.01 CONTRACTOR'S Diversion Guarantee. A fundamental and material part of the consideration provided by CONTRACTOR to CITY which induced CITY to amend and continue this Agreement rather than seeking competitive bids from other qualified solid waste enterprises, was the representation that CONTRACTOR shall fully implement the Diversion Plan listed in Exhibit 4, and will achieve a minimum annual diversion rate set forth below

6.01.1 Beginning calendar year 2015 and during each calendar year throughout the term of this Agreement, CONTRACTOR shall divert fifty percent (50%) of the Solid Waste it Collects pursuant to this Agreement. In the event that CONTRACTOR is not meeting its fifty percent (50%) diversion requirement, at CITY's sole option, City may terminate this Agreement twenty-four (24) months after issuing written notice to CONTRACTOR of early termination due to CONTRACTOR's failure to meet fifty percent (50%) diversion requirements, or CITY may assess Administrative Charges in

Accordance with Article 18 of this Agreement.

6.01.2 Beginning July 1, 2020, and during each calendar year throughout the term of this Agreement, CONTRACTOR shall divert sixty percent (60%) of the Solid Waste it Collects pursuant to this Agreement. In the event that CONTRACTOR is not meeting its sixty percent (60%) diversion requirement, at CITY's sole option, City may terminate this Agreement twenty-four (24) months after issuing written notice to CONTRACTOR of early termination due to CONTRACTOR's failure to meet sixty percent (60%) diversion requirements, or CITY may assess Administrative Charges in Accordance with Article 18 of this Agreement.

6.01.3 Beginning July 1, 2025 and during each calendar year throughout the term of this Agreement, CONTRACTOR shall divert seventy percent (70%) of the Solid Waste it Collects pursuant to this Agreement. In the event that CONTRACTOR is not meeting its seventy percent (70%) diversion requirement, at CITY's sole option, City may terminate this Agreement twenty-four (24) months after issuing written notice to CONTRACTOR of early termination due to CONTRACTOR's failure to meet seventy percent (70%) diversion requirements, or CITY may assess Administrative Charges in Accordance with Article 18 of this Agreement.

6.01.4 For purposes of determining if CONTRACTOR achieves CONTRACTOR'S Diversion Guarantee, the parties agree the annual diversion rate will be calculated using the following formula: "the tons of materials Collected by CONTRACTOR from the provision of Collection Services in CITY that are sold or delivered to a recycler or re-user, net of all residue, divided by the total tons of materials Collected in CITY by CONTRACTOR in each calendar year."

CONTRACTOR shall provide documentation to the CITY within 20 days of the end of each calendar quarter stating and supporting that quarter's diversion rate. Diversion from other sources other than CONTRACTOR's Collection and diversion efforts (such as source reduction, reuse, or recyclables diverted by solid waste enterprises, Collection of materials that are not the subject of this Agreement such as temporary Roll-Off Container service, or the efforts of self-haulers) shall not be counted as diversion achieved by CONTRACTOR.

6.01.4.1 Use of Transformation Facility. CONTRACTOR may direct up to ten percent (10%) of the CITY's total waste stream to a waste-to-energy facility for diversion purposes provided that such diversion is allowable and deemed to be diversion by CalRecycle. CONTRACTOR is not entitled to any additional compensation associated with use of any Transformation Facility unless approved by the CITY as part of a Detailed Rate Review associated with increases of sixty percent (60%) or higher of CONTRACTOR's minimum diversion and conducted in accordance with Section 5.08 of this Agreement.

6.01.4.2 End Uses for Green Waste. CONTRACTOR shall divert Green Waste materials Collected through weekly Cart and bundle Collection, holiday tree Collection, Roll-Off Container Collection and mixed waste processing (if applicable) from disposal. CONTRACTOR must provide end uses for Green Waste that maximizes diversion credits for CITY according to regulations established by the CalRecycle. CONTRACTOR shall divert through uses other than as Alternative Daily Cover (ADC) whenever feasible.

6.01.4.3 Use of Alternative Daily Cover (ADC). CONTRACTOR may utilize ADC for diversion of Green Waste provided that such

diversion is allowable and deemed to be diversion by CalRecycle and higher use of Green Waste is not feasible.

6.01.4.4 Changes in the Market Conditions for Recyclable Materials. Upon notice to and prior approval by CITY, CONTRACTOR may deem additional materials or groups of materials Recyclable Materials if they become capable of recycling at CONTRACTOR's facilities in or near the Service Area. CONTRACTOR reserves the right, upon written notice to and prior written approval by the CITY, to discontinue acceptance of any category of Recyclable Materials as a result of market conditions related to such materials. With regard to the preceding two sentences, the City's approval shall not be unreasonably withheld. Such CITY approval for reducing the type of Recyclable Materials discontinued shall not exceed 12 months.

6.01.4.5 Bulky Item Diversion. Bulky Items Collected by CONTRACTOR under this Agreement may not be landfilled or disposed of until the following hierarchy of diversion efforts has been followed by CONTRACTOR:

- a. Reuse as is (if energy efficient)
- b. Disassemble for reuse or Recycling
- c. Recycle
- d. Disposal

6.02 Warranties and Representations. CONTRACTOR warrants and represents that it is aware of and familiar with CITY's waste stream, and that it has the ability to and will provide sufficient programs and services to ensure CITY will meet or exceed the diversion requirements as set forth in CONTRACTOR'S Diversion Guarantee, as well as the diversion requirements of the Applicable Laws (including, without limitation, amounts of Solid Waste to be diverted, time frames for diversion, and any other requirements) governing this Agreement (including AB 341, AB 939, and all amendments and related subsequent legislation), and that it shall do so without imposing any costs or fees other than those set forth in Exhibit 11 (including if new programs are implemented which are not called out herein). The programs called out herein are minimum requirements that must be met, and CONTRACTOR shall be responsible for implementing any other programs that may be necessary to achieve the forgoing.

6.03 Mutual Cooperation. CITY and CONTRACTOR shall reasonably cooperate in good faith with all efforts by each other to meet CITY's diversion and other compliance requirements imposed by AB 939 and other Applicable Laws, and to meet CONTRACTOR'S obligations under CONTRACTOR'S Diversion Guarantee. In this regard, CITY's obligations shall include, without limitation, making such petitions and applications as may be reasonably requested by CONTRACTOR for time extensions in meeting diversion goals, or other exceptions from the terms of Applicable Laws, and to agree to authorize such changes to CONTRACTOR's Recycling or Solid Waste programs as may be reasonably requested by CONTRACTOR in order to achieve CONTRACTOR'S Diversion Guarantee.

6.04 Waste Reduction and Program Implementation. CONTRACTOR shall implement the programs identified in the Source Reduction and Recycling Element (SRRE) and Household Hazardous Wastes Element (HHWE) of the CITY's General Plan immediately upon the Effective Date hereof, and will implement any additional diversion programs required to meet CONTRACTOR's diversion requirements as specified in Article 6 and the other terms of this Agreement. CONTRACTOR shall be responsible for providing data and information,

cooperating, and assisting CITY with the preparation of, all reports and other information as may be required by any agency, including specifically, the State of California, in order to comply with AB 939 and other Applicable Laws.

6.05 Guarantee and Indemnification. CONTRACTOR warrants and guaranties that it will carry out its obligations under this Agreement in a manner consistent with Applicable Laws including specifically AB 939, AB 341 AB 1594, and AB 1826, and CONTRACTOR'S actions will provide for the CITY to meet or exceed the diversion requirements (including, without limitation, amounts of Solid Waste to be diverted, time frames for diversion, and any other requirements) set forth in CONTRACTOR'S Diversion Guarantee and the Applicable Laws including AB 939 AB 341, AB 1594, and AB 1826, and all amendments thereto. In this regard CONTRACTOR agrees that it will, in addition to any other requirement contained herein, at its sole cost and expense:

6.05.1 To the extent legally permitted, defend, with counsel approved by CITY, indemnify, and hold harmless CITY and CITY's officials, employees, and agents from and against all fines and/or penalties and other liabilities which may be imposed by CalRecycle or any other regulatory agency if: (1) CONTRACTOR fails or refuses to timely provide information relating to its operations which is required pursuant to this Agreement or the Applicable Laws and such failure or refusal prevents or delays CITY from submitting reports required by the Applicable Laws including AB 939, AB 341, AB 1594, and AB 1826 in a timely manner; or (2) the source reduction and Recycling goals, diversion goals, program implementation requirements, or any other requirements of the Applicable Laws, including AB 939, AB 341, AB 1594, and AB 1826, are not met with respect to the waste stream Collected under this Agreement;

6.05.2 Assist CITY in responding to inquiries from CalRecycle or any other regulatory agency;

6.05.3 Assist CITY in preparing for, and participating in, the CalRecycle's biannual review of CITY's SRRE pursuant to Public Resources Code Section 41825;

6.05.4 Assist CITY in applying for any extension, including under Public Resources Code Section 41820, if so directed by CITY;

6.05.5 Assist CITY in any hearing conducted by CalRecycle, or any other regulatory agency, relating to CITY's compliance with the Applicable Laws including AB 939, AB 341, AB 1594, and AB 1826;

6.05.6 Assist CITY with the development of and implement a public awareness and education program that is consistent with the CITY's SRRE and Household Hazardous Waste Element, as well as any related requirements of the Applicable Laws;

6.05.7 Provide CITY with Recycling, source reduction, and other technical assistance as may be needed to comply with the Applicable Laws including AB 939, AB 341, AB, 1594, and AB 1826;

6.05.8 Defend, with counsel acceptable to CITY, CITY and CITY's officials, employees, and agents against the imposition of fines and/or penalties, or any other liabilities, issued by CalRecycle pursuant to the Applicable Laws including AB 939, AB 341, AB 1594 and AB 1826;

6.05.9 Be responsible for and pay, any fees, penalties or other costs imposed against the CITY by CalRecycle, and indemnify and hold harmless CITY from and

against any fines, penalties, or other liabilities, levied against it for violation of the diversion requirements, set forth in the Applicable Laws for services provided by CONTRACTOR under the terms of this Agreement, including AB 939, AB 341, AB 1594 and AB 1826, or for violation of any other provision of the Applicable Laws, including AB 939, AB 341, AB 1594 and AB 1826, arising from or in any way related to CONTRACTOR's performance of its obligations under this Agreement.

6.06 Failure To Meet Minimum Diversion Requirements. CONTRACTOR'S failure to meet the minimum diversion requirements of CONTRACTOR'S Diversion Guarantee set forth above may result in a denial of term extension, a finding of material breach, the imposition of administrative charges, a denial of an adjustment to the Maximum Service Rates otherwise authorized, or the requirement to undertake additional diversion programs in accordance with Section 6.08.

6.07 Waste Generation/Characterization Studies. CONTRACTOR acknowledges that CITY must perform Solid Waste generation and disposal characterization studies periodically to comply with the requirements of the Applicable Laws, including AB 939. CONTRACTOR agrees to participate and cooperate with CITY and its agents and to accomplish studies and data collection and prepare reports, as needed and directed by CITY, to determine weights and volumes of Solid Waste Collected and characterize Solid Waste generated, disposed, transformed, diverted or otherwise handled/processed to satisfy the requirements of the Applicable Laws including AB 939 and AB 341.

6.08 Implementation of Additional Diversion Services. If the CITY determines that CONTRACTOR has not fulfilled its diversion requirements set forth in Article 6, CITY may direct CONTRACTOR to perform additional services (including the implementation of new diversion programs) or modify the manner in which it performs existing services, and CONTRACTOR agrees to do so at no additional charge. Pilot programs and innovative services which may entail new Collection methods, and use of new or alternative Solid Waste processing and disposal technologies are included among the types of changes which CITY may direct.

Article 7. Service Units

7.01 Service Units. Service Units shall include all the following categories of Premises which are in the Service Area as of January 1, 2015, and all such Premises which may be added to the Service Area by means of annexation, new construction, or as otherwise set forth in this Agreement during term of this Agreement:

- 7.01.1 SFD Service Units
- 7.01.2 MFD Service Units
- 7.01.3 Commercial Service Units
- 7.01.4 CITY Service Units

7.01.5 Any question as to which Service Unit category a Premises falls (not whether it is subject to this Agreement) shall be determined by the Agreement Administrator, and the determination of the Agreement Administrator shall be final.

7.02 Service Unit Changes. The CITY and CONTRACTOR acknowledge that during the term of this Agreement it may be necessary or desirable to add or delete Service Units for which CONTRACTOR will provide Service.

7.02.1 Additions and Deletions. CONTRACTOR shall provide services described in this Agreement to new Service Units in CONTRACTOR'S Service Area within five (5) Work Days of receipt of notice from the CITY or new Service Unit to begin such Service.

7.03 Annexation. If during the life of the Agreement, additional territory within or adjacent to the CONTRACTOR'S Service Area is acquired by the CITY through annexation, CONTRACTOR agrees to provide Collection Services in such annexed area in accordance with the provisions and service rates set forth in this Agreement. Such Collection Services shall begin within five (5) Work Days of receipt of written notice from the CITY. CONTRACTOR shall not begin Collection Service without written authorization from the CITY.

7.04 Route Map Update. CONTRACTOR shall revise the Service Unit route maps to show the addition of Service Units added due to annexation and shall provide such revised maps to the Agreement Administrator as requested.

Article 8. Flow Control

8.01 CITY shall have the option to direct and/or approve which Disposal Facility or MRFs CONTRACTOR shall use to dispose of or process Solid Waste generated within the Service Area.

If CITY exercises its rights under this Article 8, it shall first meet and confer with CONTRACTOR to discuss other available disposal or processing options and potential cost impacts of any such change.

8.01.1 If CITY exercises its rights under this Article 8, it shall first meet and confer with CONTRACTOR to discuss other available disposal or processing options and potential cost impacts of any such change, and if other amendments to this Agreement are necessary to reflect changes that may result in CONTRACTOR's diversion efforts or indemnification obligations under CERCLA.

8.01.2 CONTRACTOR expressly consents to CITY's ability to direct the location for disposal or processing of Solid Waste hereunder, and waives any and all rights to challenge CITY's ability to do so, including without limitation, any rights under the Commerce Clause of the United States Constitution.

8.01.3 CONTRACTOR shall receive appropriate rate adjustments if CITY directs CONTRACTOR to dispose or process Solid Waste at locations other than those as listed in Exhibit 3, subject to any applicable state law.

Article 9. Processing and Disposal

9.01 Processing and Disposal.

9.01.1 Permits and Approvals. CONTRACTOR must assure that all facilities selected by CONTRACTOR shall possess all existing permits and approvals by local enforcement agencies to be in full compliance with all regulatory agencies to conduct all operations at the approved location. CONTRACTOR shall, upon written request from the CITY, arrange for the facilities selected by the CONTRACTOR to provide copies of facility permits, notices of violations, inspection areas or concerns, or administrative action to correct deficiencies related to the operation. Failure to provide facility information shall result in the levy of administrative charges as specified in Article

18 of this Agreement and may result in the CONTRACTOR being in default under this Agreement.

9.01.2 Disposal Facility. Except as set forth below, all Refuse Collected as a result of performing Collection Services shall be transported to, and delivered on the same day as Collection, at the Disposal Facility listed in Exhibit 3. In the event the Disposal Facility is closed on a Work Day, the CONTRACTOR shall transport and dispose of the Refuse at such other legally permitted disposal facility as is approved by CITY. Failure to comply with this provision shall result in the levy of administrative charges as specified in Article 18 of this Agreement and may result in the CONTRACTOR being in default under this Agreement.

9.01.2.1 Status of Disposal Site. Any Disposal Facility utilized by CONTRACTOR, shall be designed and constructed in accordance with 23 California Code of Regulations Section 2510 et seq. ("Subchapter 15"). Any such landfill has been issued all permits from federal, state, regional, county and city agencies necessary for it to operate as a Class III Sanitary Landfill and is in full regulatory compliance with all such permits.

9.01.2.2 Capacity Agreement. CONTRACTOR warrants and guarantees CITY that its process, transfer, and Disposal Facilities listed in Exhibit 3 will have capacity for all Refuse Collected by CONTRACTOR pursuant to this Agreement throughout the term hereof. CONTRACTOR will either retain ownership of this facility, or obtain and/ or retain contracts with this facility guaranteeing such capacity for the term of this Agreement. CONTRACTOR shall be solely responsible for transfer and disposal of residual waste from this facility to the Disposal Facility.

9.01.3 Organic Waste Processing Facility. CONTRACTOR shall deliver all Collected Organic Waste to a fully permitted Organic Waste Processing Facility listed in Exhibit 3 within twenty-four (24) hours of Collection. In the event the facility is closed on a Work Day, the CONTRACTOR shall transport and deliver the Organic Waste to such other legally permitted facility as is approved by the CITY. CONTRACTOR shall ensure that all Organic Waste Collected pursuant to this Agreement, except residue resulting from processing, is delivered to the approved Organic Waste Processing Facility in accordance with AB 939 and subsequent legislation and regulations. Failure to comply with this provision shall result in the levy of administrative charges as specified in Article 18 of this Agreement and may result in the CONTRACTOR being in default under this Agreement.

9.01.4 Materials Recovery Facility. All Recyclable Materials Collected as either Source Separated Recyclables or as mixed waste as a result of performing SFD, MFD, Commercial and City Recycling Services shall be delivered to the Materials Recovery Facility (MRF) listed in Exhibit 3. In the event the MRF is closed on a Work Day, the CONTRACTOR shall transport and deliver the Recyclable Materials to such other legally permitted MRF as is approved by CITY. Failure to comply with this provision shall result in the levy of administrative charges as specified in Article 18 of this Agreement and may result in the CONTRACTOR being in default under this Agreement.

9.01.5 Transformation Facility. Any Transformation Site utilized by CONTRACTOR, shall be designed and constructed in accordance with applicable federal, State, regional, County and City laws. Any such Transformation Facility utilized by CONTRACTOR shall have been issued all permits from federal, State, regional,

County and City agencies necessary for it to operate as a Transformation Facility and shall be in full regulatory compliance with all such permits.

9.01.6 Inspections. The CITY shall have the right to inspect the CONTRACTOR'S facilities or Collection vehicles and their contents at any time while operating inside or outside the CITY.

9.02 Marketing and Sale of Recyclable Material. CONTRACTOR shall be responsible for marketing and sale of all Recyclable Materials Collected pursuant to this Agreement.

Article 10. SFD Collection Services

10.01 Provision of Carts for SFD Service Units. CONTRACTOR shall provide each Customer at a SFD Service Unit with one Cart designated for the Collection of Refuse (a "Refuse Cart"), one Cart designated for the Collection of Recyclable Materials (a "Recycling Cart"); and one Cart for Collection of Organic Waste (an "Organic Waste Cart"). The default cart size shall be sixty-four (64) gallons. Any Customer requesting a smaller or larger Refuse, Recycling and/or Organic Waste Cart(s) shall be provided with either a twenty (20) gallon, thirty-five (35) gallon, or a ninety-six (96) gallon Cart(s) by CONTRACTOR instead of the standard sixty-four (64) gallon Cart noted above.

10.01.1 Use of Existing Carts. CONTRACTOR has been providing Collection Services in CITY pursuant to the prior amended Agreement utilizing Refuse, Recycling and Organic Waste Carts identical to those required by this Agreement. CONTRACTOR may utilize the Carts that were distributed to Customers in connection with the Prior Agreement to satisfy its obligations under this Agreement. CONTRACTOR shall replace the Carts in accordance with the Vehicle and Container Replacement Schedule set forth in Exhibit 6.

10.02 Placement of Carts for Collection. Wherever feasible, Customers shall be directed by CONTRACTOR to place Carts for Collection either on the sidewalk, street gutter, against the curb, in front of their Premises, or adjacent to their Premises in the alley or easement in the rear of their Premises. If a Customer and CONTRACTOR cannot agree upon a Collection location, or if CITY determines the selected location may cause safety or other concerns, CITY may make the final determination of the Collection location.

10.03 Collection Requirement. CONTRACTOR shall provide SFD Collection Service to all Customers at SFD Service Units in the Service Area not less than once per week, at rates that do not exceed the Maximum Service Rates set forth in Exhibit 11. SFD Collection Service shall be scheduled so that a SFD Service Unit receives SFD Refuse Collection Service, SFD Recycling Collection Service, and SFD Organic Waste Collection Service on the same Work Day.

10.04 Walk-Out Service. CONTRACTOR shall provide "Walk-Out SFD Collection Services" to a SFD Service Unit when requested as set forth below. This service shall require CONTRACTOR to use its own forces to bring a Customer's Carts or other Containers used for Collection from the Customer's backyard, side yard, or such other location at which the Customer's Containers are regularly stored, to CONTRACTOR's Collection Vehicle; and, after disposal of the contents thereof, returning said Carts or Containers to the location where they are regularly stored.

10.04.1 Walk-Out Service Collection Day. CONTRACTOR's Collection schedule shall be arranged such that it shall provide service to qualified Customers receiving Walk-Out Service on the same Work Day that curbside Collection would otherwise be provided to the SFD Service Unit.

10.04.2 CONTRACTOR shall provide Walk Out SFD Collection Services at no additional cost to the SFD Service Unit meeting the following criteria:

10.04.2.1 SFD Service Units at which all adult Customers have disabilities that prevent them from setting their Carts at the curb for Collection themselves. Any dispute between a Customer and CONTRACTOR as to the Customer's eligibility for Walk Out SFD Collection Services pursuant to this provision shall be resolved by the Agreement Administrator whose decision shall be final.

10.05 Hours and Days of Collection. Except as provided in Section 4.05, SFD Collection Service shall be provided, commencing no earlier than 7:00 a.m. and terminating no later than 6:00 p.m., Monday through Friday. The hours, days, or both of Collection may be extended due to extraordinary circumstances or conditions with the prior verbal or written consent of the Agreement Administrator. Notwithstanding the foregoing, in the event required by unusual or emergency circumstances, or temporary changes needed to accommodate seasonal fluctuation in Collection needs, the Agreement Administrator may authorize a modification to the above time limitations.

10.06 Manner of Collection. The CONTRACTOR shall provide SFD Collection Service with as little disturbance as possible and shall leave any Cart in an upright position at the same point it was Collected without obstructing alleys, roadways, driveways, sidewalks or mailboxes.

10.07 Replacement of Refuse, Recycling, and Organic Waste Carts. CONTRACTOR'S employees shall take care to prevent damage to Carts by unnecessary rough treatment. However, any Cart damaged by the CONTRACTOR shall be replaced by the CONTRACTOR, at the CONTRACTOR'S expense, on or before the next service date at no cost or inconvenience to the Customer.

10.07.1 Upon notification to the CONTRACTOR by the CITY or a Customer that the Customer's Refuse, Recycling or Organic Waste Cart(s) has been stolen or damaged beyond repair through no fault of the CONTRACTOR, the CONTRACTOR shall deliver a replacement Cart(s) to such Customer within five (5) Work Days. The CONTRACTOR shall maintain records documenting all Cart replacements occurring on a monthly basis.

10.07.2 Each Customer shall be entitled to the replacement of one (1) lost, destroyed, or stolen Refuse Waste Cart, one (1) lost, destroyed, or stolen Recycling Cart, and one (1) lost, destroyed, or stolen Organic Waste Cart during the Initial Term of this Agreement at no cost to the Customer. Except in cases where a Cart must be replaced because of damage caused by CONTRACTOR or due to ordinary wear and tear, where CONTRACTOR elects to replace a Cart rather than repair it on-site, CONTRACTOR shall be compensated for the cost of those replacements in excess of one (1) per type of Cart per Customer during the term of the Agreement, in accordance with the "Cart Exchange" Service Rate set forth in Exhibit 11.

10.08 Repair of Refuse, Recycling and Organic Waste Carts. CONTRACTOR shall be responsible for repair of damaged Carts, including but not limited to, damaged hinged lids, wheels and axles. Within five business days of being made aware of needed Cart repairs, CONTRACTOR shall either repair the damaged Cart or remove the Cart for repairs and deliver

a replacement Cart to the Customer.

10.09 Ownership of Carts. Ownership of Carts shall rest with the CONTRACTOR.

10.10 SFD Refuse Collection Service.

10.10.1 Conditions of Service. CONTRACTOR shall provide all Customers at Single Family Dwellings with one Cart for Collection of Refuse ("Refuse Cart(s)"), and shall Collect all Refuse placed therein for Collection not less than once per week. Customers shall be directed to place Carts for Collection on the sidewalk to avoid parking impacts. However, CONTRACTOR will Collect Carts placed on either the sidewalk or in the street gutter. CONTRACTOR shall relocate Carts for Collection, when necessary, and return them to their original position. Customers that regularly require more than one Refuse Cart may request a second Cart for an additional fee charged according to the Maximum Service Rates as set forth in Exhibit 11, to be Billed to the Customer by CONTRACTOR.

10.10.2 Refuse Overage. Customers may periodically generate more Refuse than will fit in the Refuse Cart(s). Customers are therefore entitled to two annual pickups of material that does not fit in the Refuse Cart(s) at no additional cost. One pickup shall consist of up to the equivalent of three large bags, boxes or barrels of Refuse. CONTRACTOR shall Collect all Refuse put out for Collection in addition to the foregoing two pickups to be provided at no charge, and Customers may be charged according to the Maximum Service Rates as set forth in Exhibit 11, with charges collected directly from the Customer by the CONTRACTOR. In addition to the two free pickups, CONTRACTOR shall Collect all additional Refuse placed out for Collection in the Customer's own containers (bags, barrels, etc.) at no additional charge during the period beginning December 26 through the end of the holiday tree Collection period. This service is limited to Refuse that could otherwise be placed in the Refuse Cart, and not Bulky Items. CONTRACTOR will track overage pickups in its computer files and collect the Customer charge with an advance credit card payment, or a cash or check payment upon pickup.

10.10.3 Disposal Facility. Except as set forth below, all Refuse Collected as a result of performing SFD Refuse Collection Services shall be transported to, and disposed of, at the Disposal Facility as specified in Article 8 above; provided, however, CONTRACTOR may elect to first process Collected Refuse in order to remove material capable of Recycling (at which point it shall become Recyclable Material), and deliver the residue to the Disposal Facility. In the event the Disposal Facility is closed on a Work Day, CONTRACTOR shall transport and dispose of the Solid Waste at such other legally permitted disposal facility as designated in writing by CITY. Failure to comply with this provision shall result in the levy of an administrative charge as specified in this Agreement and may result in CONTRACTOR being in default under this Agreement.

10.11 SFD Recycling Service.

10.11.1 Conditions of Service. CONTRACTOR shall provide all Customers at Single Family Dwellings with a Cart for Collection of Recyclable Materials ("Recycling Cart(s)"), and shall Collect all Recyclable Materials placed therein for Collection not less than once per week. Customers that regularly fill their Recycling Cart may receive one additional Cart at no additional charge. CONTRACTOR shall Collect Recyclable Material placed in Recycling Carts for Collection from each Customer on the same day as such Customers' Refuse Cart is Collected. CONTRACTOR shall deliver all Recyclable Materials Collected to a MRF as listed in Exhibit 3.

10.11.2 Recycling - Improper Procedure. Except as set forth below in this Section 10.11.2, CONTRACTOR shall not be required to Collect a Recycling Cart if the Customer has Contaminated the load within it with unapproved materials such as Refuse or Organic Waste. If Recyclable Materials in a Recycling Cart are Contaminated through commingling with Refuse or Organic Waste, CONTRACTOR shall, if practical, separate the Refuse or Organic Waste from the Recyclable Materials. The Recyclable Materials shall then be Collected and the Refuse or Organic Waste shall be left in the Recycling Cart along with a Non-Collection Notice explaining why the Refuse or Organic Waste is not considered a Recyclable Material. However, in the event the Recyclable Materials and Refuse or Organic Waste are commingled to the extent that they cannot easily be separated by the CONTRACTOR or the nature of the Refuse or Organic Waste renders the entire Recycling Cart Contaminated, CONTRACTOR may leave the Recycling Cart un-Collected along with a Non-Collection Notice that contains instructions on the proper procedures for segregating Recyclable Materials in the Recycling Cart.

10.12 SFD Organic Waste Collection Service.

10.12.1 Conditions of Service. CONTRACTOR shall provide all Customers at SFD that receive Refuse Collection utilizing Refuse Carts with a Cart for Collection of Organic Waste. CONTRACTOR shall Collect all Organic Waste placed in Organic Waste Carts, as well as all Organic Waste bundled as set forth below, and put out for Collection by Customers not less than once per week on the same day as Refuse Collection. Customers shall be directed to place Carts for Collection on the sidewalk to avoid impacting parking, but CONTRACTOR shall Collect Carts from the street as well. CONTRACTOR shall relocate Carts for Collection, when necessary, and return them to their original position. CONTRACTOR's Organic Waste programs shall be as listed below.

10.12.1.1 Green Waste Collection Program. As the default, CONTRACTOR shall provide a Green Waste Collection program whereby it, at a minimum, Collects the types of Green Waste defined in Section 1.53.

10.12.1.2 Food Waste Collection Program. CONTRACTOR and CITY shall meet and confer to determine the cost impact and technical feasibility of CONTRACTOR implementing a Food Waste Collection Program (whereby SFD Customers would place Food Waste in Organic Waste Carts for Collection and processing by CONTRACTOR) if such a program is necessary to meet CONTRACTOR's sixty percent (60%) or seventy percent 70% diversion requirements. Any associated cost impact would be done in conjunction with Section 2.02.3 or 2.03.3 of this Agreement.

10.12.2 Non-Collection. CONTRACTOR shall not be required to Collect any Organic Waste Cart if the Customer has Contaminated the load within it with unapproved materials such as Refuse or Recyclable Materials. In the event of non-collection, CONTRACTOR shall affix to the Organic Waste Cart a Non-Collection Notice explaining why Collection was not made that contains instructions on the proper procedures for segregating Organic Waste in the Organic Waste Cart. CONTRACTOR shall maintain a copy of such notices during the term of this Agreement.

10.12.3 Holiday Tree Collection Program. CONTRACTOR shall operate an annual holiday tree Collection program, beginning December 26th and continuing through 10:00 P.M. on the second Saturday in January. During this period all

holiday trees placed out for Collection by Single Family and Multi-Family Customers shall be Collected by CONTRACTOR.

10.13 SFD Bulky Item Collection Service.

10.13.1 On-Call Bulky-Item Pickup. CONTRACTOR shall provide unlimited Bulky Item pickup service to all SFD Service Units at no additional charge. CONTRACTOR may instruct Customers to provide CONTRACTOR with 48 hours' notice for the items which shall be Collected on the Customer's regular Collection day. However, the CONTRACTOR will be expected to Collect all items placed for Collection, even if the Customer did not call in. If items are placed for Collection other than on Collection day, the CONTRACTOR will Collect the items within 24 hours of notification from CITY. CONTRACTOR shall Collect all Bulky Items as defined in Section 1.10 and conform with Section 13.08, including items referred to as Electronic Waste or "E-Waste."

10.14 Disposal of Electronic Waste. CONTRACTOR shall divert Electronic Waste, or "E-Waste," Collected by taking these goods to a properly permitted facility, and not by landfilling.

10.15 Mixed Waste Processing. If the Term of this Agreement is extended in accordance with Article 2, beginning July 1, 2020, CONTRACTOR shall direct one-hundred percent (100%) of the SFD Refuse Collected to a Materials Recovery Facility (MRF) for processing until directed otherwise by CITY. The processing will occur at a facility listed in Exhibit 3. For the purposes of this Agreement, "100% of the SFD Refuse Collected" is defined as 100% by weight of all SFD Refuse Collected in Refuse Carts, Bins, or permanent Compactors. 100% of the SFD Refuse will be processed through a sorting line and processed in a manner to maximize recovery of Recyclable Materials and Organic Waste. A minimum of eight percent (8%) of this 100% shall be diverted from landfilling. CONTRACTOR shall implement operational changes as necessary to increase recovery from mixed waste to ten percent (10%) by July 1, 2025.

Article 11. MFD Collection Services

11.01 MFD Collection Services. These services will be governed by all conditions of service as specified in Article 12 of this Agreement, with the following additional services:

11.02 Source Separated Recycling Collection. CITY will pay CONTRACTOR per each MFD Service Unit, in accordance with the Maximum Service Rates as set forth in Exhibit 11, for CONTRACTOR to provide Recyclables Collection service to all MFDs. CONTRACTOR will provide each building with a minimum capacity of two 96-gallon Recyclables Carts, but no less than the number of Carts in use prior to implementation of service under this Agreement. MFD Customers may request additional Carts at no additional charge, as space permits and volume of recyclable material accumulated requires. CONTRACTOR must Collect Recyclables a minimum of once per week, regardless of whether the Recyclables Container is full. CONTRACTOR will Collect Recyclables more often at no additional charge if space does not permit Customer to store a sufficient amount of Recyclables Containers for the Customer to require only once per week Collection. CONTRACTOR will wheel out Multi-family Recycling Carts and return the Carts to their storage location. Additional Recyclables Collections shall be performed within 24 hours of notification at no additional charge.

The CONTRACTOR also agrees to make programs available for all other Recyclable Materials for which it has established markets. The CONTRACTOR shall notify all Customers via a mailed

flyer each year of the availability of Recycling Collection programs. CONTRACTOR will provide 35, 64 and 96-gallon Carts, or 18-gallon crates, upon request to Multi-Family Customers for use Collecting Recyclable Materials inside multi-story complexes. The Customer (residents, building janitorial or other staff as arranged by building owner/manager) shall be responsible for delivering Carts from inside the buildings to the storage location accessible to CONTRACTOR, or for emptying crates into Carts at this location prior to weekly MFD Recycling Service Collection day.

11.03 MFD Organic Waste Collection Service.

11.03.1 Conditions of Service. CONTRACTOR shall provide MFD Organic Waste Collection Service in either Bins or Carts to all MFD Service Units that request this service. CONTRACTOR shall not charge for this service. CONTRACTOR shall Collect all Organic Waste placed in Organic Waste Carts, as well as all Organic Waste bundled as set forth below, and put out for Collection by Customers not less than once per week on the same day as Refuse Collection. Customers shall be directed to place Carts for Collection on the sidewalk to avoid impacting parking, but CONTRACTOR shall Collect Carts from the street as well. CONTRACTOR shall relocate Carts for Collection, when necessary, and return them to their original position. CONTRACTOR's Organic Waste Programs is listed below.

11.03.1.1 Green Waste Collection Program. As the default, CONTRACTOR shall provide a Green Waste Collection program whereby it, at a minimum, Collects the types of Green Waste defined in Section 1.53.

11.03.1.2 Food Waste Collection Program. At CITY's option, CONTRACTOR shall implement a Food Waste Collection Program for MFD Service Units whereby MFD Customers may place Food Waste in Organic Waste Carts for Collection and processing by CONTRACTOR. If including Food Waste increases CONTRACTOR's cost, CONTRACTOR shall be entitled to additional compensation in accordance with Exhibit 8.

11.04 Holiday Tree Collection Program. CONTRACTOR shall operate an annual holiday tree Collection program, beginning December 26th and continuing through 10:00 P.M. on the second Saturday in January. During this period all holiday trees placed out for Collection by Single Family and Multi-Family Customers shall be Collected by CONTRACTOR.

11.05 Mixed Waste Processing. On the Effective Date, CONTRACTOR shall direct one-hundred percent (100%) of the MFD Refuse Collected to a Materials Recovery Facility (MRF) for processing until directed otherwise by CITY. The processing will occur at a facility listed in Exhibit 3. For the purposes of this Agreement, "100% of the MFD Refuse Collected" is defined as 100% by weight of all MFD Refuse Collected in Refuse Carts, Bins, or permanent Compactors. 100% of the MFD Refuse will be processed through a sorting line and processed in a manner to maximize recovery of Recyclable Materials and Organic Waste. A minimum of thirty percent (30%) of this 100% shall be diverted from landfilling. CONTRACTOR shall implement operational changes as necessary to increase recovery from mixed waste to thirty-five percent (35%) by July 1, 2020, and further operational changes as necessary to increase recovery to forty-one percent (41%) by July 1, 2025.

11.06 Manner of Collection. CONTRACTOR'S employees providing MFD Collection Service shall follow the regular walk for pedestrians while on private property and shall not trespass nor cross property to the adjoining Premises unless the occupant or owner of both properties has given permission. Care should be taken to prevent damage to property, including

flowers, shrubs, and other plantings.

11.07 On-Call Bulky Item Pickup. CONTRACTOR shall provide unlimited Bulky Item pickup service to all MFD Service Units at no additional charge. CONTRACTOR may instruct Customers to provide CONTRACTOR with 48 hours' notice for the items which shall be Collected on the Customer's regular Collection day. However, the CONTRACTOR will be expected to Collect all items placed for Collection, even if the Customer did not call in. If items are placed for Collection other than on Collection day, the CONTRACTOR will Collect the items within 24 hours of notification from CITY. CONTRACTOR shall Collect all Bulky Items as defined in Section 1.10 and conform with Section 13.08, including items referred to as Electronic Waste or "E-Waste."

Article 12. Commercial Collection Services

12.01 Service Agreements. Any service agreements with Customers shall be consistent with the terms of this Agreement, and no such agreements shall contain any provision that commits a Customer to service beyond the term hereof.

12.02 Hours of Collection. Collection Services shall not start before 7:00 am or continue after 6:00 pm of any day. Notwithstanding the foregoing, in the event required by unusual or emergency circumstances, or temporary changes needed to accommodate seasonal fluctuation in Collection needs, the Agreement Administrator may authorize a modification to the above time limitations. Except as provided in Section 12.03, Collection on Sunday's may only be done with City approval.

12.03 Sunday Collection. CONTRACTOR may make arrangements with Customers, consistent with Applicable Laws, regulations, and ordinances to provide Sunday Commercial Collection Service; however, CONTRACTOR shall not be required to provide Commercial Collection Service on Sundays unless a Customer requests seven day per week service.

12.04 Accessibility. CONTRACTOR shall Collect all Bins, Carts and Roll-Off Containers that are readily accessible to the CONTRACTOR'S crew and vehicles and not blocked. However, CONTRACTOR shall provide "push services" as necessary during the provision of Commercial Collection Services at rates not to exceed those set forth in Exhibit 11. Push services shall include, but not be limited to dismounting from the Collection vehicle, moving the Bins, Carts or Roll-Off Containers from their storage location for Collection and returning the Bins, Carts or Roll-Off Containers to their storage location.

12.05 Locking Bins. All Bins shall have the ability to be locked should the Customer require locking lid service. CONTRACTOR may charge Customers for locks for Bins, provided such charges shall not exceed those set forth in the attached Exhibit 11. CONTRACTOR may require that Customers only use locks provided by CONTRACTOR to lock Bins.

12.06 Manner of Collection. CONTRACTOR shall provide Commercial Collection Service with as little disturbance as possible and shall leave any Bins, Carts or Roll-Off Containers at the same point it originally located without obstructing alleys, roadways, driveways, sidewalks or mailboxes.

12.07 Replacement/Cleaning of Bins. CONTRACTOR shall at Customer's request annually refurbish, replace, or steam clean as necessary all Bins and Roll-Off Containers at no charge to Customers; provided, however, CITY may require the steam cleaning or replacement of Bins utilized at restaurants, bars and grocery stores/markets more frequently if it determines

such action is needed to protect public health and safety. Additional steam cleaning shall be provided to any Customers who request it at a charge not to exceed the Maximum Service Rates set forth in Exhibit 11 hereto, or alternatively CONTRACTOR shall provide a replacement Bin/Roll-off Container to Customers at no charge.

12.08 Commercial Carts. Customers at Commercial Service Units who utilize Carts shall be entitled to Cart replacement pursuant to the same provisions hereof applicable to Customers at SFD Service Units.

12.09 Commercial Refuse Collection Service.

12.09.1 Conditions of Service. Commercial Refuse Collection Service shall be provided as deemed necessary and as determined between the CONTRACTOR and the Customer, but such service shall be received no less than one (1) time per week with no exception for holiday(s) as set forth herein, except that Collection service scheduled to fall on a holiday may be rescheduled as determined between the Customer and the CONTRACTOR as long as the minimum frequency requirement is met. Commercial Refuse Collection Service may be provided by Bin, Cart, or Roll-off at the option of the Customer. The size of the Container and the frequency (above the minimum) of Collection shall be determined between the Customer and the CONTRACTOR. However, size and frequency shall be sufficient to provide that no Solid Waste need be placed outside the Bin or Cart. CONTRACTOR shall set, charge to, and Collect from Customers rates for Commercial Collection Service, which rates shall not exceed those set forth in Exhibit 11, as they may be amended from time to time pursuant to the provisions hereof.

12.09.2 Refuse Overflow. CONTRACTOR may charge Customers an overload fee, as set forth in Exhibit 11. In the case of repeated overflows of Refuse, CONTRACTOR shall contact the Commercial Service Unit Customer to arrange for an appropriate change in Cart or Bin size, Collection frequency or both. In the event CONTRACTOR cannot successfully reach an agreement with such Customer regarding the change in service, CONTRACTOR shall advise the Agreement Administrator who shall make a final written determination as to the required level of service. On or before the next service date after receipt of the Agreement Administrator's written determination, CONTRACTOR shall change the Collection Service in accordance with such written determination.

12.10 Commercial Recycling Service.

12.10.1 Commercial Source Separated Recyclables Collection. CONTRACTOR agrees to provide, at no additional charge, Source Separated Recycling Collection service to Commercial Customers requesting it from the CONTRACTOR. CONTRACTOR may purchase Recyclable Materials from its Customers as well. The CONTRACTOR agrees to provide Recycling Bins, or Carts to Refuse Customers in sufficient quantities to meet the recycling needs of each Customer. The Source Separated Recycling Collection programs shall be made available at a minimum for the same materials as included above in Section 1.80, the SFD Recycling service.

The CONTRACTOR also agrees to make programs available for all other Recyclable Materials for which it has established markets. The CONTRACTOR shall notify all Customers via a mailed flyer each year of the availability of Recycling Collection programs.

12.10.2 Mixed Waste Processing. On the Effective Date, CONTRACTOR shall direct one-hundred percent (100%) of the Commercial Refuse Collected to a Materials Recovery Facility (MRF) for processing until directed otherwise

by CITY. The processing will occur at a facility listed in Exhibit 3. For the purposes of this Agreement, "100% of the Commercial Refuse Collected" is defined as 100% by weight of all Commercial Refuse Collected in Refuse Carts, Bins, or permanent Compactors. 100% of the Commercial Refuse will be processed through a sorting line and processed in a manner to maximize recovery of Recyclable Materials and Organic Waste. A minimum of thirty percent (30%) of this 100% shall be diverted from landfilling. CONTRACTOR shall implement operational changes as necessary to increase recovery from mixed waste to thirty-five percent (35%) by July 1, 2020, and further operational changes as necessary to increase recovery to forty-one percent (41%) by July 1, 2025.

12.10.2.1 Recycling - Improper Procedure. Except as set forth below, CONTRACTOR shall not be required to Collect materials placed out in a Bin or Cart designated for Recyclable Materials if the Customer has Contaminated the load within it with unapproved materials such as Refuse or Organic Waste. If Recyclable Materials in a designated Recycling Container are contaminated through commingling with Refuse or Organic Waste, CONTRACTOR shall, if practical, separate the Refuse or Organic Waste from the Recyclable Materials. The Recyclable Materials shall then be Collected and the Refuse or Organic Waste shall be left in the Recycling Container along with a Non-Collection Notice explaining why the Refuse or Organic Waste is not considered a Recyclable Material. However, in the event the Recyclable Materials and Refuse or Organic Waste are commingled to the extent that they cannot easily be separated by the CONTRACTOR or the nature of the Refuse or Organic Waste renders the entire Recycling Container Contaminated, CONTRACTOR may leave the Recycling Container un-Collected along with a Non-Collection Notice that contains instructions on the proper procedures for segregating Recyclable Materials.

12.11 Commercial Organic Waste Collection Services.

12.11.1 Green Waste Collection Services. This service shall be provided as deemed necessary and as determined between the CONTRACTOR and the Customer, but such service shall be received no less than one (1) time per week with no exception for holiday(s) as set forth herein, except that Collection service scheduled to fall on a holiday may be rescheduled as determined between the Customer and the CONTRACTOR as long as the minimum frequency requirement is met. Service may be provided by Bin or Cart at the option of the Customer. The size of the Container and the frequency (above the minimum) of Collection shall be determined between the Customer and the CONTRACTOR. However, size and frequency shall be sufficient to provide that no Green Waste need be placed outside the Bin or Cart. CONTRACTOR shall provide one (1) Organic Waste Cart at no charge, and may charge for additional Organic Waste Carts in accordance with Exhibit 11. CONTRACTOR may charge for Organic Waste placed in Bins or Roll-Off Containers in accordance with Exhibit 11.

12.11.2 Restaurant Food Waste Diversion Program. CONTRACTOR shall Collect Refuse or Source Separated Organic Waste from all of the CITY's food waste generating Commercial Customers (restaurants, coffee shops, cafeterias, etc.) on a separate route from other Refuse. These loads of mixed restaurant waste will be processed using a negative sort to remove all non-compostables. The remaining compostable materials, including food waste, green waste, cardboard and paper, will be recovered at a composting facility as listed in Exhibit 3. A minimum of sixty-seven percent (67%) of food waste per year shall be recovered and diverted from restaurant food waste

through this program.

CONTRACTOR will visit each food waste generating Commercial Customer once per Agreement Year and conduct audits to customize food waste diversion programs to each individual Customer as needed. Such customization may include providing separate Containers for compostable materials versus other Refuse.

All food waste diversion program services are to be provided at no additional cost to the CITY or Customers. Rates for the Collection of Refuse from food waste generating Commercial Customers that is sorted for compostables may be no more than the rates approved for Collection of Refuse from other Commercial Customers.

12.12 Commercial Bulky Item Collection Service.

12.12.1 On-Call Bulky Item Pickup. CONTRACTOR shall provide Commercial Bulky Item Collection Service to all Commercial Service Units in the Service Area. CONTRACTOR may charge Commercial Customers for Bulky Item Collection according to the Maximum Service Rates as set forth in Exhibit 11. The location for Collection of Bulky Items shall be as agreed to by the CONTRACTOR and Customer, and shall be a location that will provide safe and efficient accessibility to the CONTRACTOR'S Collection crew and vehicle. CONTRACTOR may instruct Customers to provide CONTRACTOR with 48 hours' notice for the items which shall be Collected on the Customer's regular Collection day. However, the CONTRACTOR will be expected to Collect all items placed for Collection, even if the Customer did not call in. If items are placed for Collection other than on Collection day, the CONTRACTOR will Collect the items within 24 hours of notification from Customer. CONTRACTOR shall Collect all Bulky Items as defined in Section 1.10 and conform with Section 13.08, including items referred to as Electronic Waste or "E-Waste."

12.13 Permanent Roll-Off Container Service. Under this Agreement, CONTRACTOR shall provide exclusive Roll-Off Container Collection service to permanent accounts, but excluding temporary Roll-Off Container Service. CONTRACTOR may charge a rate per pull plus actual processing or disposal costs based on the approved fee per ton as listed in Exhibit 11. Temporary Roll-Off Container Service or Recyclable Material Roll-Off Container service may be provided by CONTRACTOR or other haulers or permitted recyclers in accordance with the City of West Hollywood Municipal Code.

12.13.1 Mixed Waste Processing. On the Effective Date, CONTRACTOR shall direct one-hundred percent (100%) of the Refuse Collected from Permanent Compactors and Roll-Off Containers to a MRF for processing until directed otherwise by CITY. The processing will occur at the facility listed in Exhibit 3. For purposes of this Agreement, "Permanent Compactors and Roll-Off Containers" is defined as 100% by weight of all Refuse Collected in compactors and Roll-Off Containers. 100% of Refuse Collected from Permanent Compactors and Roll-Off Containers will be processed through a sorting line and processed in a manner to maximize recovery of recyclables. A minimum of thirty percent (30%) of this 100% shall be diverted from landfilling. CONTRACTOR shall implement operational changes as necessary to increase recovery from mixed waste to thirty-five percent (35%) by July 1, 2020, and further operational changes as necessary to increase recovery to forty-one percent (41%) by July 1, 2025.

Article 13. CITY Collection Services

13.01 CITY Collection Services. CONTRACTOR shall provide CITY Collection Services (including CITY Refuse Collection Service, CITY Recycling Service, and CITY Organic Waste Collection Service) at all CITY Service Units at no cost to CITY and shall provide Containers for such service as CITY deems appropriate for each of its various Premises (i.e., Carts, Bins or Roll-off Containers). Such services shall be provided for all existing CITY facilities, as they may be expanded from time to time, as well as all new or additional facilities acquired/constructed during the term hereof. CONTRACTOR shall carry out its obligations pursuant to this provision in a manner, and to a degree, approved by the Agreement Administrator. Exhibit 1, attached hereto and incorporated herein, is a list of current facilities, provided for informational purposes only, at which the forgoing CITY Collection Services shall be provided, but is not intended as an all-inclusive list or to in any way limit CONTRACTOR's obligations hereunder.

13.02 CITY Temporary Roll-Off Collection Service. CONTRACTOR's obligation hereunder shall include the obligation to provide temporary CITY Roll-Off Service to all CITY Service Units requesting such service at no charge to CITY; provided, however, such no-cost services shall not include Construction and Demolition Debris or material not generated by the CITY in its normal operations. CONTRACTOR shall respond to requests for service within two (2) Work Days of receipt of the request.

13.03 CITY Code Enforcement Clean-Up Services. CONTRACTOR obligations hereunder shall include the obligation to provide CITY Collection Services to support Code Enforcement, by providing Bins, Cart, or a Roll-Off Containers, as appropriate, within twenty-four (24) hours of a request of the Agreement Administrator; and, in connection therewith CONTRACTOR shall transport and deliver the Collected Solid Waste to the Disposal Facility, the Materials Recovery Facility, Green Waste Processing Facility, or such other facility as is appropriate. CONTRACTOR may charge for CITY code enforcement clean-up services in accordance with Exhibit 11.

13.04 Streetside Litter Container Collection and Container and Bench Cleaning. CONTRACTOR shall Collect and dispose of all Solid Waste deposited in CITY'S current and future street litter Containers as part of the consideration for the CITY granting it the exclusive rights for Integrated Solid Waste Management Services set forth herein. Current locations of streetside litter Containers are in Exhibit 2. CITY provides containers; CONTRACTOR provides 32-gallon inserts. All such Containers will be emptied as frequently as necessary to prevent overflow, but at least once per day, Monday through Saturday. Containers on Santa Monica Blvd. between La Cienega and Robertson will require Sunday Collection. From time to time additional streetside litter Containers may be identified on Santa Monica Boulevard and Sunset Boulevard for inclusion in the Sunday Collection. CONTRACTOR will wash and disinfect all such Containers and accompanying bus benches at least once per month.

13.05 Special Pickup/Abandoned Item Collection. As part of the consideration for the CITY granting it the exclusive rights for Integrated Waste Management Services set forth herein, CONTRACTOR will Collect all items abandoned in CITY's public right-of-ways, or on CITY's public property within 24 hours of notification from the CITY to do so. CONTRACTOR shall not charge CITY for this service.

13.06 CITY Special Event Collection Service. CONTRACTOR shall provide CITY Collection Services, as well as Containers for Refuse, Organic Waste and/or Recyclable Materials (as deemed appropriate by the Agreement Administrator), at all CITY-sponsored

special events at no cost.

13.06.1 Mixed Waste Processing. On the Effective Date, CONTRACTOR shall direct one-hundred percent (100%) of all Solid Waste collected at special events held within the CITY to a MRF for processing or composting until directed otherwise by CITY. The processing will occur at a facility listed in Exhibit 3. For the purposes of this Agreement, "100% of Special Event Solid Waste" is defined as 100% by weight of all Solid Waste generated at Special Events and Collected in Refuse, Organic, or Recyclable Materials Carts, Bins, or permanent Compactors. 100% of the Special Event Solid waste will be processed through a sorting line and processed in a manner to maximize recovery of Recyclable Materials and Organic Waste. A minimum of thirty percent (30%) of this 100% shall be diverted from landfilling. CONTRACTOR shall implement operational changes as necessary to increase recovery from mixed waste to thirty-five percent (35%) by July 1, 2020, and further operational changes as necessary to increase recovery to forty-one percent (41%) by July 1, 2025.

13.06.2 Attached hereto, and incorporated herein, as Exhibit 5 is a list of the current CITY-sponsored special events which has been provided for informational purposes only, and for which the forgoing CITY Collection Services shall be provided. Exhibit 5 is not intended as an all-inclusive list or to in any way limit CONTRACTOR'S obligations hereunder.

13.06.3 The foregoing notwithstanding, CONTRACTOR may charge non-City event sponsors for events other than the CITY Sponsored Events set forth in Exhibit 5 solely Cart, Bin and Roll-off Container Collection of Refuse, Organic Waste, or Recyclable Materials, for cardboard collection boxes, and CONTRACTOR'S direct costs associated with providing such services in accordance with the approved rate schedule for servicing those events.

13.07 Emergency Collection and Disposal Service. CONTRACTOR will assist CITY at the CITY's request with emergency Collection and disposal service (in the event of major disaster, such as an earthquake, storm, riot or civil disturbance), or as otherwise determined necessary by the CITY, by providing Collection vehicles and drivers normally assigned to the CITY, at the rates not exceeding those set forth on Exhibit 11.

13.08 Bi-Annual Neighborhood Cleanup Campaign. As part of the consideration for the CITY granting it the exclusive rights for Integrated Waste Management Services set forth herein, CONTRACTOR shall conduct neighborhood clean-ups twice per year. Customers may drop-off Bulky Items at CITY-designated locations in CONTRACTOR-provided Containers. CONTRACTOR shall deliver Roll-off Containers to sites as directed by, process or dispose of all Collected Solid Waste, and replace Containers if necessary at no charge to CITY or Customers. The following provisions shall apply to this program:

13.08.1 No single item that cannot be handled by two workers will be accepted.

13.08.2 The following items will not be picked up: Hazardous Substances, Hazardous Waste, including waste oil or anti-freeze; concrete and dirt. (For the purposes of this Section, televisions, monitors and other items referred to as "E-Waste" are not considered hazardous and will be Collected by and disposed of in accordance with this Section as well as Section 13.08, Section 10.13.1, and Section 13.05 by CONTRACTOR.)

13.08.3 CONTRACTOR shall record by class and weight (in tons) the Solid Waste Collected during the cleanup events. CONTRACTOR shall record the kinds and weights (in tons) of Solid Waste diverted, if any, during these cleanups from the landfill through Recycling, reuse, Transformation or other means of diversion.

13.09 Maximize Diversion at Large Special Events. CONTRACTOR will work with large venue event organizers, including the LA Marathon, Halloween Festival, Christopher Street West/Gay Pride, Sunset Strip Business Association, Pacific Design Center, etc. to develop recycling plans for events planned each year in the CITY. CONTRACTOR will assist event organizers to incorporate "zero waste" focus and practices, track and report diversion, and other successes during events.

13.10 Additional Programs and Services. CONTRACTOR shall provide additional services and programs as requested by CITY at a price to be mutually agreed upon between the CONTRACTOR and the Agreement Administrator. In the event the CONTRACTOR and the Agreement Administrator cannot reach a mutually agreed upon price for the requested service or program, and such service or program is entirely outside the scope of services contemplated by this Agreement, CITY shall have the right to procure the service of other vendors or contractors to provide the requested service.

Article 14. Collection Equipment and Personnel

14.01 Collection Vehicles

14.01.1 General Provisions. All Collection vehicles used by CONTRACTOR in the performance of services under this Agreement shall be of a high quality and meet all federal, state, and local regulations and air quality standards. The vehicles shall be designed and operated so as to prevent Collected materials from escaping from the vehicles. Hoppers shall be closed on top and on all sides with screening material to prevent Collected materials from leaking, blowing or falling from the vehicles. CONTRACTOR's Collection vehicles shall be maintained so as to both: (1) meet the highest industry standards with regards to efforts to prevent liquid from leaking and to the degree possible be "watertight" and "leak-proof", and (2) at all times comply with the provisions of all laws and regulations, including any applicable National Pollution Discharge Elimination Systems ("NPDES") permit, with regards to leaking of materials. CONTRACTOR shall immediately clean up any spills from its Collection vehicles of which it becomes or is made aware, in a manner that complies with all Applicable Laws. In addition to complying with all Applicable Laws, CONTRACTOR shall, at a minimum: notify the Agreement Administrator and applicable Hazardous Materials Management Agencies within one (1) hour of a spill or leak of any Hazardous Substance or Waste; clean up any spillage or litter caused by CONTRACTOR within ninety (90) minutes upon notice from the CITY; and, to facilitate such cleanup, CONTRACTOR'S Collection vehicles shall at all times carry reasonable quantities of petroleum absorbent materials along with a broom and shovel.

14.01.2 Vehicle Registration, Licensing and Inspection. On or before January 1, 2015 and upon request by the CITY thereafter during the term of this Agreement, CONTRACTOR shall submit documentation to the Agreement Administrator to verify that each of the CONTRACTOR'S Collection vehicles is in compliance with all registration, licensing and inspection requirements of the California Highway Patrol, the California Department of Motor Vehicles, and any other Applicable Laws or regulations. CONTRACTOR shall not use any vehicle to perform Collection Services that is not in

compliance with applicable registration, licensing and inspection requirements. Each vehicle shall comply, at all times, with all applicable statutes, laws or ordinances of any public agency. Routine inspections by the California Highway Patrol will be required bi-annually and certificates for said inspection shall be filed with the CITY upon request.

14.02 Clean Air Vehicles. During the term of this Agreement, to the extent required by law, CONTRACTOR shall provide its Collection vehicles to be in full compliance with local, State and federal clean air requirements that were adopted, including, but not limited to, the California Air Resources Board Heavy Duty Engine Standards as currently proposed to be contained in CCR Title 13, Section 2020 et seq; the Federal EPA's Highway Diesel Fuel Sulfur regulations and any other applicable air pollution control laws.

14.02.1 Fuel Type. CONTRACTOR shall utilize compressed natural gas (CNG) as the fuel type for all its Collection vehicles, and to the extent practical CNG, bio-diesel or hybrid electric for all its support vehicles.

14.03 Best Available Technology. CONTRACTOR's collection vehicle fleet shall utilize best available technology when providing integrated solid waste management services pursuant to this Agreement, consistent with CONTRACTOR'S fleet of collection vehicles.

14.04 Collection Vehicle Replacement. Collection vehicles utilized by CONTRACTOR pursuant to this Agreement shall be replaced with new vehicles as specified in the replacement schedule in Exhibit 6, but in no event all Collection vehicles must be replaced no later than July 1, 2017.

14.05 Collection Vehicle Age. Without prior approval of the CITY, CONTRACTOR shall not operate any Collection vehicle within the CITY that is older than ten (10) years after the date first put in service. The CITY may grant exceptions if CONTRACTOR demonstrates to the CITY's satisfaction that any such Collection vehicles older than ten (10) years have been fully refurbished, do not negatively impact services provide in the CITY, or a new collection vehicle to replace the older vehicles has been ordered by CONTRACTOR but not yet received.

14.06 Collection Vehicle Noise Level. The noise level generated by Collection vehicles using compaction mechanisms during the compaction process shall not exceed seventy-five (75) decibels at a distance of twenty-five (25) feet from the Collection vehicle measured at an elevation of five (5) feet above ground level using the "A" scale of the standard sound level meter at slow response.

14.07 Safety Markings. All Collection equipment used by CONTRACTOR shall have appropriate safety markings including, but not limited to, highway lighting, flashing and warning lights, clearance lights, and warning flags. All such safety markings shall be subject to the approval of the CITY and shall be in accordance with the requirements of the California Vehicle Code, as may be amended from time to time. All Collection vehicles shall be equipped with audible back-up warning devices and visible back-up warning devices.

14.07.1 Vehicle Signage and Painting. Collection vehicles shall be painted and numbered consecutively without repetition and shall have the CONTRACTOR'S name, CONTRACTOR'S Customer service telephone number, and the number of the vehicle painted in letters of contrasting color, at least four (4) inches high, on each side and the rear of each vehicle. No advertising shall be permitted other than the name of the CONTRACTOR except for education and promotional programs which may include but not be limited to recycling, bulky items, organic waste, anti-scavenging, and clean fuel fleet. CONTRACTOR shall repaint all vehicles (including vehicle striping) during the term of this Agreement on a frequency as necessary to

maintain a positive public image as reasonably determined by the Agreement Administrator, but not less often than every thirty-six (36) months beginning July 1, 2015.

14.07.2 Bin Signage, Painting, and Cleaning. All metal Bins of any service type furnished by the CONTRACTOR shall be either painted or galvanized. All metal or plastic Bins shall display the CONTRACTOR'S name, CONTRACTOR'S Customer service telephone number, and the number of the bin and shall be kept in a clean and sanitary condition. Such Bins, as are provided by the CONTRACTOR, shall be steam cleaned by the CONTRACTOR as frequently as necessary so as to maintain them in a sanitary condition. At a minimum, CONTRACTOR shall steam clean or replace the Bins as needed once per year at CONTRACTOR'S expense. Bins will be subject to periodic, unscheduled inspections by the CITY and determination as to sanitary condition shall be made by the CITY.

14.08 Maintenance Log. CONTRACTOR shall maintain a maintenance log for all Collection vehicles. The log shall at all times be accessible to CITY by physical inspection upon request of Agreement Administrator, and shall show, at a minimum, each vehicles CONTRACTOR assigned identification number, date purchased or initial lease, dates of performance of routine maintenance, dates of performance of any additional maintenance, and description of additional maintenance performed.

14.09 Reserve Equipment. CONTRACTOR shall have available to it, at all times, reserve Collection equipment which can be put into service and operation within three (3) hours of any breakdown. Such reserve equipment shall correspond in size and capacity to the equipment used by the CONTRACTOR to perform the contractual duties.

14.10 Equipment Maintenance. CONTRACTOR shall maintain Collection equipment in a clean condition and in good repair at all times. All parts and systems of the Collection equipment shall operate properly and be maintained in a condition satisfactory to CITY. CONTRACTOR shall wash all Collection vehicles at least once a week.

14.11 Bulky Items. Vehicles used for Collection of Bulky Items shall not use damage reusable goods or release Freon or other gases from pressurized appliances.

14.12 Collection Vehicle Size Limitations. CONTRACTOR shall not use any Collection vehicle exceeding 40 cubic yards in capacity or exceeding 56,000 pounds when loaded. The CONTRACTOR may exceed the Collection vehicle size limitation for a limited time period due to extraordinary circumstances or conditions with the prior written consent of the Agreement Administrator. The limited time period shall not exceed 120 days.

14.13 Containers. CONTRACTOR shall provide and maintain all Carts, Bins and Roll-off Containers in a clean, properly labeled and maintained manner, and free of any graffiti. CONTRACTOR shall remove, repair, or replace any damaged Cart, Bin, or Roll-off Container that is damaged, dirty, or marked by graffiti, as requested by a Customer or the CITY within forty-eight (48) hours of such a request at no additional charge.

14.14 Cart Replacement. Carts that are in service as of the Effective Date shall be replaced in accordance with the replacement schedule set forth in Exhibit 6.

14.15 Personnel Requirements. The CONTRACTOR shall employ and assign qualified personnel to perform all services set forth herein. The CONTRACTOR shall be responsible for ensuring that its employees comply with all Applicable Laws and regulations and meet all federal, state and local requirements related to their employment and position.

14.15.1 Qualified Drivers. CONTRACTOR shall furnish such qualified drivers, mechanical, supervisory, clerical, management and other personnel as may be necessary to provide the services required by this Agreement in a satisfactory, safe, economical and efficient manner. All drivers shall be trained and qualified in the operation of vehicles they operate and must possess a valid license, of the appropriate class, issued by the California Department of Motor Vehicles.

14.15.2 Customer Courtesy. CONTRACTOR shall train its employees in Customer courtesy, shall prohibit the use of loud or profane language, and shall instruct Collection crews to perform the work quietly. CONTRACTOR shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. If any employee is found to be discourteous or not to be performing services in the manner required by this Agreement, CONTRACTOR shall take all necessary corrective measures including, but not limited to, transfer, discipline or termination. If CITY has notified CONTRACTOR of a complaint related to discourteous or improper behavior, CONTRACTOR will consider reassigning the employee to duties not entailing contact with the public while CONTRACTOR is pursuing its investigation and corrective action process.

14.15.3 Identification Required. CONTRACTOR shall provide its employees, companies and subcontractors with identification for all individuals who may make personal contact with residents or businesses in CITY. CITY may require CONTRACTOR to notify Customers annually of the form of said identification. CONTRACTOR shall provide a list of current employees, companies, and subcontractors to CITY upon request.

The CITY reserves the right to perform a security and identification check through the Los Angeles County Sheriffs Department upon CONTRACTOR and all its present and future employees employed by CONTRACTOR to work in the CITY, in accordance with accepted procedures established by the CITY, or for probable cause.

14.15.4 Fees and Gratuities. CONTRACTOR shall not, nor shall it permit any agent, employee, or subcontractors employed by it, to request, solicit, demand, or accept, either directly or indirectly, any compensation or gratuity for temporary Bin/Roll-off services or the Collection, transportation, Recycling, processing, and disposal of Solid Waste, other than as provided under this Agreement.

14.15.5 Unauthorized Material Removal. CONTRACTOR will dismiss or discipline employees that remove documents or any other material from Containers, other than specifically for the purposes of disposal and diversion as described in this Agreement.

14.15.6 Discontinued Use of Unsatisfactory Employees. The CITY may request the transfer of any employee of the CONTRACTOR who materially violates any provision hereof, or who is wanton, negligent, or discourteous in the performance of his duties.

14.15.7 Uniforms. CONTRACTOR'S field operations personnel shall be required to wear a clean uniform shirt bearing the CONTRACTOR'S name. CONTRACTOR'S employees, who normally come into direct contact with the public, including drivers, shall bear some means of individual photographic identification such as a nametag or identification card.

14.15.8 Driver's License. Each driver of a Collection vehicle shall at all times carry a valid California driver's license and all other required licenses for the type of

vehicle that is being operated.

14.15.9 Compliance with Applicable Laws. Each driver of a Collection vehicle shall at all times comply with all Applicable Laws, regulations and requirements.

14.15.10 Identification of Employees. CONTRACTOR'S employees, officers, and agents shall at no time be allowed to identify themselves or in any way represent themselves as being employees of the CITY.

14.15.11 Identification of CONTRACTOR. The CONTRACTOR'S name and the Customer service telephone number shall be properly displayed on all Collection vehicles.

14.15.12 Employee List. CONTRACTOR shall provide a list of current employees and authorized subcontractors to CITY upon request.

14.15.13 Training and Legal Compliance. CONTRACTOR shall provide operating and safety training for all personnel that meet minimum OSHA standards, and shall comply with all Applicable Laws and regulations applicable to its employees and personnel. CONTRACTOR shall establish and enforce an education program designed to train CONTRACTOR's employees in the identification of Hazardous Wastes, and will provide employees with appropriate literature to leave behind at Premises which improperly place Hazardous Wastes for Collection along with Solid Waste. CONTRACTOR's employees shall not knowingly place such Hazardous Wastes into the Collection vehicles, nor shall they knowingly dispose of such Hazardous Wastes in any manner other than that authorized by Applicable Laws and regulations.

Article 15. Service Inquiries and Complaints

15.01 CONTRACTOR Representative. CONTRACTOR shall designate a "CONTRACTOR Representative" and shall provide the name of that person in writing to the CITY within thirty (30) days of the execution of this Agreement and annually by January 1st of each subsequent Agreement Year of this Agreement and any other time the person in that position changes. The CONTRACTOR Representative shall be available to the CITY through the use of telecommunications equipment at all times that CONTRACTOR is providing Collection Services in the Service Area. The CONTRACTOR Representative shall provide the CITY with an emergency phone number where the CONTRACTOR Representative can be reached outside of normal business hours.

15.02 Service Supervisor. CONTRACTOR shall assign a qualified "Service Supervisor" to be in charge of the Collection Service within the Service Area and shall provide the name of that person in writing to the Agreement Administrator within thirty (30) days of the execution of this Agreement, and annually by January 1st of each subsequent Agreement Year of the term of this Agreement, and any other time the person in that position changes. The Service Supervisor shall be available to the Agreement Administrator through the use of telecommunication equipment 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.

15.03 CONTRACTOR'S Office. CONTRACTOR shall maintain a customer service center as listed in Exhibit 3. Said office shall be open ("Office Hours"), at a minimum, from 7:00 A.M. to 5:00 P.M., Monday through Friday, and from 7:00 A.M. to 3:00 P.M. on Saturdays,

exclusive of holidays. A responsible and qualified representative of CONTRACTOR shall be available during Office Hours for personal communication with the public at the local office, and a similarly qualified person shall be available for communication with the public by phone during any times other than Office Hours when Collection is occurring.

15.04 Emergency Contact. The CONTRACTOR shall provide the Agreement Administrator with an emergency phone number where the CONTRACTOR can be reached outside of the required office hours.

15.05 Telephone Customer Service Requirements. CONTRACTOR shall maintain a toll free telephone number that rings at its customer service center during Office Hours. Bilingual (English and Spanish speaking) personnel will be available during Office Hours to assist Customers with both personal and telephonic inquiries. To accommodate Russian speaking Customers, CONTRACTOR will provide a 150 language translation service, which includes Russian. CONTRACTOR's telephone system shall be adequate to handle the volume of calls typically experienced on the busiest days. CONTRACTOR shall also maintain a toll free telephone number for use at times other than Office Hours, which number shall be published in the West Hollywood telephone directory at the CONTRACTOR's expense. CONTRACTOR shall have a representative, answering or message providing/receiving (voice-mail) service available at said non-Office Hours telephone number. Calls received at times other than during Office Hours shall be responded to on the next business day.

15.05.1 All incoming calls will be answered within five (5) rings. Any call "on-hold" in excess of 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 3:00 p.m., all "call backs" shall be attempted a minimum of one time prior to 6:00 p.m. on the day of the call. For messages left after 3:00 p.m., all "call backs" shall be attempted a minimum of one time prior to noon the next Work Day. CONTRACTOR shall make minimum of three (3) attempts within twenty-four hours of the receipt of the call. If CONTRACTOR is unable to reach the Customer on the next Work Day, the CONTRACTOR shall send a postcard to the Customer on the second Work Day after the call was received, indicating that the CONTRACTOR has attempted to return the call.

15.06 Complaint Documentation. All service complaints shall be directed to CONTRACTOR. Daily logs of complaints shall be retained for a minimum of twenty-four (24) months and shall be available to CITY at all times upon request. CONTRACTOR shall log all complaints received by telephone and said log shall include the date and time the complaint was received, the name, address and telephone number of the caller, a description of the complaint, the name of the employee recording the complaint and the action taken by CONTRACTOR to respond to and remedy the complaint. Log shall also include each instance that Solid Waste and/ or Recyclables are not Collected and the form of notification used to inform the participants of the reasons of non-collection and the end result or means of resolution of the incident. All written Customer complaints and inquiries shall be date-stamped when received and shall be initially responded to within one (1) business day of receipt. CONTRACTOR shall log action taken by CONTRACTOR to respond to and remedy the complaint. All Customer service records and logs kept by CONTRACTOR shall be available to CITY upon request. CITY shall, at any time during regular Office Hours, have access to CONTRACTOR's Customer service department for purposes that may include monitoring the quality of Customer service or researching Customer complaints.

15.07 Resolution of Customer Complaints. Should CONTRACTOR and Customers not be able to resolve a complaint, not be able to establish a mutually acceptable fee to be charged for services not included on the approved rate schedule, or otherwise disagree, the matter shall be determined by the CITY, and the CITY's decision shall be final.

15.07.1 Intervention by the CITY is not a condition precedent to any rights or remedies third parties might otherwise have in any dispute with CONTRACTOR. Nothing in this section is intended to affect the remedies of third parties against CONTRACTOR.

15.08 CONTRACTOR'S Customer Service. All service inquiries and complaints shall be directed to the CONTRACTOR. A representative of the CONTRACTOR shall be available to receive the complaints during normal business hours. All service complaints will be handled by the CONTRACTOR in a prompt and efficient manner. In the case of a dispute between the CONTRACTOR and a Customer, the matter will be reviewed and a decision made by the Agreement Administrator

15.08.1 The CONTRACTOR will utilize the Customer service log to maintain a record of all inquiries and complaints in a manner prescribed by the CITY.

15.08.2 For those complaints related to missed Collections that are received by 12:00 p.m. on a Work Day, the CONTRACTOR will return to the Service Unit address and Collect the missed materials before leaving the Service Area for the day. For those complaints related to missed Collections that are received after 12:00 p.m. on a Work Day, the CONTRACTOR shall have until the end of the following Work Day to resolve the complaint. For those complaints related to repair or replacement of Carts or Bins, the appropriate Sections of this Agreement shall apply.

15.08.3 CONTRACTOR agrees that it is in the best interest of the CITY that all Refuse, Recyclable Materials and Organic Waste be Collected on the scheduled Collection day. Accordingly, missed Collections will normally be Collected as set forth above regardless of the reason that the Collection was missed. However, in the event a Customer requests missed Collection service more than two (2) times in any consecutive two (2) month period the Agreement Administrator will work with the CONTRACTOR to determine an appropriate resolution to that situation. In the event the CONTRACTOR believes any complaint to be without merit, CONTRACTOR shall notify the Agreement Administrator, either by fax or e-mail. The Agreement Administrator will investigate all disputed complaints and render a decision.

15.08.4 CONTRACTOR'S service and emergency telephone numbers shall be accessible by a toll free (West Hollywood) phone number. The telephone number(s) shall be listed in the area's telephone directories under the CONTRACTOR'S name in the White Pages and Yellow Pages.

Article 16. CONTRACTOR Provided Education and Public Awareness

16.01 Education and Public Awareness. CONTRACTOR acknowledges and agrees that education and public awareness are critical, key and essential elements of any efforts to achieve the requirements of AB 939 and AB 341. Accordingly, CONTRACTOR agrees to take direction from CITY to exploit opportunities to expand public and Customer knowledge concerning needs and methods to reduce, reuse and recycle Solid Waste and to cooperate fully

with CITY in this regard.

CONTRACTOR shall maintain its own program of providing information relevant to needs and methods to reduce, reuse and recycle Solid Waste with its Bills. All public education materials shall be approved in advance by CITY and, unless otherwise noted, shall be printed in English, Russian and Spanish.

CONTRACTOR shall reproduce and include in any Billing, at no additional cost, one 8.5" x 11" sheet, provided by the CITY. CITY may request CONTRACTOR to perform mailing services and if so able, provide not less than thirty (30) days' notice to CONTRACTOR prior to the mailing date of any proposed mailing to permit CONTRACTOR to make appropriate arrangements for inclusion of CITY's materials in its Billings. CITY will provide CONTRACTOR the mailers at least fifteen (15) days prior to the mailing date. CITY shall only bear the expense of distribution of such mailers only to the extent it is clearly in excess of CONTRACTOR's normal mailing costs for its Billings.

16.01.1 Implementation and On-going Education Requirements. In order to promote public education, in addition to any other materials it develops, CONTRACTOR shall create the following public education materials and programs at its expense, which will be distributed as indicated below. The following requirements are in addition to education funded by the AB 939 fee. All of these materials and programs shall be produced and/or available in English, Russian and Spanish languages, including pictures wherever applicable. All brochures, mailings, and other educational materials are to be approved by the CITY in advance of distribution. CONTRACTOR's Public Education Plan shall be updated annually and submitted to the City by January 1st of each Agreement Year. The plan shall address the items described in this Section 16.01.

16.01.1.1 Instructional Packet Accompanying CONTRACTOR Provided Containers. An information packet shall be attached to each set of Carts or Bins distributed to a Customer. This packet shall: describe available services, including available Recycling and diversion programs; provide instructions for proper use of the Carts and Bins provided (such as how to place Carts for Collection, the types of materials to be placed in each Cart); detail holiday Collection schedules; and provide CONTRACTOR's Customer service phone number.

16.01.1.2 Container Labels. Recyclables and Green Waste Containers shall carry stickers/labels or other identifying markings in English, Russian and Spanish, and include icons indicating the materials that should and should not be placed in each Container.

16.01.1.3 How-To Brochure. CONTRACTOR will prepare and distribute a brochure packet to new Multi-Family and Commercial Customers when they start service. This packet will contain updated information on how to use the CONTRACTOR-provided Containers, when, where and how to place Solid Waste for Collection, and who to contact with service or Billing questions.

In addition to demonstrating what materials should be placed in each CONTRACTOR provided Container, the brochure should also clearly indicate what materials, such as syringes and other Household Hazardous Wastes ("HHW"), should not be disposed of in these Containers. This brochure shall include instructions on how Customers should dispose of HHW, such as information on the Los Angeles County HHW roundups and other available programs.

16.01.1.4 Quarterly Notices. Three times per Agreement Year, each quarter except for the quarter in which the annual newsletter is distributed, CONTRACTOR shall prepare and mail notices to each Customer promoting and explaining: programs (such as Recycling, Green Waste, holiday tree and Bulky Item Collections); how to properly dispose of Household Hazardous Waste such as syringes, paint, etc. through the County's program or other means; Collection schedules, including holiday schedules; and the procedures to begin and terminate services. These materials may be included with Billings, and may be printed in English only (Russian and Spanish language is not required).

16.01.1.5 Educational Video. CONTRACTOR is responsible for the cost and production of one, eight-to-ten minute educational video on the new programs. Content of the video shall be approved in advance by the CITY. CITY will arrange to air it on the CITY cable channel.

16.02 News Media Relations. CONTRACTOR shall notify the Agreement Administrator by fax, e-mail or phone of all requests for news media interviews related to Collection Services hereunder 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 Agreement Administrator.

16.02.1 Copies of draft news releases or proposed trade journal articles involving the Collection Services hereunder shall be submitted to CITY for prior review and approval at least five (5) working 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.

16.02.2 Copies of articles resulting from media interviews or news releases involving the Collection Services hereunder shall be provided to the CITY within five (5) days after publication.

16.03 Workshops. Prior to implementation of new services, and periodically throughout the Agreement term, CITY may sponsor community workshops to promote Recycling and educate Customers on service changes. CONTRACTOR shall attend and participate in such workshops.

16.04 Community Events. At the direction of CITY, CONTRACTOR shall participate in and promote Recycling and other diversion techniques at community events and local activities. Such participation would normally include providing, without cost, Collection and educational and publicity information promoting the goals of CITY's Solid Waste program. CONTRACTOR will provide its mini-Collection truck "Mighty Mike" and its recycling display and information booth for community sponsored events free of charge at the CITY's request.

16.05 Seminars by Industry Professionals. CONTRACTOR will conduct monthly seminars by English and Russian-speaking industry professionals on the subjects of Recycling, composting, waste reduction, reuse and other related topics for CITY Single Family, Multi-family and Commercial Customers. Seminars will be provided at no cost to CITY, Customers or attendees.

Article 17. Record Keeping and Reporting Requirements

17.01 Record Keeping. CONTRACTOR shall maintain records required to conduct its operations, to support requests it may make to CITY, and to respond to requests from CITY in the conduct of CITY business. Adequate record security shall be maintained to preserve records from events that can be reasonably anticipated such as a fire, theft and earthquake. Electronically maintained data/records shall be protected and backed up. All records shall be maintained for five (5) years after the expiration of this Agreement.

CONTRACTOR agrees that the records in connection with Collection Services under this Agreement of any and all companies conducting operations addressed in the Agreement shall be provided or made available to CITY and its official representatives during normal business hours. CITY may review or utilize any of the records described in this section for the purpose of carrying out the terms of this Agreement. Such records include, but are not limited to financial, solid waste, CERCLA and disposal records. CONTRACTOR's requests to hold its records confidential shall be done in accordance with Article 46 of this Agreement.

17.01.1 Financial Records. CONTRACTOR shall maintain financial records relating to its operations pursuant to this Agreement separate and segregated from such records relating to its other operations. CONTRACTOR shall maintain at least the following records:

17.01.1.1 Audited financial statements for the CONTRACTOR as a whole;

17.01.1.2 Audited statements of revenue and expense for this Agreement segregated from the other operations of CONTRACTOR (including without limitation those operations of CONTRACTOR in CITY and surrounding jurisdictions which are not covered by this Agreement), including a description of segregation methodology; and,

17.01.1.3 Complete descriptions of related party transactions (corporate and/or regional management fees, inter-company profits from transfer, processing or disposal operations).

17.01.2 CERCLA Defense Records. CITY views the ability to defend against the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and related litigation as a matter of great importance. For this reason, the CITY regards the ability to prove where Solid Waste Collected in the CITY was taken for disposal, as well as where it was not taken, to be matters of concern. CONTRACTOR shall maintain data retention and preservation systems which can establish where Solid Waste Collected in the CITY was landfilled (and therefore establish where it was not landfilled) for not less than five (5) years following the termination of this Agreement, and agrees to notify CITY 's Risk Manager and CITY Attorney before destroying such records thereafter. At any time, including after the expiration of the term hereof, CONTRACTOR shall provide copies of such records to CITY. The requirements of this Section shall survive the expiration of the term of this Agreement.

17.01.3 Disposal Records. CONTRACTOR shall maintain records of disposal of all Solid Waste Collected in CITY for the period of this Agreement and all extensions to this Agreement or successor Agreements. In the event CONTRACTOR discontinues providing Integrated Waste Management Services to CITY, CONTRACTOR shall provide all records of disposal or processing of all Solid Waste Collected in CITY within thirty (30) days of discontinuing service. Records shall be in chronological and organized form and readily and

easily interpreted.

17.01.4 Other Records. CONTRACTOR shall maintain all other records reasonably related to provision of Collection Services, whether or not specified in this the Agreement.

17.02 Monthly Reporting. CONTRACTOR shall provide monthly reports to the Agreement Administrator, in an electronic format acceptable to CITY. The monthly reports shall be submitted no later than the 20th day of each report month and shall cover the following topics for the previous month:

17.02.1 Tonnage and Diversion Reports. CONTRACTOR shall report tons of Refuse, Green Waste, Food Waste, Recyclable Materials, and non-franchised Construction and Demolition Debris Collected and processed for recovery by CONTRACTOR broken down by SFD, MFD, Commercial, CITY Service Units, and non-franchised Construction and Demolition Debris. Tonnages may be allocated where generator specific routing is not feasible or where one vehicle Collects materials from SFD, MFD, Commercial and/or CITY Service Units.

17.02.2 Facility Report. The name of facility used by CONTRACTOR and the tonnage processed or disposed delivered at facility.

17.03 Quarterly Reports. CONTRACTOR shall provide Quarterly reports to the Agreement Administrator, in an electronic format acceptable to CITY. The Quarterly reports shall be submitted no later than the 30th day following the end of each calendar quarter and shall cover the following topics for the previous quarter:

17.03.1 Franchise Fees Report. Include franchise fees, Gross Receipts, summary of revenues and number of Customers by service (i.e., SFD, MFD, Commercial, Permanent Roll-Off, and Temporary Roll-Off.)

17.04 Annual Reporting. CONTRACTOR shall provide annual reports to the Agreement Administrator, both in a hard copy format and in an electronic format acceptable to CITY. The annual reports shall be submitted no later than January 31st for the previous Agreement Year, and shall summarize the monthly and quarterly reports, and shall include the following additional information:

17.04.1 Annual Route Audit. At least once annually, the CONTRACTOR shall conduct an audit of its Collection routes in the CITY. The annual route audit, at minimum, shall consist of a physical observation of each Customer in the CITY. This person(s) is to be approved in advanced by the CITY. The annual route audit information shall include, as a minimum, the following information set forth in Exhibit 10.

17.04.2 Equipment Inventory. CONTRACTOR shall provide to CITY an inventory of Collection vehicles and major equipment used by CONTRACTOR for Collection or transportation and performance of services under this Agreement. The inventory shall indicate each Collection vehicle by CONTRACTOR assigned identification number, DMV license number, the age of the chassis and body, type of fuel used, the type and capacity of each vehicle, the number of vehicles by type, the date of acquisition, the decibel rating and the maintenance and rebuild status. CONTRACTOR shall submit to the Agreement Administrator, either by fax or e-mail, an updated inventory annually to the CITY or more often at the request of the Agreement Administrator. Each inventory shall also include the tare weight of each vehicle as determined by weighing at a public scale and not at a disposal or other facility scale used by CONTRACTOR. Each vehicle inventory shall be accompanied by a certification

signed by CONTRACTOR that all Collection vehicles meet the requirements of this Agreement.

17.04.3 Public Education. Public education and information activities undertaken during the year, including distribution of Bill inserts, Collection notification tags, community information and events, tours and other activities related to the provision of Collection Services. This report shall discuss the impact of these activities on Recycling program participation and include amounts Collected from SFD, MFD, and Commercial Service Units.

17.04.4 Outreach Activities. A progress summary of CONTRACTOR's outreach activities.

17.04.5 Diversion Analysis. If specific diversion programs are under performing, CONTRACTOR will provide a summary analysis of any Recycling, Food Waste, and Green Waste Collection for that waste stream or line of business.

17.04.6 Customer Service Level Data. The number of SFD, MFD, Commercial, and CITY Service Units and the number of Refuse, Organic Waste, and Recyclable Materials, Bins, Carts, Roll-Off Containers, distributed by size and Service Unit type.

17.04.7 Service Issue Summary. A summary narrative of problems encountered with Collection and processing activities and actions taken. Indicate changes in operations, market factors, publicity conducted, needs for publicity.

17.04.8 Hazardous Waste Diversion Report. Include number of businesses and residential accounts with Hazardous Waste and/or E-Waste pickups. Include list of Collection locations, address and items Collected pursuant to this Agreement.

17.04.9 Collection Vehicle Noise Testing CONTRACTOR shall report compliance with local, state, and federal standards as required in Section 14.06

17.04.10 Recyclable Material Revenue Report. Include summary of Recycling sales revenue by type of material marketed on a gross and net basis

17.04.11 Additional Reporting. The CONTRACTOR shall furnish the CITY with any additional reports as may reasonably be required, such reports to be prepared within a reasonable time following the reporting period.

17.05 Upon CITY Request. CONTRACTOR shall provide the reports under this Section to the Agreement Administrator. The reports requested under this section shall be submitted within five (5) working days of when such written notice of CITY's request is given. CONTRACTOR shall provide annual reports to the Agreement Administrator, both in a hard copy format and in an electronic format acceptable to CITY.

17.05.1 Spill Reports. All oil, hydraulic fluids, fuel, spilled paint, or any other liquids resulting from the CONTRACTOR'S operations on public streets, facilities, and private property within the City of West Hollywood.

17.05.2 Account Delinquency. Provide a summary report of commercial delinquent accounts of non-payment after 30 days and stop service accounts.

17.05.3 Bulky Item Pickups Report. Include number of business and residential accounts with Bulky Items pickups including a summary of items or quantity of items donated to the Goodwill or other facilities.

17.05.4 Customer Service Report. A comprehensive summary and a complete listing of all Customer contact including complaints and items such as Billing

questions, Billing adjustments, service changes, service inquiries, Collection of missed pickups and retention calls. Indicate type and number of Non-Collection Notices left at Customer locations, and a listing of any property damage or injuries. Also include a Customer service "Performance Standards" report with average response time, total number of calls, and a summary of any problems with the CONTRACTOR's computer or telephone system and measures taken to correct the problems.

17.05.5 Bin and Cart Inventory. An updated complete inventory of Bins and Carts by type and size, and a list of all Service Unit addresses where Containers are deployed.

17.06 CalRecycle Reports. CONTRACTOR shall provide data and information, to assist in the CITY'S preparation of annual CalRecycle reports.

17.07 Financial Report. The CITY may, at CITY's option, request and be provided with the CONTRACTOR's financial reports/statements in connection with Collection Services under this Agreement for the most recently completed fiscal year in connection with a Detailed Rate Review, Billing audit, franchise fee audit, or verification of other information required for Collection Services provided under this Agreement. Such reports shall be provided in electronic or written format to the Agreement Administrator.

Financial statements shall include a supplemental combining schedule showing CONTRACTOR's results of operations, including the specific revenues and expenses in connection with the operations provided for in this Agreement, separated from others included in such financial statements. The financial statements and footnotes shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and audited, in accordance with Generally Accepted Auditing Standards (GAAS) by a certified public accountant (CPA) licensed (in good standing) to practice public accounting in the State of California as determined by the State of California Department of Consumer Affairs Board of Accountancy. The cost for preparation of the financial statements and audit shall be borne by CONTRACTOR as a direct cost of service. In addition, CONTRACTOR shall provide to CITY the supplemental schedule on a compiled basis.

17.08 Reporting Adverse Information. For matters directly related to the performance of services pursuant to the Agreement, CONTRACTOR shall provide CITY two copies (one to the City Administrator, one to the City Attorney) of all reports, pleadings, applications, notifications, Notices of Violation, communications or other material submitted by CONTRACTOR to, or received by CONTRACTOR from, the United States or California Environmental Protection Agency, CalRecycle, the Securities and Exchange Commission or any other federal, state or local agency, including any federal or state court. Copies shall be submitted to CITY within 30 days of receipt by CONTRACTOR, or sooner if reasonably apparent that to do so is materially relevant, and any responses by CONTRACTOR shall be submitted to CITY simultaneously with CONTRACTOR's filing or submission of such matters with said agencies. CONTRACTOR's routine correspondence to said agencies need not be routinely submitted to CITY, but shall be made available to CITY promptly upon CITY's written request.

Article 18. Quality of Performance of CONTRACTOR

18.01 Intent. CONTRACTOR acknowledges and agrees that one of CITY'S primary goals in entering into this Agreement is to ensure that the Collection Services are of the highest caliber, that Customer satisfaction remains at the highest level, that maximum diversion levels are achieved, and that materials Collected are put to the highest and best use to the extent

possible.

18.02 Administrative Charges. It shall be the duty of CONTRACTOR to perform services under this Agreement in such a manner as to implement the goals set forth in Section 18.01 above. In the event CONTRACTOR fails to perform the services set forth in this Agreement, and in addition to any other remedy available to CITY, CITY may assess administrative charges against CONTRACTOR in the following amounts:

ADMINISTRATIVE CHARGES		
a.	Failure to commence service to a new Customer account within seven (7) days after order, which exceed five (5) such failures annually.	\$150.00 per incident
b.	Failure which exceeds ten (10) such failures annually, to Collect Solid Waste from any established Customer account on the scheduled Collection day and not Collected within the period described in this Agreement.	\$150.00 per incident
c.	Failure to Collect Solid Waste, which has been properly set out for Collection, from the same Customer on two (2) consecutive scheduled pickup days.	\$150.00 per incident
d.	Failure to properly return empty Containers to avoid pedestrian or vehicular traffic impediments or to place cans upright with lids secured which exceeds ten (10) such occurrences annually.	\$150.00 per occurrence
e.	Excessive noise or discourteous behavior.	\$250.00 per occurrence
f.	Collecting Solid Waste during unauthorized hours which exceeds five (5) such occurrences annually.	\$250.00 per occurrence
g.	Damage to private property which exceeds five (5) such occurrences annually.	\$250.00 per occurrence
h.	Failure to clean up Solid Waste spilled from Solid Waste Containers within ninety (90) minutes that exceeds ten (10) such failures annually.	\$150.00 per incident
i.	Failure or neglect to resolve each reasonable complaint within the time set forth in this Agreement.	\$250.00 per incident
j.	Failure to notify CITY within one (1) hour from the time CONTRACTOR has remedied a complaint forwarded by CITY.	\$10.00 per incident per day

ADMINISTRATIVE CHARGES		
k.	Failure to remove graffiti from Containers, or to replace with Containers bearing no graffiti, within two business days of request from CITY or Customers	\$150.00 per incident per day
l.	Failure to process a claim for damages within thirty (30) days from the date submitted to CONTRACTOR.	\$100.00 per incident
m.	For each additional thirty (30) day increment of time in which CONTRACTOR has failed to resolve a claim for damages within thirty (30) days from the claim date.	\$100.00 per incident
n.	For each calendar day a Monthly Report is late, the daily administrative charge amount shall be:	\$100.00 per day.
o.	For each calendar day a Quarterly Report is late, the daily administrative charge amount shall be:	\$250.00 per day.
p.	For each calendar day an Annual Report is late, the daily administrative charge amount shall be:	\$350.00 per day.
q.	Failure to repair damage to Customer property caused by CONTRACTOR or its personnel.	\$250.00 per incident per location.
r.	Failure to repair damage to CITY property caused by CONTRACTOR or its personnel.	\$250.00 per incident.
s.	Failure to repair damage to CITY streets caused by CONTRACTOR operating vehicles in violation of Agreement vehicle requirements.	\$1,500.00 per incident and the actual cost of repair to CITY's satisfaction – no cost to CITY.
t.	Failure to maintain Collection vehicles in a clean, safe, and sanitary manner.	\$250.00 per incident per day.
u.	Failure to replace Collection vehicles in accordance with Section 14.04 and as specified in Exhibit 6.	\$250.00 per Collection vehicle per day
v.	Failure to have a vehicle operator properly licensed.	\$250.00 per incident per day.
w.	Failure to maintain office hours as required by this Agreement.	\$100.00 per incident per day.
x.	Failure to properly cover materials in Collection vehicles.	\$100.00 per incident.

ADMINISTRATIVE CHARGES		
y.	Failure to display CONTRACTOR'S name and Customer service phone number on Collection vehicles.	\$100.00 per incident per day.
z.	Failure to comply with the hours of operation as required by this Agreement.	\$100.00 per incident per day.
aa.	Commingling of materials Collected inside and outside the City of West Hollywood	\$250.00 per incident.
bb.	Failure to repair or replace damaged Carts or Bins within the time required by this Agreement.	\$100.00 per incident per day.
cc.	Failure to deliver or exchange Carts or Bins within the time required by this Agreement.	\$100.00 per incident per day.
dd.	Failure to have CONTRACTOR personnel in proper uniform.	\$100.00 per incident per day.
ee.	Disposal of Recyclable Materials or Organic Materials at the Disposal Facility without first obtaining the required permission of the CITY.	\$250.00 per occurrence.
ff.	Failure to provide required communications equipment.	\$100.00 per incident per day.
gg.	Failure to deliver any Collected materials to the Disposal Facility, Materials Recycling Facility, Green Waste Processing Facility, or Food Waste Processing Facility as appropriate, except as otherwise expressly provided in this Agreement.	\$250.00 per incident per day.
hh.	Failure to meet the minimum diversion requirements of this Agreement (calculated per calendar year), in the event that the CITY offers CONTRACTOR an extension to the term of this Agreement as per Section 2.02 or 2.03.	\$100.00 for each ton that should have been diverted in order to meet the diversion requirement, but was not (calculated on a annual basis).

18.03 Amount. CITY may assess administrative charges for each calendar day or event, as appropriate, that CONTRACTOR is determined to be liable in accordance with this Agreement.

18.04 Timing of Payment. CONTRACTOR shall pay any administrative charges assessed by CITY within ten (10) days after they are assessed. If they are not paid within the ten (10) day period, CITY may proceed against the performance bond required by the Agreement or find CONTRACTOR in default and terminate this Agreement, or both.

18.05 Procedure for Review of Administrative Charges. The Agreement Administrator may assess administrative charges pursuant to this Agreement on a monthly basis. At the end of each month during the term of this Agreement, the Agreement Administrator shall issue a written notice to CONTRACTOR ("Notice of Assessment") of the administrative charges assessed and the basis for each assessment.

18.05.1 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 Agreement Administrator to present evidence that the assessment should not be made.

18.05.2 The Agreement Administrator shall schedule a meeting between CONTRACTOR and the Agreement Administrator or the CITY's designee as soon as reasonably possible after timely receipt of CONTRACTOR'S request.

18.05.3 The Agreement Administrator or the CITY's designee shall review CONTRACTOR'S evidence and render a decision sustaining or reversing the administrative charges as soon as reasonably possible after the meeting. Written notice of the decision shall be provided to CONTRACTOR and such decision shall be final.

18.05.4 CITY'S assessment or collection of administrative charges 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.

Article 19. Franchise Fee Audit and Performance Review

19.01 Franchise Fee Annual Audit and Costs. CITY may conduct an audit of CONTRACTOR. The scope of the audit may include, but is not limited to, Customer Billing, franchise fee payment, and gross receipts. CONTRACTOR shall be responsible for the cost of the audit, up to a Thirty Seven Thousand Five Hundred Dollars (\$37,500) per year cap, adjusted by the annual increase in the CPI. Costs incurred by CONTRACTOR for conducting its own route audits and Billing reviews, as required under Sections 17.04.1 and 19.05, are not included under this Thirty Seven Thousand Five Hundred Dollars (\$37,500) cap.

Should an audit conducted or authorized by the CITY disclose that franchise fees or other fees payable by the CONTRACTOR were underpaid by two percent (2%) or more, or that more than 2% of the Customers were inaccurately Billed based on the auditor's sampling, for the period under review, CITY may expand the scope of the audit and also recover costs beyond Thirty Seven Thousand Five Hundred Dollars (\$37,500) per year.

19.02 Payments and Refunds. Should an audit disclose that the franchise fees payable by the CONTRACTOR were underpaid or that Customers were overcharged for the period under review, CONTRACTOR shall pay to CITY any underpayment of franchise fees and/or refund to CONTRACTOR's Customers any overcharges within thirty (30) days following the date of the audit. Undercharges shall not be Billed in arrears for more than 90 days of service, with any remaining undercharges absorbed by the CONTRACTOR. Should an audit disclose that franchise fees were overpaid, CITY shall credit such amounts against future franchise fees payable by CONTRACTOR.

19.03 Performance Review. CONTRACTOR acknowledges that the CITY has the right to conduct periodic Performance Reviews, as set forth in Exhibit 9, of CONTRACTORS

operations related to services and facilities used by CONTRACTOR to fulfill its obligations pursuant to this Agreement. CONTRACTOR's requests to hold its records confidential shall be done in accordance with Article 46 of this Agreement provided that such request does not adversely affect the ability of CITY to conduct the Performance Review or report the findings to the West Hollywood City Council. CITY acknowledges that records provided by the CONTRACTOR for purposes of conducting the Performance Review are intended for the sole benefit of the CITY.

19.03.1 At CITY's Cost. The CITY may conduct Performance Reviews of the CONTRACTOR'S performance during the term of this Agreement. The review 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 comments from the CONTRACTOR.

19.03.2 At CONTRACTOR'S Cost. As a precondition to any extension of this Contact beyond June 30, 2019, a review must be completed. The CONTRACTOR shall pay in advance the cost of the review under this Section 19.03.2 an amount of Seventy-Five Thousand Dollars (\$75,000.00), provided however this amount shall be adjusted annually each July 1st by a percentage equal to the percentage change between the average CPI value for the most recently completed calendar year and the average CPI value for the prior most recently completed calendar year. CONTRACTOR shall pay for the review under this Article 19 regardless of any extension beyond the June 30, 2020, or June 30, 2025 date occurs. The review 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 comments from the CONTRACTOR.

19.03.2.1 Under or Over Payment of Cost of Performance Review shall be governed by the following: (a) If the cost of the Performance Review is less than the Seventy-Five Thousand Dollars (\$75,000.00), as adjusted by CPI, the CITY will credit back any unused funds paid by CONTRACTOR against franchisee fee payments due by CONTRACTOR to City; or (b) If the cost of the Performance Review exceeds Seventy-Five Thousand Dollars (\$75,000.00), as adjusted by CPI, CONTRACTOR shall reimburse the City within 30 days of request for reimbursement by CITY any cost in excess of Seventy-Five Thousand Dollars (\$75,000.00), as adjusted by CPI.

19.03.3 Purpose. The review shall be designed to meet the following objectives:

19.03.3.1 Verify that Customer Billing rates have been properly calculated and they correspond to the level of service received by the Customer.

19.03.3.2 Verify that franchise fees, and other fees required under this Agreement have been properly calculated and paid to the CITY.

19.03.3.3 Verify CONTRACTOR'S compliance with the reporting requirements and performance standards of the Agreement.

19.03.3.4 Verify the diversion percentages reported by the CONTRACTOR.

19.04 CONTRACTOR'S Cooperation. CONTRACTOR shall cooperate fully with the review and provide all requested data in connection with the Collection Services under this

Agreement, including operational data, financial data and other data requested by the CITY within thirty (30) Work Days. Failure of the CONTRACTOR to cooperate or provide the requested documents in the required time shall be considered an event of default.

19.05 Performance Satisfaction Survey. If requested by the CITY, CONTRACTOR will create and conduct a survey at CONTRACTOR's expense. The purpose of the survey is to determine Customer satisfaction with current Collection Services and Customer service provided by the CONTRACTOR. The survey will be distributed to a minimum of 10% of the residential Customers and 10% of the commercial Customers, selected at random. CONTRACTOR shall obtain CITY's approval of the survey's content, format, and mailing list prior to its distribution. The CITY may require that CONTRACTOR have Customer responses to the survey returned directly to the CITY. The survey results shall be made available to the CITY 30 days prior to the Solid Waste Services and Performance Review Hearing.

Article 20. Performance Bond

20.01 Faithful Performance Bond, Cash Bond, or Letter of Credit. Concurrently with execution of this Agreement, CONTRACTOR shall deliver to CITY a performance bond or cash bond in the sum of the amount of Five Hundred Thousand Dollars (\$500,000.00) which secures the faithful performance of this Agreement, including, without limitation, payment of any penalty and the funding of any work to cure a breach of this Agreement, unless such requirement is waived by the CITY Manager. The bond shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond shall be unconditional and remain in force (through renewals) during the entire term of the Agreement and shall be null and void at the conclusion of the term of this Agreement only if the CONTRACTOR promptly and faithfully performs all terms and conditions of this Agreement.

Alternatively, CONTRACTOR may provide an irrevocable letter of credit in the same amount, drawn upon a financial institution with an office within one hundred miles of CITY, in a form acceptable to the CITY attorney. The letter of credit shall be the sole responsibility of CONTRACTOR, and shall be released within thirty days after both (i) the expiration of the term of this Agreement, or upon the earlier termination hereof; and (ii) CONTRACTOR's satisfactory performance of all obligations hereunder.

A combination of these instruments, totaling \$500,000.00 is acceptable.

20.01.1 Forfeiture of Performance Bond or Cash Bond. In the event CONTRACTOR shall for any reason become unable to, or fail in any way to, perform as required by this Agreement, CITY may declare a portion of, or the entire, bond which is necessary to recompense and make whole the CITY, forfeited to the CITY. Upon partial or full forfeiture of the bond, CONTRACTOR shall restore the performance bond to its face amount within 30 days of the CITY's declaration. Failure to restore the bond to its full amount within 30 days shall be a material breach of the Agreement.

20.01.2 Forfeiture of Letter Of Credit. Thirty (30) days following CITY providing CONTRACTOR with written notice of its failure to pay CITY any amount owing under this Agreement, the Letter of Credit may be drawn upon by CITY for purposes including, but not limited to:

- a) Payment of sums due under the terms of this Agreement which CONTRACTOR has failed to timely pay to CITY.

- b) Reimbursement of costs borne by CITY to correct violations of this Agreement not corrected by CONTRACTOR. CITY may draw upon the entire Letter of Credit and convert it to a cash deposit if CONTRACTOR fails to cause the Letter of Credit to be extended or replaced with another satisfactory letter of credit no later than 60 days prior to its expiration during the term hereof.

Article 21. Insurance

21.01 Insurance Policies. CONTRACTOR shall secure and maintain throughout the term of this Agreement insurance 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.

21.01.1 Minimum Scope of Insurance. Insurance coverage shall be at least this broad:

21.01.1.1 Insurance Services Office Form No. GL 0002 (Ed. 1/96) covering Comprehensive General Liability and Insurance Services Office Form No. GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 0001), including X, C, U where applicable.

21.01.1.2 Insurance Services Office Form No. CA 0001 (Ed. 12/93) covering Automobile Liability, code 1 "any auto", or code 2 "owned autos" and endorsement CA 0025. Coverage shall also include code 8, "hired autos" and code 9 "non-owned autos".

21.01.2 Workers' Compensation insurance as required by the California Labor Code and Employers Liability Insurance.

21.01.3 Hazardous Waste and Environmental Impairment Liability Insurance.

21.02 Minimum Limits of Insurance. CONTRACTOR shall maintain insurance limits no less than:

21.02.1 Comprehensive General Liability: Ten Million Dollars (\$10,000,000) limit aggregate and Five Million Dollars (\$5,000,000) limit per occurrence for bodily injury, personal injury and property damage.

21.02.2 Automobile Liability: Five Million Dollars (\$5,000,000) limit aggregate and Five Million Dollars (\$5,000,000) limit per accident for bodily injury and property damage.

21.02.3 Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and Employers Liability limits of One Million Dollars (\$1,000,000) per accident.

21.02.4 Environmental Impairment Liability. A combined single limit of not less than a Five Million Dollars (\$5,000,000) limit per occurrence. Such insurance shall: (a) name CITY, its appointed and elected officials, officers, employees and agents as additional insureds; (b) be primary with respect to any insurance or self-insurance programs maintained by CITY; and (c) contain standard cross liability provisions.

21.03 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, either: the insurer shall reduce or eliminate such deductibles or self-insured retention's as respects CITY, its officials, employees and agents; or CONTRACTOR shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

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

21.04.1 General Liability and Automobile Liability Coverage.

21.04.1.1 The CITY, its elective and appointive boards, commissions, officials, employees, agents and volunteers are to be named as additional insureds 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 CITY, its elective and appointive boards, commissions, officials, employees, agents or volunteers.

21.04.1.2 CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its elective and appointive boards, commissions, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by CITY, its officials, elective and appointive boards, commissions, employees, agents or volunteers shall be excess of CONTRACTOR's insurance and shall not contribute with it.

21.04.1.3 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, elective and appointive boards, commissions, employees, agents or volunteers.

21.04.1.4 Coverage shall state that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

21.04.1.5 All Coverage. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to CITY.

21.05 Acceptability of Insurers. Insurance is to be placed with insurers acceptable to CITY'S Risk Manager. The insurance policies required by this section shall be issued by an insurance CONTRACTOR or companies authorized to do business in the State of California and with a rating in the most recent edition of Best's Insurance Reports of size category VII or larger and a rating classification of A or better.

21.06 Verification of Coverage. CONTRACTOR shall furnish CITY with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided by or acceptable to CITY and are to be received and approved by CITY before work commences. CITY reserves the right to require complete, certified copies of all required insurance policies, at any time.

21.06.1 Proof of insurance shall be mailed to the following address or any subsequent address as may be directed in writing by the City Clerk:

City Clerk
City of West Hollywood
8300 Santa Monica Blvd.
West Hollywood, CA, 90069

21.07 Delivery of Proof of Coverage. Simultaneously with the execution of this Agreement, CONTRACTOR shall furnish CITY certificates of each policy of insurance required hereunder, in form and substance satisfactory to CITY. Such certificates shall show the type and amount of coverage, effective dates and dates of expiration of policies and shall have all required endorsements. If CITY requests, copies of each policy, together with all endorsements, shall also be promptly delivered to CITY. Renewal certificates will be furnished periodically to CITY to demonstrate maintenance of the required coverage throughout the term.

21.08 Subcontractors. CONTRACTOR shall include all companies and subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each CONTRACTOR and subcontractor. All coverages for companies and subcontractors shall be subject to all of the requirements stated herein.

CONTRACTOR shall comply with all requirements of the insurers issuing policies. The carrying of insurance shall not relieve CONTRACTOR from any obligation under this Agreement. If any claim exceeding the amount of any deductibles or self-insured reserves is made by any third person against CONTRACTOR or any CONTRACTOR or subcontractor on account of any occurrence related to this Agreement, CONTRACTOR shall promptly report the facts in writing to the insurance carrier and to CITY.

If CONTRACTOR fails to procure and maintain any insurance required by this Agreement, CITY may take out and maintain, at CONTRACTOR's expense, such insurance as it may deem proper and deduct the cost thereof from any moneys due CONTRACTOR.

21.09 Modification of Insurance Requirements. The insurance requirements provided in this Agreement may be modified or waived by CITY'S Attorney, in writing, upon the request of CONTRACTOR if the CITY'S Attorney determines such modification or waiver is in the best interest of CITY considering all relevant factors, including exposure to CITY.

21.10 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 resulting from CONTRACTOR's negligence in the performance of services under this Agreement. 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.

Article 22. Indemnification

22.01 General.

22.01.1 CONTRACTOR hereby agrees to and shall indemnify and hold harmless CITY, its elected and appointed boards, commissions, officers, employees, and agents (collectively the indemnitees) from and against any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding or suit in law or equity of any and 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 out of, resulting from, and/or in any way connected with the services provided by CONTRACTOR under this Agreement including: (1) the negligence or willful misconduct of CONTRACTOR, its officers, employees, agents, Companies and/or subcontractors in performing services under this Agreement; (2) the failure of CONTRACTOR, its officers, employees, agents, Companies and/or subcontractors to comply in all respects with the provisions of this Agreement (Applicable Laws (including, without limitation, the Environmental Laws), ordinances and regulations, and/or applicable permits and licenses; (3) the acts of CONTRACTOR, its officers, employees, agents, Companies and/or subcontractors in performing services under this Agreement for which strict liability is imposed by law (including, without limitation, the Environmental Laws; and (4) any challenge to the award of, or any provisions of this Agreement (including any claim that the application of any provision hereof violates any provision of the California Constitution) arising from the acts or omissions of CONTRACTOR. The foregoing indemnity and hold harmless provisions shall apply regardless of whether such loss, liability, penalty, forfeiture, claim, demand, action, proceeding, suit, injury, death or damage is also caused in part by any of the indemnitees negligence, but shall not extend to matters resulting from the indemnitees sole negligence, willful misconduct, or violation of Applicable Law. CONTRACTOR further agrees to and shall, upon demand of CITY, at CONTRACTOR's sole cost and expense, defend (with attorneys reasonably acceptable to CITY) CITY, its elected and appointed boards and commissions, officers, employees, and agents against any claims, actions, suits in law or equity or other proceedings, whether judicial, quasi-judicial or administrative in nature, arising or resulting from any of the aforementioned events, and to reimburse the CITY for any and all costs and expenses CITY incurs in providing any such defense, either before, during or after the time CONTRACTOR elects to provide such defense, including any and all costs incurred in overseeing any defense to be provided herein by CONTRACTOR. The foregoing obligation to defend shall apply regardless of whether such claim or action is caused in part by any of the indemnitees negligence, but shall not extend to matters alleging or resulting from the indemnitees sole negligence, willful misconduct, or violation of Applicable Law.

22.01.2 CONTRACTOR, upon demand of the CITY, made by and through the CITY Attorney, shall protect CITY and appear in and defend the CITY and its elected officials, officers, employees and agents, in any claims or actions by third parties, whether judicial, administrative or otherwise, including, but not limited to disputes and litigation over the definitions of "Solid Waste" or "Recyclable Material," the scope of the rights granted herein, conflicts between the rights granted herein and rights asserted by other persons, or the limits of CITY's authority with respect to the grant of licenses, or agreements, exclusive or otherwise, asserting rights under the Dormant Commerce Clause or any other federal or state laws to provide Collection Services in the CITY. The foregoing provision shall apply regardless of whether such claim or action is caused in part by any of the indemnitees negligence, but shall not extend to matters alleging or resulting from the indemnitees sole negligence, willful misconduct or violation of Applicable Law.

22.01.3 The provisions of this Section shall not terminate or expire, shall be given the broadest possible interpretation, and shall survive the expiration or earlier termination of this Agreement.

22.02 Hazardous Substances Indemnification.

22.02.1 Without regard to any insurance coverage or requirements, and without limiting the above general indemnification obligation in any way, CONTRACTOR

specifically agrees to and shall, to the maximum extent permitted by law, defend (with counsel acceptable to CITY) reimburse, indemnify, and hold CITY and its past and present officers, council members, employees, consultants and agents (hereinafter "Indemnified Parties") harmless from and against any and all claims, actions, liabilities, damages, demands, judgments, losses, costs, liens, expenses, suits, actions, attorneys' fees, consultant fees, penalties and any and all other losses, damages, fees and expenses of whatever kind or nature ("Claims") (including but not limited to response costs, investigative costs, assessment costs, monitoring costs, treatment costs, cleanup costs, removal costs, remediation costs, and similar costs, damages and expenses) that arise out of or are alleged to arise out of or in any way relate to any action, inaction or omission of CONTRACTOR that:

22.02.2 Results in any demand, claim, notice, order, or lawsuit, asserting that any Indemnified Party is liable, responsible or in any way obligated to investigate, assess, monitor, study, test, treat, remove, remediate, or otherwise cleanup, any Hazardous Contaminant (as defined herein); or

22.02.3 Relates to material Collected, transported, recycled, processed, treated or disposed of by CONTRACTOR.

22.02.4 CONTRACTOR's obligations pursuant to this Section shall apply, without limitation, to:

22.02.4.1 Any Claims brought pursuant to or based on the provisions of the Environmental Laws, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 et seq., the Carpenter-Presley-Tanner Hazardous Substances Account Act (California Health & Safety Code Sections 25300 et seq.), the California Hazardous Waste Control Laws (California Health and Safety Code Sections 25100 et seq.), the California Porter-Cologne Act (California Water Code Section 13000 et seq.), and any and all amendments and regulations thereto, and any other Federal, State, regional or local environmental statutory or regulatory provision;

22.02.4.2 Any Claims based on or arising out of or alleged to be arising out of the ownership, use, lease, sale, design, construction, maintenance or operation by CONTRACTOR of any facility;

22.02.4.3 Any Claims based on or arising out of or alleged to be arising out of the marketing, sale, distribution, storage, transportation, disposal, processing or use of any materials recovered by CONTRACTOR;

22.02.4.4 Any Claims based on or arising out of or alleged to be arising out of any breach of any express or implied warranty, representation or covenant arising out of or in connection with this Agreement.

22.02.5 The foregoing indemnity and defense obligations shall apply irrespective of the negligence or willful misconduct of CONTRACTOR or any affiliate of CONTRACTOR.

22.02.6 For purposes of this Agreement, the term "Hazardous Contaminant" shall mean any "hazardous material," as that term is defined under California Health & Safety Code Section 25501(o); any "Hazardous Substance," as that term is defined herein or under California Health & Safety Code Sections 25281(h), 25501(p), 25501.1 and under Title 42, Section 9601(14) of the United States Code; any "Hazardous Waste," as that term is defined herein and under Title 42, Section 6903(5) of the United States Code and under

California Health & Safety Code Section 25501(q); any chemical which the Governor has identified as a chemical known to the State to cause cancer or reproductive toxicity pursuant to California Health & Safety Code Section 25249.8; any crude oil or refined or unrefined petroleum product or any fraction or derivative thereof; and any asbestos or asbestos-containing material. The term "Hazardous Contaminant" shall also include any and all amendments to the above-referenced statutory and regulatory provisions made before or after the date of execution of this Agreement.

22.02.7 The provisions of this Section shall not terminate or expire, shall be given the broadest possible interpretation, and shall survive the expiration or earlier termination of this Agreement

22.03 AB 939 Indemnification and Guarantee. To the extent authorized by law, CONTRACTOR agrees to indemnify and hold harmless the CITY from and against all fines and/or penalties imposed by CalRecycle in the event the source reduction and Recycling goals or any other requirements of AB 939, AB 341, AB 1594, and AB 1826 are not met by the CITY with respect to the waste stream Collected under this Agreement.

22.03.1 CONTRACTOR warrants and represents that it is familiar with CITY's waste characterization study as set forth in CITY's SRRE, and that it has the ability to and will provide sufficient programs and services to ensure CITY will meet or exceed the diversion requirements (including, without limitation, amounts of Solid Waste to be diverted, time frames for diversion, and any other requirements) set forth in AB 939, with respect to that portion of the Solid Waste generated in CITY that is the subject of this Agreement.

22.04 Subcontractors. The CONTRACTOR shall require all subcontractors to enter into a contract containing the provisions set forth in the preceding subsection in which contract the subcontractor fully indemnifies the CITY in accordance with this Agreement.

22.05 Payroll Tax. CONTRACTOR shall exonerate, defend, indemnify and hold harmless CITY, its employees and agents, and shall assume full responsibility for payment of all wages or salaries and all Federal, State and local taxes or contributions, including, but not limited to, those imposed and required under the Unemployment Insurance, Social Security, Income Tax laws and Workers' Compensation laws with respect to CONTRACTOR's employees engaged in the performance of CONTRACTOR's obligations hereunder.

22.06 Damage by CONTRACTOR. If CONTRACTOR'S employees or subcontractors negligently 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 CONTRACTORS sole cost and expense.

Article 23. CITY's Remedies: Default and Termination

23.01 Notice of Default. If the Agreement Administrator determines that CONTRACTOR has defaulted in the performance of any obligation hereunder, the Agreement Administrator may provide written notice to CONTRACTOR of such default. The Agreement Administrator shall, in such written notice, set a reasonable time within which correction of such default shall be made. Unless a longer or shorter time is otherwise specified by the Agreement Administrator, a reasonable time for correction shall be thirty (30) days from the date such

written notice is given.

23.02 Failure to Cure. If CONTRACTOR fails to correct, to the satisfaction of the Agreement Administrator, all deficiencies contained in the written notice thereof within the specified time, or if it is not reasonably possible to correct such deficiencies within the specified time, and CONTRACTOR fails to commence to correct or remedy such deficiencies within the specified time and diligently effect such correction or remedy thereafter, then the Agreement Administrator may refer the matter to the City Council for review, or review the matter himself.

23.03 Review by Agreement Administrator. If the Agreement Administrator reviews the matter and determines that CONTRACTOR has failed to properly or adequately cure any default set forth above, the Agreement Administrator, in the exercise of his reasonable discretion, may terminate this Agreement, or take such other action as he deems appropriate to pursue any remedy available to CITY. A decision or order of the Agreement Administrator shall be final and binding on CONTRACTOR unless CONTRACTOR files a "Notice of Appeal" with the City Clerk within fifteen (15) business days of the date the notice of the Agreement Administrator's decision is given. The Agreement Administrator shall schedule any appeal for consideration by the City Council at the earliest feasible City Council Meeting following the date a Notice of Appeal is given to CITY.

23.04 City Council Review. In the event an appeal of a decision of the Agreement Administrator is filed, or if the Agreement Administrator refers the matter to the City Council without rendering a decision, the City Council shall set the matter for consideration before the City Council as a regular agenda item. In reviewing the matter the City Council may consider any information reported by the Agreement Administrator regarding the deficiencies, and shall give CONTRACTOR, or its representatives and any other interested person, a reasonable opportunity to be heard. The Council shall determine whether CONTRACTOR has failed to properly or adequately perform as set forth above, and if so whether to terminate this Agreement, or to pursue any other remedy available to CITY.

23.05 Performance During Reviews. CONTRACTOR's performance under this Agreement is not excused during any period of time when its performance is under review as set forth above, including at any time prior to a final decision as to whether such performance is deficient.

23.06 Termination without Right to Cure. The occurrence of any of the following shall be deemed an "Event of Default," in which case CITY may terminate this Agreement without providing CONTRACTOR an opportunity to cure:

23.06.1 If CONTRACTOR practices, or attempts to practice, any fraud upon CITY.

23.06.2 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.

23.06.3 If CONTRACTOR violates any orders or filings of any regulatory body having jurisdiction over CONTRACTOR relative to this Agreement, provided that CONTRACTOR may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach of the franchise and this Agreement shall be deemed to have occurred until a final decision adverse to the CONTRACTOR is entered.

23.06.4 If CONTRACTOR ceases to provide all or a material portion of the Collection, processing or Recycling services, or any other Integrated Waste Management

Services as required under this Agreement for a period of seven (7) consecutive days or more, for any reason within the control of CONTRACTOR, including labor disputes.

23.06.5 If CONTRACTOR fails to materially comply with any insurance or indemnification requirement set forth in this Agreement,

23.06.6 If CITY is required to pay any fine or penalty based on CONTRACTOR's violation of Applicable Laws or breach of this Agreement, which is not timely paid on its behalf by CONTRACTOR or for which CONTRACTOR fails, refuses, neglects or is unable to indemnify CITY as required in this Agreement, including without limitation the diversion requirements of AB 939. If CONTRACTOR fails to make any payments required under this Agreement and/ or refuses to provide CITY, within ten (10) days of the demand, with required information, reports, and/ or records in a timely manner as provided for in the Agreement.

23.06.7 In the event any CONTRACTOR management employee, officer or director is convicted of fraud, bribery or attempted bribery of a public officer or employee, embezzlement, extortion, racketeering, false claims, false statements, forgery or any other similar felony involving business dishonesty.

23.06.8 Failure to Maintain Coverage. If CONTRACTOR fails to provide or maintain in full force and effect the Workers' Compensation, liability, or indemnification coverage as required by this Agreement.

23.06.9 Failure to Cooperate with Audits. Failure to complete, perform or cooperate with any audit as described by this agreement, provided that CITY shall provide CONTRACTOR with written notice of such failure and CONTRACTOR shall have 30 days to cure deficiency.

23.06.10 Acts or Omissions. Any other act or omission by CONTRACTOR which violates the terms, conditions, or requirements of this Agreement, AB 939, or any law, statute, ordinance, order, directive, rule, or regulation issued thereunder, or the failure to correct or remedy any such violation within the time set in the written notice of the violation 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 violation within the time set forth in such notice and diligently effect such correction or remedy thereafter. This Section is intended to apply to any situation in which CONTRACTOR or any of its officers, directors or employees are found guilty of any crime related to the performance of this Agreement, or of any crime related to anti-trust activities, illegal transport or disposal of hazardous or toxic materials, or bribery of public officials. The term "found guilty" shall be deemed to include any judicial determination that CONTRACTOR or any of CONTRACTOR's officers, directors or employees is guilty as well as any admission of guilt by CONTRACTOR or any of CONTRACTOR's officers, directors or employees including, but not limited to, the plea of "guilty", "nolo contendere", "no contest", and "guilty to a lesser charge."

23.06.11 False or Misleading Statements. Any representation or disclosure made to CITY by CONTRACTOR in connection with or as an inducement to entering into this Agreement, or any future amendment to this Agreement, which proves to be false or misleading in any material respect as of the time such representation or disclosure is made, whether or not any such representation or disclosure appears as part of this Agreement.

23.06.12 Attachment. The seizure of, attachment of, or levy on, the operating equipment of CONTRACTOR, including without limits its equipment, maintenance or office facilities, or any part thereof.

23.06.13 Suspension or Termination of Service. There is any termination or suspension of the transaction of business by CONTRACTOR, including without limitation, due to labor unrest including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action lasting more than seven (7) consecutive days.

23.06.14 Failure to Provide Assurance of Performance. If CONTRACTOR fails to provide reasonable assurances of performance as required under Section 24.02.

23.06.15 CONTRACTOR shall have forty-eight (48) hours from the time it is given notification by CITY to cure any default arising under subsections 23.06.1 through 23.06.13 provided, however, that the CITY shall not be obligated to provide CONTRACTOR with a notice and cure opportunity if the CONTRACTOR has committed the same or similar breach within a twenty-four month (24) period. It is expressly understood that CONTRACTOR is not entitled to receive notice of default, or to cure such default, with respect to those matters listed in subsections 23.06.1 through 23.06.14 above.

23.07 Habitual Violations. Notwithstanding the foregoing and as supplemental and additional means of termination of this Agreement under this Article, in the event that the CONTRACTOR'S record of performance show that the CONTRACTOR has frequently, regularly or repetitively defaulted in the performance of any of the material covenants and conditions required herein to be kept and performed by the CONTRACTOR, in the commercially reasonable opinion of the CITY, considering industry standards, and regardless of whether the CONTRACTOR has corrected each individual condition of default, the CONTRACTOR shall be deemed a "habitual violator", shall be deemed to have waived the right to any further notice or grace period to correct, and all of said defaults shall be considered cumulative and collectively shall constitute a condition of irredeemable default. The CITY shall thereupon issue the CONTRACTOR a final warning citing the circumstances therefore, and any single default by the CONTRACTOR of whatever nature, subsequent to the occurrence of the last of said cumulative defaults, shall be grounds for immediate termination of the Agreement. In the event of any such subsequent default, the CITY may terminate this Agreement upon giving of written final notice to the CONTRACTOR, such cancellation to be effective upon the date specified in the CITY'S written notice to the CONTRACTOR. Immediately upon the specified date in such final notice the CONTRACTOR shall proceed to cease any further performance under this Agreement.

23.08 Termination Cumulative. CITY'S right to terminate this Agreement is cumulative to any other rights and remedies provided by law or by this Agreement.

23.09 Force Majeure. CONTRACTOR shall be excused from performance and shall not be liable for failure to perform under this Agreement if CONTRACTOR'S performance is temporarily disrupted, prevented or delayed for any of the following reasons which are deemed to be "Force Majeure" events: riots, wars, sabotage, civil disturbances, insurrections, strikes or other labor disturbances lasting less than 14 calendar days, explosion, natural disasters such as floods, earthquakes, landslides, and fires, or "other catastrophic events" which are beyond the reasonable control of CONTRACTOR. The term "other catastrophic events" does not include: (i) the financial inability of CONTRACTOR to perform; (ii) failure of CONTRACTOR to obtain any

necessary permits or licenses from applicable governmental agencies; (iii) the failure to obtain the right, or the loss of the right, to use the facilities of any public utility where such failure is due in substantial part to the acts or omissions of CONTRACTOR; or (iv) strikes or other labor disturbances lasting 14 calendar days or longer. If as a result of a Force Majeure event, CONTRACTOR is unable wholly or partially to meet its obligations under this Agreement, it shall give the CITY prompt written notice of the Force Majeure event, describing it in reasonable detail. In the event of a Force Majeure event, CONTRACTOR's obligations under this Agreement shall be suspended, but only with respect to the particular component of obligations affected by the Force Majeure event and only for the period during which the Force Majeure event exists.

Article 24. CONTRACTOR'S Remedies; Administrative Hearing

24.01 Administrative Hearing. Should CONTRACTOR contend that CITY is in breach of any aspect of this Agreement, it shall give notice to the Agreement Administrator requesting an administrative hearing on the allegation. The hearing shall occur as soon as reasonably possible, or on such date as mutually agreed by the parties, and shall be held before an impartial hearing officer to be determined by the Agreement Administrator and CONTRACTOR. The hearing officer shall make an advisory ruling on CONTRACTOR's allegations, and suggest a remedy if a breach by CITY is determined to exist. The hearing officer's ruling and recommendations shall become final and binding if the parties so agree in writing within thirty (30) days of the date notice of the decision is given to both parties. Otherwise, the hearing officer's ruling shall have no further force or effect.

24.02 Assurance of Performance. CITY may, at its option and in addition to all other remedies it may have, demand from CONTRACTOR reasonable assurances of timely and proper performance of this Agreement, in such form and substance as CITY may require. If CONTRACTOR fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by CITY, such failure or refusal shall be an event of default.

24.03 Other Remedies; Claims. CONTRACTOR shall be entitled to all available remedies in law or equity for CITY's breach of this Agreement; provided, however, CONTRACTOR shall not file or otherwise commence any action against CITY, in law or equity, in any court, until after an administrative hearing as set forth above has been completed, and the above noted thirty (30) day period to accept the hearing officer's decision has passed, or either CITY or CONTRACTOR has given timely written notice to the other that it will not accept the hearing officer's decision.

24.04 Actions for Damages. As a prerequisite to the filing and maintenance of any action for damages by CONTRACTOR against CITY arising out of this Agreement, CONTRACTOR shall present a claim to CITY, as required by Government Code section 910 et seq, within 30 days of the date of the occurrence giving rise to the claim for damages.

Article 25. CITY'S Additional Remedies

25.01 In addition to any other remedies set forth herein, CITY shall be entitled to any or all remedies in law or equity, as well as the following specific rights and remedies, in the event of a breach of this Agreement by CONTRACTOR:

25.02 The right to use CONTRACTOR's equipment for the purpose of Collection Services for a period not to exceed six (6) months. In the case of equipment not owned by CONTRACTOR, CONTRACTOR shall assign to CITY, to the extent CONTRACTOR is permitted to do so under the instruments pursuant to which CONTRACTOR possesses such equipment, the right to use and possess the equipment. If CITY exercises its rights under this Section, CITY shall pay to CONTRACTOR the reasonable rental value of the equipment for the period of CITY's possession thereof (although payment may, if appropriate, occur in the form of a setoff against damages otherwise owed by CONTRACTOR pursuant to the terms hereof);

25.03 The right to license others to perform the services otherwise to be performed by CONTRACTOR hereunder, or to perform such services itself; and

25.04 The right to obtain damages and/or injunctive relief. Both parties recognize and agree that in the event of a breach of this Agreement by CONTRACTOR, CITY will suffer irreparable injury and incalculable damages sufficient to support injunctive relief, to specifically enforce the provisions of this Agreement, and to enjoin the breach hereof.

Article 26. Rights of CITY to Perform Service

26.01 General Provisions. In the event that CONTRACTOR, for any reason whatsoever, fails, refuses, or is unable to Collect, Recycle, process, transport or dispose of any or all Solid Waste as required by this Agreement, at the time and in the manner provided in this Agreement, for a period of more than forty-eight (48) hours, and if, as a result thereof, Solid Waste should accumulate in CITY to such an extent, in such a manner, or for such a time that such accumulation endangers or menaces the public health, safety or welfare, then CITY shall have the right, but not the obligation, upon twenty-four (24) hour prior written notice to CONTRACTOR during the period of such emergency as determined by CITY, (1) to perform, or cause to be performed, such services itself with its own or other personnel without liability to CONTRACTOR; and/ or (2) to take possession of any or all of CONTRACTOR's land, equipment and other property used or useful in the Collection and transportation of Solid Waste, and to use such property to Collect and transport any Solid Waste generated within CITY which CONTRACTOR would otherwise be obligated to Collect, transport and properly dispose of or process pursuant to this Agreement.

Notice of CONTRACTOR's failure, refusal or neglect to Collect, transport and properly dispose of or process Solid Waste may be given orally by telephone to CONTRACTOR at its principal office and shall be effective immediately. Written confirmation of such oral notification shall be sent to CONTRACTOR within twenty-four (24) hours of the oral notification.

CONTRACTOR further agrees that in such event:

- a) It will take direction from CITY to effect the transfer of possession of equipment and property to CITY for CITY's use, or for use by any person or entity designated by the CITY.
- b) It will, if CITY so requests, keep in good repair and condition all of such equipment and property, provide all motor vehicles with fuel, oil and other service, and provide such other service as may be necessary to maintain said property in operational condition.
- c) CITY may immediately engage all or any personnel necessary or useful for the Collection and transportation of Solid Waste, including, if CITY so desires, employees previously or then employed by CONTRACTOR, CONTRACTOR further agrees, if CITY so requests, to furnish CITY the services of any or all management or office personnel

employed by CONTRACTOR whose services are necessary or useful for Solid Waste Collection, transportation, processing and disposal operations and for the Billing and Collection of fees for these services.

CITY agrees that it assumes complete responsibility for the proper and normal use of such equipment and facilities while in its possession. If the interruption or discontinuance in service is caused by any of the reasons listed in Article 24, CITY shall pay to CONTRACTOR the reasonable rental value of the equipment and facilities, possession of which is taken by CITY, for the period of CITY's possession, if any, which extends beyond the period of time for which CONTRACTOR has rendered Bills in advance of service, for the class of service involved.

26.02 Temporary Possession of CONTRACTOR's Property. If CITY suffers an interruption or discontinuance of service (including interruptions and discontinuance due to events described in Article 24), CITY may take possession of and use all of CONTRACTOR's property described above until other suitable arrangements can be made for the provision of Integrated Waste Management Services which may include the grant of a franchise to another waste hauling company.

26.03 Billing and Compensation to CITY During CITY's Possession. During such time that CITY is providing Integrated Waste Management Services, as above provided, CONTRACTOR shall Bill and collect payment from all users of the abovementioned services as described in Article 5. CONTRACTOR further agrees that, in such event, it shall reimburse CITY for any and all costs and expenses incurred by CITY beyond that billed and received by CITY in taking over possession of the abovementioned equipment and property for Solid Waste service in such manner and to an extent as would otherwise be required of CONTRACTOR under the terms of this Agreement. Such reimbursement shall be made from time to time after submission by CITY to CONTRACTOR of each statement listing such costs and expenses, but in no event later than five (5) working days from and after each such submission.

26.04 CITY's Right to Relinquish Possession. It is further mutually agreed that CITY may at any time at its discretion relinquish possession of any or all of the above-mentioned property to CONTRACTOR and thereupon demand that CONTRACTOR resume the Integrated Waste Management Services as provided in this Agreement, whereupon CONTRACTOR shall be bound to resume the same.

26.05 CITY's Possession Not A Taking. It is expressly agreed between the Parties that CITY's exercise of its rights under this Article (1) does not constitute a taking of private property for which compensation must be paid, (2) shall not create any liability on the part of CITY to CONTRACTOR, and (3) does not exempt CONTRACTOR from any of the indemnity and insurance provisions of this Agreement, which are meant to extend to circumstances arising under this Section provided that the CONTRACTOR is not required to indemnify the CITY against claims and damages arising from the sole negligence of the CITY, its elective and appointive boards, commissions, officers, employees and agents in the operation of Collection vehicles during the time the CITY has taken possession of such vehicles.

26.06 Duration of CITY's Possession. CITY's right pursuant to this Article to retain temporary possession of CONTRACTOR's facilities and equipment, and to render Collection Services, shall terminate when CITY determines that such services can be resumed by CONTRACTOR, or when CITY no longer reasonably requires such property or equipment. In any case, CITY has no obligation to maintain possession of CONTRACTOR's property or equipment and/or continue its use for any period of time and may at any time, in its sole discretion, relinquish possession to CONTRACTOR.

Article 27. Legal Representation

27.01 Acknowledgement. It is acknowledged that each party was, or had the opportunity to be, represented by counsel in the preparation of and contributed equally to the drafting of the terms and conditions of this Agreement and, accordingly, the rule that a contract shall be interpreted strictly against the party preparing the same shall not apply herein due to the joint contributions of both parties.

Article 28. Financial Interest

28.01 Representation. CONTRACTOR warrants and represents that no elected official, officer, agent or employee of the CITY has a financial interest, directly or indirectly, in this Agreement the compensation to be paid under it and, further, that no CITY employee who acts in the CITY as a "purchasing agent" as defined in the appropriate Section of California Statutes, nor any elected or appointed officer of the CITY, nor any spouse or child of such purchasing agent, employee or elected or appointed officer, is a partner, officer, director or proprietor of the CONTRACTOR and, further, that no such CITY employee, purchasing agent, CITY elected or appointed officer, or the spouse or child of any of them, alone or in combination, has a material interest in the CONTRACTOR. Material interest means direct or indirect ownership of more than five percent (5%) of the total assets or capital stock of the CONTRACTOR.

Article 29. Exempt Waste

29.01 The CONTRACTOR shall not be required to Collect or dispose of Exempt Waste, but may offer such services. All such Collection and disposal of Exempt Waste is not regulated under this Agreement, but if provided by the CONTRACTOR shall be in strict compliance with all federal, state and local laws and regulations. If CONTRACTOR is aware of any Exempt Waste and chooses not to Collect it, CONTRACTOR must notify CITY of the Exempt Waste.

Article 30. Independent Contractor

30.01 In the performance of services pursuant to this Agreement, CONTRACTOR shall be an independent contractor and not an officer, agent, servant or employee of CITY. CONTRACTOR shall have exclusive control of the details of the services and work performed and over all persons performing such services and work. CONTRACTOR shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any. CONTRACTOR nor its officers, employees, agents, contractors, or subcontractors shall obtain any right to retirement benefits, Workers Compensation benefits, or any other benefits that accrued to CITY employees. CONTRACTOR expressly waives any claim it may have or acquire to such benefits.

30.01.1 CONTRACTOR's name may not include "West Hollywood" or any other language indicating that the CONTRACTOR is a division of, or otherwise connected to, the CITY.

30.02 Subcontractors. The CONTRACTOR shall require all subcontractors to enter into a contract containing the provisions set forth in the preceding subsection in which contract the subcontractor agrees that CONTRACTOR and subcontractor are independent contractors and have no other agency relationship with CITY.

Article 31. Relationship of the Parties

31.01 The parties intend that CONTRACTOR shall perform the services required by this Agreement as an independent CONTRACTOR engaged by CITY and not as an officer or employee of CITY nor as a partner of or joint venture with CITY. No employee or agent of CONTRACTOR shall be or shall be deemed to be an employee or agent of CITY. Except as expressly provided herein, CONTRACTOR shall have the exclusive control over the manner and means of conducting the Integrated Waste Management Services performed under this Agreement, and all persons performing such services. CONTRACTOR shall be solely responsible for the acts and omissions of its officers, employees, Companies, subcontractors and agents. Neither CONTRACTOR nor its officers, employees, affiliates, subcontractors and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to CITY employees by virtue of their employment with CITY.

Article 32. Laws to Govern

32.01 The law of the State of California shall govern the rights, obligations, duties and liabilities of CITY and CONTRACTOR under this Agreement and shall govern the interpretation of this Agreement.

Article 33. Jurisdiction and Venue

33.01 Jurisdiction. Except for those matters where Federal Courts have exclusive jurisdiction, any lawsuits between the parties arising out of this Agreement shall be brought and concluded in the courts of the State of California, which shall have exclusive jurisdiction over such lawsuits.

Article 34. Assignment, Subletting, Transfer; Requirements and Limitations

34.01 General. Except as may be provided for in Article 26 (CITY's Right to Perform Service), CONTRACTOR shall not assign its rights, nor delegate, subcontract or otherwise transfer its obligations under this Agreement (collectively referred to as an "assignment") to any other person without the prior written consent of CITY. Any such assignment made without the consent of CITY shall be void and the attempted assignment shall constitute a material breach of this Agreement.

34.02 "Assignment" to be Broadly Interpreted. For purposes of this Section the term "assignment" shall be given the broadest possible interpretation, and shall include, but not be limited to (i) a sale, exchange or other transfer of substantially all of CONTRACTOR's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange or other transfer of outstanding common stock of CONTRACTOR to a third party provided said sale, exchange or transfer may result in a change of control of CONTRACTOR; (iii) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction which results in a change of ownership or control of CONTRACTOR; (iv) any assignment by operation of law, including those resulting from mergers or acquisitions by or of CONTRACTOR of any of its affiliates, insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of CONTRACTOR's property, or transfer occurring in the event of a probate proceeding; and (v)

any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, or change of control of CONTRACTOR. For the avoidance of doubt, any transfer of equity interests in CONTRACTOR or its affiliates among family members (defined as "grandparents, parents, children, or siblings" with direct working involvement with Arakelian Enterprises, Inc.) for the purpose of estate planning shall be deemed not to be an "assignment" for purposes of this Agreement.

34.03 Nature of Agreement – Personal to CONTRACTOR. CONTRACTOR acknowledges that this Agreement involved rendering a vital service to CITY's residents and businesses, and that CITY has selected CONTRACTOR to perform the services specified herein based on (1) CONTRACTOR's experience, skill and reputation for conducting its Integrated Waste Management Services in a safe, effective and responsible fashion, at all times in keeping with applicable Environmental Laws, regulations and best Solid Waste management practices, and (2) CONTRACTOR's financial resources to maintain the required equipment and to support its indemnity obligations to CITY under this Agreement. CITY has relied on each of these factors, among others, in choosing CONTRACTOR to perform the services to be rendered by CONTRACTOR under this Agreement.

34.04 Procedure for Consideration of Assignment. If CONTRACTOR requests CITY's consideration of and consent to an assignment, CITY may deny or approve such request in its sole and absolute discretion. Any request for an assignment shall be made in a manner to be prescribed by the City Manager, and no request by CONTRACTOR for consent to an assignment need be considered by CITY unless and until CONTRACTOR has met (or with respect to matters that would only occur upon completion of the assignment if approved, made reasonable assurances that it will meet the following requirements:

34.04.1 CONTRACTOR shall undertake to pay CITY its reasonable expenses for attorney's fees and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment. An advance payment of \$50,000 towards expenses shall be paid to the CITY prior to CITY consideration of any assignment request and CONTRACTOR shall be responsible to pay all costs incurred by CITY in considering a request for assignment, including those in excess of the aforesaid deposit amount, regardless of whether CITY consents to the assignment.

34.04.2 CONTRACTOR shall pay the CITY a transfer fee equal to 1% of the Gross Receipts it will receive during the remaining term of the Agreement, as estimated by CITY.

34.04.3 CONTRACTOR shall furnish CITY with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years.

34.04.4 CONTRACTOR shall furnish CITY with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste management experience on a scale equal to or exceeding the scale of operations conducted by CONTRACTOR under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered any significant citations or other censure from any federal, state or local agency having jurisdiction over its Solid Waste management operations due to any significant failure to comply with state, federal or local Environmental Laws and that the assignee has provided CITY with a complete list of such citations and censures; (iii) that the proposed assignee has at all times conducted its operations in an

environmentally safe and conscientious fashion; (iv) that the proposed assignee conducts its Solid Waste management practices in accordance with sound Solid Waste management practices in full compliance with all federal, state and local laws regulating the Collection and disposal of Solid Waste including Hazardous Substances; and, (v) of any other information required by CITY to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe and effective manner.

34.04.5 Under no circumstances shall CITY be obliged to consider any proposed assignment by CITY if CONTRACTOR is in default at any time during the period of consideration. Should the CITY consent to any assignment request, such assignment shall not take effect until all conditions relating to the CITY's approval have been met.

34.05 Binding on Assigns. The provisions of this Agreement shall inure to the benefit to and be binding on the permitted assigns (if any) of the parties.

Article 35. Compliance with Laws

35.01 In providing the services required under this Agreement, CONTRACTOR shall at all times, at its sole cost, comply with all applicable laws and regulations of the United States, the State of California, and any federal, state, regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended, including without limitation the West Hollywood Municipal Code.

35.02 CITY shall provide written notice to CONTRACTOR of any planned amendment of the West Hollywood Municipal Code that would substantially affect the performance of CONTRACTOR'S services pursuant to this Agreement. Such notice shall be provided at least ninety (90) calendar days prior to the City Council's approval of such an amendment, or such longer period of time as may be reasonably required by CONTRACTOR.

Article 36. Nondiscrimination, Permits, Licenses, Ordinances

36.01 Nondiscrimination. 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 or sexual orientation. CONTRACTOR shall comply with all applicable local, state and federal laws and regulations regarding nondiscrimination, including those prohibiting discrimination in employment.

36.02 Permits. 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 Agreement Administrator.

36.03 Living Wage Ordinance. CONTRACTOR shall abide by the provisions of the West Hollywood Living Wage Ordinance. During the term of this Agreement, CONTRACTOR shall keep on file sufficient evidence of its employee compensation to enable verification of compliance with the West Hollywood Living Wage Ordinance. These records shall be made available at the request of the CITY, with reasonable notice, during regular business hours, and shall be retained by CONTRACTOR for a period of three years after the expiration of this Agreement.

36.04 Equal Benefits to Domestic Partners Ordinance. CONTRACTOR shall abide by the provisions of the West Hollywood Equal Benefits to Domestic Partners Ordinance. During the term of this Agreement, CONTRACTOR shall keep on file sufficient evidence of its employee compensation to enable verification of compliance with the West Hollywood Equal Benefits to Domestic Partners Ordinance. These records shall be made available at the request of the CITY, with reasonable notice, during regular business hours, and shall be retained by CONTRACTOR for a period of three years after the expiration of this Agreement.

36.05 Arab League Boycott of Israel. CONTRACTOR hereby warrants that it is in compliance with West Hollywood Municipal Code Section 3.08.020 which requires that neither CONTRACTOR nor any subsidiary substantially owned by CONTRACTOR complies with the Arab League Boycott of Israel.

Article 37. Ownership of Written Materials

37.01 All reports, documents, brochures, public education materials, and other written, printed, electronic or photographic materials developed by CITY, or CONTRACTOR for production to CITY, 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 Agreement Administrator. This Article 37 does not apply to ideas or concepts described in such materials and do not apply to the format of such materials.

Article 38. Waiver

38.01 Waiver by CITY or CONTRACTOR of any breach or 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.

Article 39. CONTRACTOR's Warranties and Representations

39.01 Representations and Warranties of Collector. CONTRACTOR hereby covenants, represents, and warrants the following to City for the purpose of inducing City to enter into this Agreement and to consummate the transaction contemplated hereby, all of which shall be true as of the date of this Agreement and as of the Effective Date:

- a) CONTRACTOR is duly organized and validly existing as a corporation under the laws of the State of California, with full legal right and power to enter into and perform its obligations under this Agreement.
- b) CONTRACTOR has the authority to enter into and perform its obligations under this Agreement. CONTRACTOR or its authorized representative has taken all actions required by law and its governing documents to authorize the execution of this Agreement. The persons signing this Agreement on behalf of CONTRACTOR warrant and represent that they have authority to do so. This Agreement constitutes the legal, valid and binding obligation of CONTRACTOR.

- c) Neither the execution of this Agreement nor the delivery by CONTRACTOR of services nor the performance by CONTRACTOR of its obligations hereunder: (1) conflicts with, violates or results in a breach of 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.
- d) 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 hereunder or which would have a material adverse effect on the financial condition of CONTRACTOR.
- e) 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.
- f) 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 Collection Services required by this Agreement.
- g) The information supplied by CONTRACTOR in all submittals made in connection with negotiation and execution of this Agreement, including all materials in Exhibits of this Agreement, 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.
- h) CONTRACTOR's representative, designated in Section 15.01 shall have authority in all daily operational matters related to this Agreement. CITY may rely upon action taken by such designated representative as action of CONTRACTOR unless the actions taken are not within the scope of this Agreement.
- i) The Disposal Facility as listed in Exhibit 3 is properly permitted by the Regional Water Quality Control Board and the CalRecycle/Local Enforcement Agency, is classified as a Class 3 landfill (permitted to receive municipal solid waste), complies with all Applicable Laws, is not on or being considered for inclusion on a state or federal Superfund list, or CalRecycle list of solid waste facilities failing to meet State minimum standards, has sufficient capacity to accept all Solid Waste Collected from within the CITY during the term, and that it will in fact accept all Solid Waste Collected from within the CITY during the term.

39.02 CONTRACTOR Status. CONTRACTOR represents and warrants that it is duly organized, validly existing and in good standing under applicable laws. It is qualified to transact business in the State of California and has the power to own its properties and to carry on its business as now owned and operated and as required by this Agreement.

39.03 CONTRACTOR Authorization. CONTRACTOR represents and warrants that it has the authority to enter into and perform its obligations under this Agreement. The Board of Directors or partners of CONTRACTOR (or the shareholders, if necessary) have taken all actions required by law, its articles of incorporation, its bylaws or otherwise to authorize the execution of this Agreement. The persons signing this Agreement on behalf of CONTRACTOR have authority to do so. CONTRACTOR shall authorize one employee for the CITY as a single point of contact for issues arising under this Agreement, and CONTRACTOR acknowledges and agrees that CITY may expect and assume that this employee's actions are taken on behalf of and with the full approval of the CONTRACTOR.

39.04 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 herein:

- a) Accuracy of Representations. All representations and warranties made by CONTRACTOR and set forth in this Agreement shall be materially accurate, true and correct on and as of the effective date of this Agreement, and shall remain so during the term hereof.
- b) Absence of Litigation. There shall be no litigation pending in any court challenging the award of this franchise to CONTRACTOR or the execution of this Agreement or seeking to restrain or enjoin its performance.
- c) Furnishing of Insurance and Bond or Letter of Credit. CONTRACTOR shall have furnished evidence of the insurance and bonds or letter of credit required by Article 20, and shall comply with all ongoing requirements relating thereto.
- d) Effectiveness of City Council Action. CITY's Resolution approving this Agreement shall have become effective pursuant to California law prior to the Effective Date.
- e) CONTRACTOR shall deliver to CITY evidence satisfactory to the Agreement Administrator that CONTRACTOR has the authority to provide, or has arranged for, the disposal and processing rights at the designated Disposal Facility, Materials Recovery Facility (MRF), Recycling facility, and Green Waste facility.

Article 40. Condemnation

40.01 CITY fully reserves the rights to acquire CONTRACTOR's property utilized in the performance of this Agreement, by purchase or through the exercise of the right of eminent domain. This provision is additive, and not intended to alter the rights of the parties set forth in Article 26.

Article 41. Prohibition Against Gifts

41.01 CONTRACTOR represents that CONTRACTOR is familiar with CITY'S prohibition against the acceptance of any gift by a CITY officer or designated employee. CONTRACTOR shall not offer any CITY officer or designated employee any gifts prohibited by

the CITY or the Applicable Laws.

Article 42. Notices

42.01 Courtesy copies of notices may be sent via electronic mail, provided that the original notice is personally delivered or sent by United States certified mail, postage prepaid, return receipt requested, and addressed as follows:

As to the CITY:

City Manager and
Sharon Perlstein, City Engineer
City of West Hollywood
8300 Santa Monica Blvd.
West Hollywood, CA 90069
Telephone: (332) 848-6383
E-mail: sperlstein@weho.com

As to the CONTRACTOR:

Gary Clifford, Executive Vice President
Arakelian Enterprises, Inc. d.b.a. Athens Services
14048 E. Valley Blvd.
P.O. Box 60009
City of Industry, CA 91716
Telephone: (626) 336-3636
Email: gclifford@athensservices.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 given on the date served if served personally between the hours of 8:00 a.m. to 5:00 p.m. on any regular business day for CITY's business offices. If mailed, notice shall be deemed given three (3) business days from the date such notice is deposited in the United States mail in the manner proscribed above.

42.02 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 to CONTRACTOR through the Customer service system by the end of the Work Day.

42.03 Services Description. CONTRACTOR shall periodically, at least 30 days prior to the effective date of a rate change, and a minimum of once per year, prepare and distribute subject to the direction of CITY, a notice to each Customer Billed by CONTRACTOR containing the following: a listing of CONTRACTOR's Collection rates, the annual holiday schedule and a general summary of services required to be provided hereunder including optional service which may be furnished by CONTRACTOR. Such notice shall be in a form subject to CITY's approval prior to its distribution and may be in one of the CONTRACTOR's required quarterly notices per Section 16.01.1.4 or otherwise included with Billings made by CONTRACTOR. CONTRACTOR shall include in each Billing the phone number for Customers to call for Bulky Item pickups.

Article 43. Representatives of the Parties

43.01 References in this Agreement to the "CITY" shall mean the City Council and all actions to be taken by CITY shall be taken by the City Council except as expressly provided herein. The City Council may delegate, in writing, authority to the City Manager, and/ or to other CITY employees and may permit such employees, in turn, to delegate in writing some or all of such authority to subordinate employees. CONTRACTOR may rely upon actions taken by such delegates if they are within the scope of the authority so delegated to them.

43.02 CONTRACTOR shall, by the Effective Date, designate in writing a responsible officer who shall serve as the representative of CONTRACTOR in all matters related to the Agreement and shall inform CITY in writing of such designation and of any limitations upon his or her authority to bind CONTRACTOR. CITY may rely upon action taken by such designated representative as actions of CONTRACTOR unless they are outside the scope of the authority expressly delegated to him/her by CONTRACTOR as communicated to CITY.

Article 44. CITY Free to Negotiate with Third Parties

44.01 CITY may investigate all options for the Collection, transporting, Recycling, processing and disposal of Solid Waste for periods during which this agreement has expired or been terminated. Without limiting the generality of the foregoing, CITY may solicit proposals from CONTRACTOR and from third parties for the provision of Integrated Waste Management Services which are the subject of this Agreement, including without limitation Collection Services, disposal services, Recycling services, Green Waste services and processing, and any combination thereof, and may negotiate and execute agreements for such services which will take effect upon the expiration or earlier termination of this Agreement pursuant to Section 23.06 or otherwise.

Article 45. Privacy

45.01 CONTRACTOR shall strictly observe and protect the rights of privacy of Customers. Information identifying individual Customers or the composition or contents of a Customer's waste stream shall not be revealed 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 waste characterization studies or waste stream analyses which may be required by AB 939. This provision shall not apply to reports or records provided to CITY pursuant to this Agreement.

Article 46. Proprietary information, Public Records

46.01 The CITY acknowledges that a number of the records and reports of the CONTRACTOR are proprietary and confidential. CONTRACTOR is obligated to permit CITY inspection of its records in connection with Collection Services under this Agreement on demand and to provide copies to CITY where requested. CITY will endeavor to maintain the confidentiality of all proprietary information provided by CONTRACTOR. Notwithstanding the foregoing, any documents provided by CONTRACTOR to CITY that are public records may be disclosed pursuant to a proper public records request.

Article 47. Transition to Next CONTRACTOR

47.01 In the event CONTRACTOR is not awarded a Agreement 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 and providing other reports and data required by this Agreement.

Article 48. Retention of Records

48.01 CONTRACTOR shall maintain any and all letters, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to Customers for a minimum period of five (5) years, or for any longer period required by law, from the date of final payment to CONTRACTOR pursuant to this Agreement.

48.02 CONTRACTOR shall maintain all documents and records, which demonstrate performance under this Agreement for a minimum period of five (5) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

48.03 Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time (after reasonable notice deemed to be 5 business days) during regular business hours, upon written request by the Agreement Administrator, the City Attorney, City Auditor, Agreement Administrator, or a designated representative of any of these officers. Copies of such documents shall be provided to CITY for inspection at the CITY offices when it is practical to do so. Otherwise, unless an alternative site is mutually agreed upon, the records shall be available at CONTRACTOR'S address indicated for receipt of notices in this Agreement.

48.04 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 the above named 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.

Article 49. Attorneys' Fees and Litigation Costs

49.01 If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to recover its reasonable attorney's fees and costs. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

Article 50. Integrated Agreement

50.01 This Agreement, and the Exhibits incorporated herein, contains the entire integrated agreement and understanding concerning the subject matter herein and supersedes and replaces any prior negotiations, promises, proposals, and agreements between the Parties, whether written or oral. The Parties acknowledge this document has been executed with the consent and upon the advice of counsel. Each of the Parties acknowledges that no party or agent or attorney of any other party has made any promise, representation, or warranty, express or implied, not contained in this Agreement, to induce the other party to execute this instrument.

Article 51. Amendment

51.01 No amendment of this Agreement shall be valid unless in writing duly executed by the Parties.

Article 52. Severability

52.01 If any provision of this Agreement or the application of it to any person or situation shall to any extent be held invalid or unenforceable, the remainder of this Agreement and the application of such provisions to persons or situations other than those as to which it shall have been held invalid or unenforceable, shall not be affected, shall continue in full force and effect, and shall be enforced to the fullest extent permitted by law.

Article 53. Headings

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

Article 54. Interpretation

54.01 This Agreement, including the Exhibits attached hereto, shall be interpreted and construed reasonably and neither for nor against either party, regardless of the degree to which either party participated in its drafting.

Article 55. Exhibits

55.01 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.

Article 56. City Council Action

56.01 The City Council shall a resolution approving of and adopting this Franchise Agreement and authorizing execution of this Franchise Agreement on behalf of the City prior to or on the effective date of this Franchise Agreement.


Article 57. Effective Date

57.01 This Agreement shall become effective at such time as it is properly executed by the CITY and the CONTRACTOR, and the CONTRACTOR shall begin Collection Services, as covered herein, as of January 1, 2015.

IN WITNESS WHEREOF, the CITY and the CONTRACTOR have executed this Agreement on the respective date(s) below each signature.


CITY OF WEST HOLLYWOOD

("CITY")

By: 
Paul Arevalo
City Manager

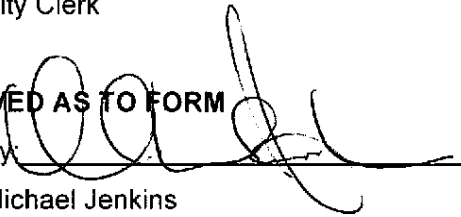
11/24/2014
Date

ATTEST

By: 
Yvonne Quarker
City Clerk

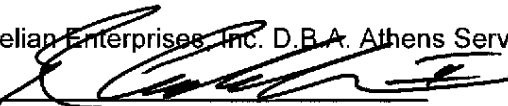
11/24/14
Date

APPROVED AS TO FORM

By: 
Michael Jenkins
City Attorney

11/26/14
Date

CONTRACTOR

Arakelian Enterprises, Inc. D.B.A. Athens Services
By: 
Ron Arakelian, III
Executive Officer

10/30/14
Date

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Exhibit 1 CITY SERVICE UNITS				
Athens Account #	Location Name	Street Address	Description	Quantity-Size- Frequency
207932	City of West Hollywood Hart Park	8321 De Longpre Ave	3 Barrel Rack	1-3brk-2
207932	City of West Hollywood Hart Park	8321 De Longpre Ave	96 Recycle Cart	1-R96-1
208544	City of West Hollywood Kings Road Park	1100 Kings Rd	1yd Trash Bin	1-1-2
209144	City of West Hollywood City Office Building	7362 Santa Monica Blvd	3yd Trash Bin	1-3-2
209146	City of West Hollywood Plummer Park	7377 Santa Monica Blvd	3yd Recycle Bin	1-3-2
209146	City of West Hollywood Plummer Park	7377 Santa Monica Blvd	3yd Trash Bin	3-3-5
209146	City of West Hollywood Plummer Park	7377 Santa Monica Blvd	Pull Out Service	Scout
209271	City of West Hollywood City Hall	8300 Santa Monica Blvd	3yd Recycle Bin	1-3-5
209271	City of West Hollywood City Hall	8300 Santa Monica Blvd	3yd Trash Bin	1-3-5
209500	City of West Hollywood City Parking Lot – Farmer's Market	8775 Sunset Blvd	3yd Food Waste Bin	1-3-1 (seasonal)
209500	City Of West Hollywood City Parking Lot	8775 Sunset Blvd	3yd Recycle Bin	1-3-1
406521	City of West Hollywood Laurel Park	1323 Laurel	3yd Trash Bin	1-3-1
407297	City of West Hollywood Street Maintenance Yard	7317 Romaine St	3yd Trash Bin	2-3-5
407297	City of West Hollywood Street Maintenance Yard	7317 Romaine St	3yd Scrap Metal Bin	1-3-1
407297	City of West Hollywood Street Maintenance Yard	7317 Romaine St	3yd Green Bin	1-3-1
407297	City of West Hollywood Street Maintenance Yard	7317 Romaine St	96 Recycle Cart	1-R96-1
418692	City of West Hollywood Community Garden	1201 Detroit St	96 Trash	1-T96-1

Exhibit 1 CITY SERVICE UNITS				
418692	City of West Hollywood Community Garden	1201 Detroit St	96 Green Cart	2-G96-1
418984	City of West Hollywood WeHo Library	619 San Vicente Blvd	3yd Recycle Bin	2-3-2
418984	City of West Hollywood WeHo Library	619 San Vicente Blvd	3yd Trash Bin	6-3-3
418984	City of West Hollywood WeHo Library	619 San Vicente Blvd	Pull Out Service	Scout
418992	City of West Hollywood Queen's Rd Parking Lot	8459 Sunset Blvd	96 Trash Cart	2-T96-1
459342	City of West Hollywood WeHo Park North Alley	647 San Vicente Blvd	3yd Green Bin	4-3-3

Exhibit 2 STREETSIDE LITTER CONTAINER LOCATIONS		
Street Address	Corner Location/Store	Notes
9040 W Beverly Blvd	S/E	Bus Stop Of Beverly Blvd & Doheny Dr
8806 W Beverly Blvd	S/W	Bus Stop Of Beverly Blvd & Robertson Blvd
8650 W Beverly Blvd	S/W	Bus Stop Of Beverly Blvd & San Vicente Blvd
8793 W Beverly Blvd	N/E	Bus Stop Of Beverly Blvd & Robertson Blvd
8955 W Beverly Blvd	N/E	Corner Of Beverly Blvd & Almont Dr
9039 W Beverly Blvd	N/E	Bus Stop Of Beverly Blvd & Doheny Dr
1283 N Crescent Heights Blvd	S/W	Bus Stop Of Crescent Heights Blvd & Fountain Ave
1280 N Crescent Heights Blvd	S/E	Bus Stop Of Crescent Heights Blvd & Fountain Ave
1401 N Crescent Heights Blvd	West Side Of C.H.	Between Fountain Ave & Sunset Blvd
1351 N Crescent Heights Blvd	West Side Of C.H.	Between Fountain Ave & Sunset Blvd
646 N Doheny Dr	N/E	Corner Of Doheny Dr & Nemo St
900 N Fairfax Ave	N/E	Bus Stop Of Fairfax Ave & Willoughby Ave
1069 N Fairfax Ave	S/W	Bus Stop Of Fairfax Ave & Santa Monica Blvd
1110 N Fairfax Ave	N/E	Bus Stop Of Fairfax Ave & Santa Monica Blvd
7600 W Fountain Ave	S/W	Corner Of Fountain Ave & Curson Ave
816 N Hillside Ave	East Side Of Hilldale	Across From 817 N . Hilldale Ave
8447 W Holloway Dr	N/E	Corner Of Holloway Dr & Hacienda Pl
8500 W Holloway Dr	S/W	Bus Stop Of Holloway Dr & La Cienega Blvd
8517 W Holloway Dr	N/W	Bus Stop Of Holloway Dr & La Cienega Blvd
8607 W Holloway Dr	N/W	Corner Of Holloway Dr & Westmount Dr
8714 W Holloway Dr	S/E	Corner Of Holloway & Hancock Ave
8730 W Holloway Dr	S/W	Bus Stop Of Holloway Dr & Hancock Ave
800 N Kings Rd	N/W	Bus Stop Of Kings Rd & Waring Ave
801 N Kings Rd	N/E	Bus Stop Of Kings Rd & Waring Ave
999 N La Brea Ave	N/W	Bus Stop Of La Brea Ave & Santa Monica Blvd
1040 N La Brea Ave	S/E	Bus Stop Of La Brea Ave & Santa Monica Blvd
1259 N La Brea Ave	S/W	Bus Stop Of La Brea Ave & Fountain Ave
1260 N La Brea Ave	S/E	Bus Stop Of La Brea Ave & Fountain Ave
501 N La Cienega Blvd	N/W	Bus Stop Of La Cienega Blvd & Rosewood Ave
545 N La Cienega Blvd	S/W	Corner Of La Cienega Blvd & Melrose Ave
1050 Larrabee St	East Side Of Larrabee	Between Sunset Blvd And Alley South Of Sunset
8920 W Melrose Ave	S/E	Corner Of Melrose Ave & Almont Dr
8925 W Melrose Ave	N/E	Corner Of Melrose Ave & Almont Dr
8670 W Melrose Ave	S/W	Corner Of Melrose Ave & Norwich Dr
8620 W Melrose Ave	S/W	Bus Stop Of Melrose Ave & Westmount Dr
8552 W Melrose Ave	S/E	Corner Of Melrose Ave & Westmount Dr
8500 W Melrose Ave	S/E	Bus Stop Of Melrose Ave & La Cienega Blvd
7100 W Santa Monica Blvd	S/W	Bus Stop Of Santa Monica Blvd & La Brea Blvd

Exhibit 2 STREETSIDE LITTER CONTAINER LOCATIONS		
7101 W Santa Monica Blvd	N/W	Bus Stop Of Santa Monica Blvd & La Brea Blvd
7155 W Santa Monica Blvd	N/W	2nd Can On Corner Of Santa Monica Blvd & Detroit St
7205 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Formosa Ave
7215 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Poinsettia Pl
7243 W Santa Monica Blvd	North Side Of S.M.	Between Poinsettia Pl & Poinsettia Cir
7273 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Greenacre Ave
7335 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Fuller Ave
7351 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Fuller Ave
7450 W Santa Monica Blvd	S/E	Corner Of Santa Monica Blvd & Vista St
7414 W Santa Monica Blvd	South Side Of S.M.	Between Martel Ave & Vista St
7328 W Santa Monica Blvd	S/E	Bus Stop Of Santa Monica Blvd & Fuller Ave
7300 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Poinsettia Pl
7772 W Santa Monica Blvd	S/E	Corner Of Santa Monica Blvd & Ogden Dr
7800 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Ogden Dr
7156 W Santa Monica Blvd	S/W	Bus Stop Of Santa Monica Blvd & Formosa Ave
7505 W Santa Monica Blvd	N/W	Bus Stop Of Santa Monica Blvd & Gardner St
7559 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Curson Ave
7607 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Curson Ave
7617 W Santa Monica Blvd	North Side Of S.M.	Bus Stop Between Stanley Ave & Curson Ave
7753 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Genesee Ave
7777 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Ogden Dr
7807 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Ogden Dr
7827 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Orange Grove Ave
7871 W Santa Monica Blvd	N/E	Bus Stop Of Santa Monica Blvd & Fairfax Ave
7870 W Santa Monica Blvd	S/E	Corner Of Santa Monica Blvd & Fairfax Ave
7862 W Santa Monica Blvd	South Side Of S.M.	Between Orange Grove Ave & Fairfax Ave
7807 W Santa Monica Blvd	S/E	Corner Of Santa Monica Blvd & Ogden Dr
7722 W Santa Monica Blvd	S/W	Bus Stop Of Santa Monica Blvd & Spaulding Ave
7700 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Stanley Ave
7624 W Santa Monica Blvd	South Side Of S.M.	Between Curson Ave & Stanley Ave
7548 W Santa Monica Blvd	S/E	Corner Of Santa Monica Blvd & Curson Ave
7544 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Sierra Bonita Ave
7494 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Vista St
8038 W Santa Monica Blvd	S/E	Bus Stop Of Santa Monica Blvd & Crescent Heights Blvd
7970 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Edinburgh Ave
7950 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Hayworth Ave
7900 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Fairfax Ave

Exhibit 2 STREETSIDE LITTER CONTAINER LOCATIONS		
7969 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Edinburgh Ave
7901 W Santa Monica Blvd	N/W	Bus Stop Of Santa Monica Blvd & Fairfax Ave
7935 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Hayworth Ave
8025 W Santa Monica Blvd	N/E	Bus Stop Of Santa Monica Blvd & Crescent Heights Blvd
8141 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Crescent Heights Blvd
8205 W Santa Monica Blvd	N/W	Bus Stop Of Santa Monica Blvd & La Jolla Ave
8291 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Sweetzer Ave
8315 W Santa Monica Blvd	N/W	Bus Stop Of Santa Monica Blvd & Sweetzer Ave
8351 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Flores St
8409 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Kings Rd
8491 W Santa Monica Blvd	N/E	Bus Stop Of Santa Monica Blvd & La Cienega Blvd
8513 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & La Cienega Blvd
8595 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Westmount Dr
8617 W Santa Monica Blvd	North Side Of S.M.	Between Westbourne Dr & Westmount Dr
8631 W Santa Monica Blvd	N/E	Bus Stop Of Santa Monica Blvd & Westbourne Dr
8701 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Westbourne Dr
8759 W Santa Monica Blvd	N/W	Bus Stop Of Santa Monica Blvd & Hancock Ave
8797 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Palm Ave
8811 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Larrabee St
8851 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & Larrabee St
8871 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & San Vicente Blvd
8911 W Santa Monica Blvd	N/W	Corner Of Santa Monica Blvd & San Vicente Blvd
8919 W Santa Monica Blvd	N/E	Bus Stop Of Santa Monica Blvd & Hilldale Ave
8949 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Robertson Blvd
8969 W Santa Monica Blvd	N/E	Bus Stop Of Santa Monica Blvd & Ramage St
9033 W Santa Monica Blvd	N/E	Corner Of Santa Monica Blvd & Willey Ln
9077 W Santa Monica Blvd	North Side Of S.M.	Between Doheny Dr & Nemo St
9089 W Santa Monica Blvd	N/W	Bus Stop Of Santa Monica Blvd & Doheny Dr
9080 W Santa Monica Blvd	S/E	Bus Stop Of Santa Monica Blvd & Doheny Dr
9000 W Santa Monica Blvd	S/W	Bus Stop Of Santa Monica Blvd & La Peer St
8954 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Robertson Blvd
8948 W Santa Monica Blvd	S/E	Corner Of Santa Monica Blvd & Robertson Blvd
8918 W Santa Monica Blvd	South Side Of S.M.	Between San Vicente Blvd & Robertson Blvd
8900 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & San Vicente Blvd
8870 W Santa Monica Blvd	S/E	Bus Stop Of Santa Monica Blvd & San Vicente Blvd
8810 W Santa Monica Blvd	South Side Of S.M.	Corner Of Santa Monica Blvd & Palm Ave
8800 W Santa Monica Blvd	South Side Of S.M.	Located In Front Of Metro Station

Exhibit 2 STREETSIDE LITTER CONTAINER LOCATIONS		
8730 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Hancock Ave
8704 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Westbourne Dr
8612 W Santa Monica Blvd	S/E	Corner Of Santa Monica Blvd & Westbourne Dr
8570 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & West Knoll Dr
8500 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & La Cienega Blvd
8490 W Santa Monica Blvd	S/E	Bus Stop Of Santa Monica Blvd & La Cienega Blvd
8460 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Alfred St
8430 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Croft Ave
8400 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Orlando Ave
8350 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Kings Rd
8300 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Sweetzer Ave
8270 W Santa Monica Blvd	S/W	Corner Of Santa Monica Blvd & Harper Ave
8224 W Santa Monica Blvd	S/E	Bus Stop Of Santa Monica Blvd & La Jolla Ave
8136 W Santa Monica Blvd	S/E	Corner Of Santa Monica Blvd & Havenhurst Dr
8200-8228 Santa Monica Blvd	Alley	Alley South Of S.M. Between La Jolla Ave & Kilkea Dr
745 N San Vicente Blvd	S/W	Bus Stop Of San Vicente Blvd & Santa Monica Blvd
625 N San Vicente Blvd	N/W	Bus Stop Of San Vicente Blvd & Melrose Ave
622 N San Vicente Blvd	N/E	Bus Stop Of San Vicente Blvd & Melrose Ave
864 N San Vicente Blvd	S/E	Bus Stop Of San Vicente Blvd & Cynthia Ave
8439 W Sunset Blvd	North Side Of Sunset	Corner Of Sunset Blvd & Olive Dr
8501 W Sunset Blvd	N/W	Corner Of Sunset Blvd & Miller Dr
8787 W Sunset Blvd	N/E	Corner Of Sunset Blvd & Holloway Dr
8873 W Sunset Blvd	N/E	Bus Stop Of Sunset Blvd & Clark St
8901 W Sunset Blvd	N/W	Corner Of Sunset Blvd & Clark St
8981 W Sunset Blvd	W/E	Corner Of Sunset Blvd & Hammond St
9059 W Sunset Blvd	N/E	Bus Stop Of Sunset Blvd & Doheny Dr
9229 W Sunset Blvd	N/W	Bus Stop Of Sunset Blvd & Doheny Dr
9200 W Sunset Blvd	S/W	Bus Stop Of Sunset Blvd & Cory Ave
9100 W Sunset Blvd	S/W	Bus Stop Sunset Ave & Doheny Dr
9000 W Sunset Blvd	S/W	Bus Stop Of Sunset Blvd & Hammond St
8920 W Sunset Blvd	S/E	Corner Of Sunset Blvd & Hilldale Ave
8906 W Sunset Blvd	S/W	Bus Stop Of Sunset Blvd & San Vicente Blvd
8878 W Sunset Blvd	S/E	Corner Of Sunset Blvd & San Vicente Blvd
8850 W Sunset Blvd	S/W	Corner Of Sunset Blvd & Larrabee St
8818 W Sunset Blvd	S/W	Corner Of Sunset Blvd & Holloway Dr
8788 W Sunset Blvd	S/E	Bus Stop Of Sunset Blvd Horn Ave
8608 W Sunset Blvd	S/E	Bus Stop Of Sunset Blvd & Sunset Pl
8482 W Sunset Blvd	S/E	Bus Stop Of Sunset Blvd & La Cienega Blvd
8410 W Sunset Blvd	S/W	Corner Of Sunset Blvd & Kings Rd
8300 W Sunset Blvd	S/W	Bus Stop Of Sunset Blvd & Sweetzer Ave
1072 Sweetzer Ave	S/E	Bus Stop Of Sweetzer & Santa Monica
157 N Robertson Blvd	S/W	Bus Stop Of Robertson Blvd & Beverly Blvd

Exhibit 2 STREETSIDE LITTER CONTAINER LOCATIONS		
450 N Robertson Blvd	N/E	Corner Of Roberston Blvd & Dorrington Ave
616 N Robertson Blvd	S/E	Behind Bldg; Next To Public Parking Pay Station
666 N Robertson Blvd	East Side Of Robertson	Between Santa Monica Blvd & Melrose Ave
692 N Robertson Blvd	S/E	Corner Of Santa Monica Blvd & Robertson Blvd
661 N Robertson Blvd	West Side Of Robertson	Between Santa Monica Blvd & Melrose Ave
621 N Robertson Blvd	West Side Of Robertson	Between Santa Monica Blvd & Melrose Ave

Exhibit 3 APPROVED FACILITIES	
1. Refuse (Disposal)	
Name of Facilities:	Mid Valley Landfill (San Bernardino County) - Primary San Timoteo Landfill (SBC) - Primary Victorville Landfill (SBC) - Primary Chiquita Canyon Landfill – Backup Puente Hills Landfill - Backup Sunshine Canyon Landfill – Backup
2. Mixed Waste Processing	
Name of Facilities:	Athens MRF (Industry) Athens MRF (Sun Valley)
3. Source Separated Recyclable Materials Processing	
Name of Facilities:	Athens MRF (Industry) Athens MRF (Sun Valley) Allan Company Sun Valley Paper Stock
4. Green Waste Processing/Compost	
Name of Facilities:	Mid Valley Landfill (San Bernardino County) - Primary San Timoteo Landfill (SBC) - Primary Victorville Landfill (SBC) - Primary Puente Hills Landfill - Backup American Organics – Backup
5. Food Waste Processing/Compost	
Name of Facility:	American Organics
6. Construction and Demolition Debris Processing	
Name of Facilities:	Community Recycling Athens MRF (Industry) Athens MRF (Sun Valley) Downtown Diversion East Valley Diversion California Waste

Exhibit 4
ATHENS DIVERSION PLAN

Current Diversion Programs

- 3 barrel source separated program for residential accounts where the blue recyclable barrel, green organics barrel, and black rubbish barrel are picked-up by 3 separate trucks. Recyclables and green waste are counted as diversion and the black barrel is transferred to landfill for disposal.
- Collection of blue recyclable barrels and green organics barrels from multi-family accounts with separate trucks from the multi-family rubbish bins. The multi-family bins are transferred to landfill for disposal.
- Collect and process 100% of Commercial mixed waste at the Athens Material Recovery Facility (MRF) in City of Industry, resulting in roughly 27% recovery
- Collect and process commercial food waste at the Athens MRF resulting in roughly 67% recovery (commercial food waste customers are picked-up on a separate truck from the commercial mixed waste trucks)
- Collect and process 100% of Roll-off mixed waste at the Athens MRF, resulting in roughly 27% recovery
- Collect roll-off Construction & Demolition (C&D) loads and transfer to C&D specific recycling facilities for diversion
- Collect roll-off source separated recycle loads (cardboard, paper, etc.) and transfer to recycling specific facilities for diversion

Current to 50% Hauler Diversion: In addition to continuing the diversion programs listed above, and in order to reach 50% overall hauler diversion, Athens will implement the following programs effective January 1, 2015 through June 30, 2020:

- Process 100% of Multi-Family mixed waste at the Athens MRF, with a recovery rate of approximately 30%, resulting in an additional 10% of overall hauler diversion
- Improve commodity recovery of Commercial mixed waste at the Athens MRF to approximately 30%, resulting in an additional 1% of overall hauler diversion
- Improve commodity recovery of Roll-off mixed waste at the Athens MRF to approximately 30%, resulting in an additional 1% of overall hauler diversion
- Ensure that all C&D roll-off loads are taken to C&D facility with the highest recovery rates in the area, and count the C&D roll-off diversion as part of hauler diversion
- Portion of MRF processed residual tons from the multi-family, commercial, and roll-off rubbish waste streams will be transferred to a Waste-to-Energy (WTE) facility, resulting in an additional 3% of overall hauler diversion

50% to 60% Hauler Diversion: If the Term of this Agreement is extended in Accordance with Article 2, in addition to continuing the diversion programs listed above, and in order to increase from 50% to 60% overall hauler diversion, Athens will implement the following programs effective July 1, 2020 through June 30, 2025:

- Improve commodity recovery of Commercial mixed waste at the Athens MRF to approximately 35%, resulting in an additional 1% of overall hauler diversion

Exhibit 4
ATHENS DIVERSION PLAN

- Improve commodity recovery of Multi-family mixed waste at the Athens MRF to approximately 35%, resulting in an additional 0.5% of overall hauler diversion
- Improve commodity recovery of Roll-off mixed waste at the Athens MRF to approximately 35%, resulting in an additional 0.3% of overall hauler diversion
- Process the residential rubbish barrel at the Athens MRF in order to recover additional commodities not separated into the blue recycle barrel by the resident, resulting in an additional 0.2% of overall hauler diversion
- Allow residential and multi-family customers to place food waste in the green barrel along with the green waste and take the material to the Athens Organics facility for composting, resulting in an additional 3.5% of overall hauler diversion
- Use of Anaerobic Digestion and other new technologies (currently being implemented in the Waste & Recycling Industry) on residual tons from the MRF processed material, resulting in an additional 3% of overall hauler diversion
- Portion of MRF processed residual tons from the multi-family, commercial, and roll-off rubbish waste streams will be transferred to a Waste-to-Energy (WTE) facility, resulting in an additional 1% of overall hauler diversion
- Improved public education and awareness on the 3 barrel source separated program for improved recovery of recyclables and organics, resulting in an additional .5% of overall hauler diversion
- Promote and improve public education of recycling programs in the City, such as Christmas tree disposal, bulky item disposal, abandoned waste, and other City events. Ensure that most efficient recovery methods are being used for these programs.

60% to 70% Hauler Diversion: If the Term of this Agreement is extended in Accordance with Article 2, in addition to continuing the diversion programs listed above, and in order to increase from 60% to 70% overall hauler diversion, Athens will implement the following programs effective July 1, 2025 through June 30, 2030:

- Improve commodity recovery of Commercial mixed waste at the Athens MRF to approximately 41%, resulting in an additional 1% of overall hauler diversion
- Improve commodity recovery of Multi-family mixed waste at the Athens MRF to approximately 41%, resulting in an additional 2% of overall hauler diversion
- Improve commodity recovery of Roll-off mixed waste at the Athens MRF to approximately 41%, resulting in an additional .5% of overall hauler diversion
- Use of Anaerobic Digestion and other new technologies (currently being implemented in the Waste & Recycling Industry) on residual tons from the MRF processed material, resulting in an additional 4% of overall hauler diversion
- Portion of MRF processed residual tons from the multi-family, commercial, and roll-off rubbish waste streams will be transferred to a Waste-to-Energy (WTE) facility, resulting in an additional 1% of overall hauler diversion
- Offer and provide green barrels to commercial accounts that cannot accommodate a separate food waste bin in order to place food waste in the green barrel, which will be

Exhibit 4

ATHENS DIVERSION PLAN

picked up by the residential green barrel truck for and taken to the organics facility for composting, resulting in an additional 0.5% of overall hauler diversion

- Improve commodity recovery of the commercial food waste material at the MRF, resulting in an additional 1% of overall hauler diversion
- Meet with commercial and roll-off customers to maximize diversion of food waste, source separated recyclables, and C&D material

Exhibit 5
CITY-SPONSORED EVENTS

- Halloween Festival – October 31
- Christopher Street West/Gay Pride Festival and Parade – mid-June
- Various community events held from time to time during the year, at a City Park, Public Building, Public Parking Lot, or other Public Space. Example events include, but are not limited to:
 - Kids Fair
 - Book Fair
 - Veterans Day Ceremony,
 - Victory in Europe Day Ceremony
 - Senior Health Fair
 - Yom Hashoah Memorial Ceremony
 - Pow-Wow
 - National Night Out,
 - Concerts in the Park
 - Movies in the Park
 - Arbor Day
 - Russian Festival

EXHIBIT 6 VEHICLE AND CONTAINER REPLACEMENT SCHEDULE						
Unit No./Id.	Year	Unit Description	Fuel Type	Replacement Date	Unit Description	Fuel Type
115	2004	FEL/CURROTTO	LNG	7/1/2015	FEL/ CURROTTO	CNG
116	2004	FEL/CURROTTO	LNG	7/1/2015	FEL/ CURROTTO	CNG
117	2004	FEL	LNG	1/1/2016	FEL	CNG
119	2004	FEL	LNG	1/1/2016	FEL	CNG
151	2004	FEL	LNG	7/1/2016	FEL	CNG
153	2004	FEL	LNG	7/1/2016	FEL	CNG
154	2004	FEL	LNG	1/1/2017	FEL	CNG
155	2004	FEL	LNG	1/1/2017	FEL	CNG
157	2004	FEL	LNG	7/1/2017	FEL	CNG
158	2004	FEL	LNG	7/1/2017	FEL	CNG
120	2012	Scout Colorado	Unleaded		Scout/Chevy	Unleaded
121	2012	Scout Colorado	Unleaded		Scout/Chevy	Unleaded
122	2012	Scout Colorado	Unleaded		Scout/Chevy	Unleaded
Container Type	Year	Container Description		Replacement Date		
Carts		32, 64, 96 gallon carts		Repair or replace as needed, or at customer request		
Bins		1 – 6 cubic yard bins		Repair or replace as needed, or at customer request		
Roll-off		10 – 40 cubic yard roll-off		Repair or replace as needed, or at customer request		

Exhibit 7
COMPARABLE MARKET CONDITIONS METHODOLOGY

1. Review of Comparable Market Conditions

The purpose of the Review of Comparable Market Conditions will be for the CITY (or the City's designated consultant) to compare the CITY's then-current customer Maximum Service Rates, rate structure, required minimum hauler diversion level, and solid waste services to those of 15 to 20 selected jurisdictions in Los Angeles, San Bernardino, and Orange Counties.

Jurisdictions which have similar solid waste services to those provided by the Contractor (e.g., 3-cart residential collection system, mixed waste processing of Commercial and MFD Refuse, etc.) will be targeted for this review. The jurisdictions selected for this review will be agreed upon by the CITY and CONTRACTOR.

Specific items to be reviewed will include, but not necessarily be limited to:

- a. Residential and commercial customer rates;
- b. Type of collection services and additional ancillary services (e.g. bulky item collection, e-waste collection, etc.) provided to residential and commercial customers;
- c. Franchise Fees, AB 939 Fees and any other fees included in customer rates;
- d. Rate adjustment mechanisms;
- e. Additional services provided to the jurisdiction (e.g., street sweeping, public facilities collection, schools collection);
- f. Franchise agreement / contract structure (i.e., exclusive hauler, non-exclusive haulers, permitted haulers, etc.);
- g. Names of collection service providers, billing providers and customer service providers;
- h. Processing types; and
- i. Destination facilities.

The information will be compiled in a tabular format, and residential and commercial customer rates will be averaged by service level and category for comparison to the CITY's then-current residential and commercial Maximum Service Rates.

Exhibit 8
DETAILED RATE REVIEW METHODOLOGY

1. Detailed Rate Review Methodology

In the event that such a Detailed Rate Review is requested by the CITY OR CONTRACTOR, the Detailed Rate Review will be based on CONTRACTOR audited financial statements for West Hollywood for the most recently completed fiscal year (July to June). The Detailed Rate Review will be conducted in conjunction with a Review of Comparable Market Conditions as described in Exhibit 7.

CONTRACTOR shall assemble and submit such information as necessary to support assumptions made with regard to forecasts used to develop their forecasted Maximum Service Rates. CONTRACTOR shall provide all information from related party entities regarding any material transactions between CONTRACTOR and those related party entities. CONTRACTOR shall provide all financial information and supporting documentation required by this review in a format acceptable to the CITY (or the CITY's designated consultant) in a timely manner. The Contractor shall not require the CITY (or the CITY's designated consultant) to review any such documents on-premises at the Contractor's worksite, but shall instead allow for all required information and supporting documentation to be provided to the CITY (or its designated consultant) via physical mail, e-mail, fax, or any other delivery method approved by the CITY. Any requests by CONTRACTOR to hold any such supporting documentation confidential shall be governed by Article 46 of this Agreement.

Maximum Service Rates shall be adjusted as part of this Detailed Rate Review based on the forecasted annual cost of operations, and forecasted costs reviewed as set forth below.

- a. Forecasted annual cost of operations. The forecasted annual cost of operations shall consist of the sum of:
- Forecasted labor-related costs
 - Forecasted vehicle-related costs
 - Forecasted processing costs
 - Forecasted disposal cost
 - Forecasted other costs
 - Forecasted depreciation expense

Each of these sums shall be reviewed based on the following:

- i. **Determination of actual costs.** CONTRACTOR's financial statement will be reviewed to determine CONTRACTOR's costs for each of the foregoing categories during the fiscal year involved. CITY will use the audited financial statements to determine that costs have actually been incurred and have been assigned to the appropriate category.
- ii. **Adjustment of actual costs.** CITY may adjust the actual costs in two ways: (1) to exclude any non-allowable costs, set out below, and (2) to exclude and/or reduce any costs that were not reasonably and necessarily incurred in the performance of the services provided in accordance with this Agreement.

Costs that may be deemed non-allowable include, but are not limited to, the following:

- i. Payments to directors and/or owners of CONTRACTOR unless paid to reasonably compensate for services actually rendered.
- ii. Promotional, entertainment, and travel expenses, unless authorized in advance by CITY.
- iii. Payments to repair damage to property of CITY or other parties, including the City or County for which CONTRACTOR is legally liable.
- iv. Fines or penalties of any nature.

Exhibit 8
DETAILED RATE REVIEW METHODOLOGY

- v. Administrative Charges assessed under Section 18.04 of this Agreement.
 - vi. Federal or state income taxes.
 - vii. Charitable or political donations.
 - viii. Attorney's fees and other expenses incurred by CONTRACTOR in any court proceeding in which CITY and CONTRACTOR are adverse parties, unless Contractor is the prevailing party in said proceedings.
 - ix. Attorney's fees and other expenses incurred by CONTRACTOR in any court proceeding in which CONTRACTOR's own negligence, violation of law or regulation, or other wrongdoing, are in issue and occasions in part the attorney's fees and expenses claimed, provided, however, such attorney's fees will be allowed to the extent CONTRACTOR can demonstrate they were reasonable and necessary and a cost of doing business, and were not the result of any intentional or willful misconduct by CONTRACTOR or its employees; and attorney's fees and expenses incurred by CONTRACTOR in a court proceeding in which the legal theory or statute providing a basis of liability against CONTRACTOR also provides for separate strict liability for CITY arising from the action of its citizens or ratepayers (such as in a CERCLA lawsuit).
 - x. Payments to related party entities for products or services, in excess of the fair market value for those products or services. For purposes of this Agreement, related party expenses are those resulting from transactions between CONTRACTOR and another company (companies) that has (have) common ownership or management control. To demonstrate the actual cost to the related company, Contractor shall provide, at a minimum, the invoice for the good or service, the receiving document, the corresponding canceled check and the basis for the transaction. Whenever possible, materials shall be delivered directly to CONTRACTOR or the related party entity, as appropriate.
- b. Forecasted Costs. Allowed Costs of operations for the Contractor's prior fiscal year will be used to evaluate the forecasted cost for first fiscal year of the upcoming extension period. The review will evaluate forecasted labor-related costs, vehicle-related costs, processing costs, disposal costs, and other costs.
- c. Depreciation Expense. Depreciation expense will be calculated by dividing the actual purchase price of the assets by the number of years in the term of the Agreement. The result is the forecasted depreciation expense for the rate year.

Additional Diversion Expense. The CONTRACTOR's forecasted additional cost for increasing its overall diversion level in the upcoming extension period will be reviewed for reasonableness, and any components of that additional cost which are determined to be unreasonable will be categorized as a non-allowable cost. The CONTRACTOR will also be required to demonstrate how this forecasted increase in diversion leads to a forecasted decrease in the cost of disposal (i.e., a decrease in per-ton landfilling costs as compared to prior years). The total forecasted landfilling costs to be included in the CONTRACTOR's total annual cost of operations for the first fiscal year of the upcoming extension period will reflect the forecasted decrease in disposal costs demonstrated by the CONTRACTOR. Any additional cost claimed by the CONTRACTOR for the use transformation facilities will only be considered to allow for additional diversion above CONTRACTOR 's required 50% diversion and as directed by the City.

Exhibit 9
PERFORMANCE REVIEW METHODOLOGY

1. Performance Review Methodology

The purpose of the Performance Review will be for the CITY (or its designated consultant) to determine the Contractor's level of compliance with its obligations as specified under the terms and conditions of this Agreement. If the CITY (or its designated consultant) determines that the Contractor is not in compliance with the terms and conditions of the Agreement, the CITY may (at its sole discretion) elect not to offer or provide for a First Five-Year Extension or Second-Five Year Extension to the term of this Agreement, as described in Sections 2.02 and 2.03 respectively. The compliance checklist that will guide the Performance Review is listed in Section 2 of this Exhibit 9

The CITY (or its designated consultant) may utilize a variety of methods in the execution of the Performance Review, including analysis of relevant documents, on-site and field observations, and interviews.

The CITY (or its designated consultant) will review and document the items in the Agreement that require the Contractor to meet specific performance standards, submit information or reports, perform additional services, or document operating procedures, that can be objectively evaluated. CONTRACTOR's information required as part of the compliance checklist will include supporting documentation and findings tracked for each of the identified items.

On-site and field observations by the CITY (or its designated consultant) may include, but are not necessarily limited to:

- Interviews and discussions with Contractor's administration and management personnel;
- Review and observation of Contractor's customer service functions and structure;
- Review of public education and outreach materials;
- Interviews and discussions with Contractor's financial and accounting personnel;
- Interviews with route dispatchers, field supervisors and managers;
- Interviews with route drivers;
- Interviews with vehicle maintenance staff and observation of maintenance practices; and
- Review of on-route collection services, including observation of driver performance and collection productivity and visual inspection of residential routes before and after collection to evaluate cart placement and cleanliness of streets.

The Performance Review will specifically include a determination of the Contractor's compliance with the diversion requirements of Article 6, and the public outreach and education requirements of Article 16.

As stated above, the CITY (or its designated consultant) may review the customer service functions and structure utilized by the Contractor. This may include the Contractor's protocol for addressing customer complaints and service interruption procedures. Complaint logs may be reviewed, along with procedures and systems for tracking and addressing complaints.

Exhibit 9					
PERFORMANCE REVIEW METHODOLOGY					
2. Agreement Compliance Checklist					
Primary Issue	#	Compliance Category	Item Description	Section	Pg.
Recitals					
N	1	Recitals	CONTRACTOR has agreed to provide such services as are necessary or desirable to ensure CITY complies with the requirements of AB 341, AB 939, AB 1594, AB 1826, and Public Resources Code Section 40000, et seq.	Recitals	8
Article 1. Definitions					
Article 2. Term of Agreement					
N	2	First Five Year Extension: Performance Review	CONTRACTOR must complete and pay all costs associated with conducting a Performance Review for calendar years 2015, 2016, 2017, and 2018, completed no later than May 1, 2019.	2.02.1	18
N	3	First Five Year Extension: Material Compliance	CONTRACTOR must be determined to be in material compliance with all requirements of this Agreement.	2.02.1	18
N	4	First Five Year Extension: Compliance with Diversion Requirement	CONTRACTOR must be in compliance with the minimum diversion requirement of fifty percent (50%) diversion from all franchised tonnage Collected for calendar years 2015, 2016, 2017, 2018, 2019, and for the period January 1, 2020 to June 30, 2020.	2.02.2	18
N	5	First Five Year Extension: Compliance with Diversion Requirement	CONTRACTOR must also increase required diversion to sixty percent (60%) beginning on July 1, 2020	2.02.3	18
N	6	First Five Year Extension: Maximum Service Rates	Any CONTRACTOR requested increase to the Maximum Service Rates associated with the increased diversion requirements shall not exceed ten percent (10.0%) and must be submitted by April 1, 2019.	2.02.3	18
N	7	Second Five Year Extension: Performance Review	CONTRACTOR must complete and pay all costs associated with conducting a Performance Review for calendar years 2019, 2020, 2021, 2022, and 2023, completed no later than May 1, 2024.	2.03.1	20
N	8	Second Five Year Extension: Material Compliance	CONTRACTOR must be determined to be in material compliance with all requirements of this Agreement.	2.03.1	20
N	9	Second Five Year Extension: Compliance with Diversion Requirement	Contractor must be in compliance with the minimum diversion requirement of sixty percent (60%) diversion from all franchised tonnage Collected for the period July 1, 2020 thorough December 31, 2020 and for calendar years 2021, 2022, 2023, 2024, and for the period January 1, 2025 through June 30, 2025.	2.03.2	20
N	10	Second Five Year Extension: Compliance with Diversion Requirement	CONTRACTOR must also increase required diversion to seventy percent (70%) beginning on July 1, 2025 and thereafter.	2.03.3	20
N	11	Second Five Year Extension: Maximum Service Rates	Any CONTRACTOR requested increase to the Maximum Service Rates associated with the increased diversion requirements shall not exceed ten percent (10.0%) and must be submitted by April 1, 2023.	2.03.3	20

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	12	Written Offer of Extension	In the case that CITY offers an extension, CONTRACTOR shall provide a written response to the CITY either accepting or rejecting the CITY's offer within twenty (20) Work Days of the date of the CITY's offer. If the notice fails to be provided within this time, the CITY's offer shall be deemed withdrawn.	2.02.4, 2.03.4	19, 21
Article 3. Grant of Franchise					
Article 4. General Requirements Applicable to Services Provided by CONTRACTOR					
N	13	Service Standards	CONTRACTOR shall perform all Collection Services under this Agreement in a professional manner, consistent with the standards applicable in its industry, regardless of weather conditions or difficulty of Collection, unless determined it would be unsafe for CONTRACTOR's employees to do so.	4.01	23
N	14	Labor and Equipment	CONTRACTOR shall provide and maintain all labor, equipment, tools, facilities, and personnel supervision required for the performance of CONTRACTOR's obligations under this Agreement.	4.02	23
N	15	Collection Schedule	CONTRACTOR shall establish Collection routes and schedules such that Customers will have not less than one established Collection day each week.	4.03	23
N	16	Collection Schedule Notice	CONTRACTOR shall provide notice to each Customer of its established Collection day(s), and provide at one week's notice to Customers of any changes.	4.03	23
N	17	Coordination With Street Sweeping Services	CONTRACTOR shall make reasonable efforts to coordinate route schedules with the CITY's street sweeping schedule. CONTRACTOR shall provide all routes and route schedules to the CITY and work with CITY to resolve conflicts with street sweeping schedules.	4.04	23
N	18	Holiday Service	If the regularly scheduled Collection day falls on a Holiday listed in Section 4.05, Holiday Service, CONTRACTOR shall perform Collection on the following Monday.	4.05	23
Y	19	Commingling of Materials	CONTRACTOR shall not at any time commingle any Solid Waste Collected pursuant to this Agreement with any other material Collected by CONTRACTOR inside or outside the CITY of West Hollywood without the express prior written authorization of the Agreement Administrator.	4.07	24
N	20	Spillage and Litter	CONTRACTOR shall not litter, shall transport all materials Collected under the terms of this Agreement in such a manner as to prevent the spilling or blowing of such materials from the CONTRACTOR'S vehicle, shall exercise all reasonable care and diligence as to prevent spilling or dropping of Solid Waste and shall immediately, at the time of occurrence, clean up such spilled or dropped Solid Waste.	4.08	24
N	21	Report of Accumulation of Refuse	CONTRACTOR shall direct its drivers to note (1) the addresses of any Premises at which they observe that Refuse is accumulating and not being Collected, and (2) the address or location description at which Refuse has been dumped in an apparently unauthorized manner, within five (5) working days of such observation, to CITY.	4.10	24
N	22	Non-Collection	In the event of non-collection, CONTRACTOR shall affix to the Container a Non-Collection Notice explaining why Collection was not made, and shall maintain a copy of such notices during the term of this Agreement.	4.11	24

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	23	Warning Notice	CONTRACTOR shall place a red tag or other warning notice approved by the CITY on all Recyclable loads that are contaminated, indicating to the Customer why the load was not recycled. CONTRACTOR shall notify CITY on a monthly basis of any warning notices issued, provide copies of such warnings to CITY upon request, and should not remove Recycling Containers without prior written CITY authorization.	4.12	24
N	24	Hazardous Waste Inspection and Reporting	CONTRACTOR shall maintain a training program that will assist its employees in identifying and properly disposing of any Hazardous Waste.	4.13	24
N	25	Hazardous Waste Diversion Records	CONTRACTOR shall maintain records showing the types and quantities, if any, of Hazardous Waste found in Solid Waste and which was inadvertently Collected from Customers within the CITY, but diverted from landfilling.	4.14	25
N	26	Access to Security Buildings	CONTRACTOR is responsible for obtaining and securing keys and remote controls used to gain access to security buildings, and is responsible for closing and locking all doors. CONTRACTOR is responsible for the cost of misplacing key or remote control. CONTRACTOR shall establish a coding system for key/remote identification to safeguard against address identification if key or remote is lost.	4.15	25
Article 5: Compensation and CONTRACTOR Rates					
N	27	Billing by CITY	CONTRACTOR shall invoice CITY on the 25th of each month for services to be provided to these Customers the following month.	5.01	25
Y	28	CONTRACTOR Compensation	CONTRACTOR shall impose no other charges not contained within the Maximum Service Rates for services provided to Customers unless approved by the CITY Manager for all Collection Services.	5.02	25
N	29	Billing by CONTRACTOR	CONTRACTOR will Bill Customers directly for all services other than Single Family Solid Waste Collection Services and Multi-Family Recyclable Material Collection Services monthly, but no sooner than the first of the month for which service is being Billed, with payment due no sooner than the last day of the month for which service is being Billed For all other services, CONTRACTOR shall provide Customers with Itemized Bills. Billings may not contain the designation "payable upon receipt," and instead shall contain a due date, which date shall not be earlier than the last day of the period for which services are provided.	5.03	25
N	30	Senior Citizen Discount	CONTRACTOR shall offer a ten percent (10%) service fee discount to property owners who those who are considered Senior Citizens in accordance with Section 5.03.1.1, and shall notify all such Customers in writing of the availability and amount of the following discounts at least once per year.	5.03.1.1	26
N	31	Low-Income Discount	CONTRACTOR shall offer a ten percent (10%) service fee discount to property owners who those who are considered Low-Income in accordance with Section 5.03.1.2, and shall notify all such Customers in writing of the availability and amount of the following discounts at least once per year.	5.03.1.2	26
N	32	Partial Month Service	CONTRACTOR shall reimburse Customers that pay in advance for service not used, on a prorated daily basis, within 30 days of the Customer terminating service.	5.03.2	26

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	33	Non-Payment, Collections, Suspension of Service	CONTRACTOR may not discontinue service to Multi-family Customers.	5.04	26
N	34	Non-Payment, Collections, Suspension of Service	In the event of a Billing dispute or to avoid negatively impacting public health or safety, CONTRACTOR shall continue to provide service to any Customer if directed to do so by CITY without regard to the status of said Customer account.	5.04	26
Y	35	Review of Billings	CONTRACTOR shall review each Customer's account annually, and submit to CITY a written report of its annual review of all Customer accounts annually on the anniversary of the Effective Date of this Agreement. CONTRACTOR shall maintain copies of all Billings as well as records of receipts from said Billings, each in chronological order, as required by Section 17.01 for inspection by CITY upon request.	5.04.1	27
N	36	Credit for Missed Pickups	CONTRACTOR shall credit Customers for missed pickups, provided that the pickup was not made up within 24-hours. In addition to crediting these Customers for service not received, CONTRACTOR shall still pay CITY administrative charges as indicated in Section 18.02.	5.05	27
Y	37	Franchise Fee Payments	Throughout the term of this Agreement CONTRACTOR shall pay to CITY a franchise fee in an amount equal to 10% of the Gross Receipts derived by CONTRACTOR from services Billed by CONTRACTOR.	5.06.1	27
N	38	Franchise Fee Payment: Time and Method of Payment	If the franchise fee is not paid on or before the thirtieth (30th) day following the end of the calendar quarter, CONTRACTOR shall pay to CITY a penalty in an amount equal to ten percent (10%) of the amount owing for that quarter, plus 12% interest per annum prorated to each day of delinquency.	5.06.3	27
Y	39	AB 939 Fee Amount	CONTRACTOR shall pay an AB 939 Fee to CITY in the amount of \$126,340.92 per year, adjusted annually as set forth herein by July 1st of each year.	5.06.2	27
N	40	AB 939 Fee Amount: Time of Payment	If the AB 939 Fee is not paid by July 31st of each Agreement Year, CONTRACTOR shall pay to CITY a penalty in an amount equal to ten percent (10%) of the amount owing for that year, plus 12% interest per annum prorated to each day of delinquency.	5.06.3	27
N	41	Times and Method of Payment	CONTRACTOR shall maintain copies of all Billing and Collection records for five (5) years, following the date of Billing, for inspection and verification by CITY at any reasonable time upon request.	5.06.3	27
N	42	Adjustments To Maximum Service Rates	On April 1 2015 and each April 1st thereafter, CONTRACTOR shall submit a written request to the CITY for an adjustment in the Maximum Service Rates to the CITY in a form approved by the CITY, including the basis and calculations for the increase, and a complete schedule of the requested Maximum Service Rates.	5.07.1	28
N	43	Adjustments To Maximum Service Rates	Maximum Service Rate increases shall not exceed six percent (6.0%) per annum in any Agreement Year.	5.07.1.1	28

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	44	Adjustments To Maximum Service Rates	Any calculated CPI adjustment above six percent (6.0%) shall be added to the result of the subsequent years' CPI adjustment and the result shall be the CPI adjustment for that subsequent year, provided that no annual CPI adjustment shall ever exceed six percent (6.0%).	5.07.1.2	28
N	45	Adjustments To Maximum Service Rates	In any year that the CPI adjustment results in a negative number, there shall be no adjustment. Instead, the negative CPI adjustment shall be added to the result of the subsequent year's CPI adjustment and the result shall be the CPI adjustment for that subsequent year.	5.07.1.3	28
N	46	Detailed Rate Review	If a Detailed Rate Review is requested in accordance with the Detailed Rate Review Methodology as specified in Exhibit 8, the CONTRACTOR shall pay the cost for the Detailed Rate Review and the cost of such a Detailed Rate Review is not an allowable pass-through cost.	5.08	29
N	47	Supporting Information	Detailed Rate Review requests shall be accompanied by a copy of CONTRACTOR's certified annual financial statements for West Hollywood prepared by a Certified Public Accountant, which shall have been prepared in compliance with Rule 58 of the "Rules and Regulations of the State Board of Accountancy," as established by the California Code of Regulations, Title 16, Chapter 1.	5.08.1	29
Y	48	Grants	In the event that CONTRACTOR receives grant funding for services or equipment to be used for services pursuant to this Agreement, CONTRACTOR shall notify CITY of receipt of any such grant funds. The total amount of CONTRACTOR compensation shall be reduced by an amount equal to 50% of the amount of any such grant received from Federal, State or local agencies other than the CITY, and by an amount equal to 100% of the amount of any such grant received from the CITY.	5.09	29
N	49	Discretionary Adjustments	For each request for a discretionary adjustment to the Maximum Service Rates brought pursuant to this Section, CONTRACTOR shall prepare a schedule documenting the extraordinary costs.	5.01	29
Article 6: Diversion Requirements and Guarantee					
NA	50	CONTRACTOR'S Diversion Guarantee	Beginning calendar year 2015 and during each calendar year throughout the term of this Agreement, CONTRACTOR shall divert fifty percent (50%) of the Solid Waste it Collects pursuant to this Agreement.	6.01.1	30
NA	51	CONTRACTOR'S Diversion Guarantee	Beginning July 1, 2020, and during each calendar year throughout the term of this Agreement, CONTRACTOR shall divert sixty percent (60%) of the Solid Waste it Collects pursuant to this Agreement.	6.01.2	31
NA	52	CONTRACTOR'S Diversion Guarantee	Beginning July 1, 2025 and during each calendar year throughout the term of this Agreement, CONTRACTOR shall divert seventy percent (70%) of the Solid Waste it Collects pursuant to this Agreement.	6.01.3	31
Y	53	CONTRACTOR'S Diversion Guarantee	CONTRACTOR shall provide documentation to the CITY within 20 days of the end of each calendar quarter stating and supporting that quarter's diversion rate.	6.01	31
N	54	Use of Transformation Facility	CONTRACTOR is not entitled to any additional compensation associated with use of any Transformation Facility unless approved by the CITY as part of a Detailed Rate Review associated with increases of sixty percent (60%) or higher of CONTRACTOR's minimum diversion and conducted in accordance with Section 5.08 of this Agreement.	6.01.4.1	31

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
Y	55	End Uses for Green Waste	CONTRACTOR shall divert Green Waste materials Collected through weekly Cart and bundle Collection, holiday tree Collection, Roll-Off Container Collection, and mixed waste processing (if applicable) from disposal, and	6.01.4.2	31
Y	56	End Uses for Green Waste	CONTRACTOR must provide end uses for Green Waste that maximizes diversion credits for CITY according to regulations established by the CalRecycle.	6.01.4.2	31
Y	57	Use of Alternative Daily Cover (ADC)	CONTRACTOR shall divert through uses other than as Alternative Daily Cover (ADC) whenever feasible.	6.01.4.3	32
Y	58	Bulky Item Diversion	Bulky Items Collected by CONTRACTOR under this Agreement may not be landfilled or disposed of until the following hierarchy of diversion efforts outlined in Section 6.01.4.5 has been followed by CONTRACTOR.	6.01.4.5	32
Y	59	Warranties and Representations	CONTRACTOR warrants and represents that it is aware of and familiar with CITY's waste stream, and that it has the ability to and will provide sufficient programs and services to ensure CITY will meet or exceed the diversion requirements as set forth in CONTRACTOR'S Diversion Guarantee, as well as the diversion requirements of the Applicable Laws governing this Agreement, without imposing any costs or fees other than the Maximum Service Rates	6.02	32
Y	60	Mutual Cooperation	CITY and CONTRACTOR shall reasonably cooperate in good faith with all efforts by each other to meet CITY's diversion and other compliance requirements imposed by AB 939 and other Applicable Laws, and to meet CONTRACTOR'S obligations under CONTRACTOR'S Diversion Guarantee.	6.03	32
Y	61	Waste Reduction and Program Implementation	CONTRACTOR shall implement the programs identified in the Source Reduction and Recycling Element (SRRE) and Household Hazardous Wastes Element (HHWE) of the CITY's General Plan immediately upon the Effective Date hereof, and will implement any additional diversion programs required to meet CONTRACTOR's diversion requirements as specified in Article 6 of this Agreement	6.04	33
Y	62	Waste Reduction and Program Implementation	CONTRACTOR shall be responsible for providing data and information, cooperating, and assisting CITY with the preparation of, all reports and other information as may be required by any agency, including specifically, the State of California, in order to comply with AB 939 and other Applicable Laws.	6.04	33
Agreement/ Warrant/ Guarantee	63	Guarantee and Indemnification	CONTRACTOR warrants and guaranties that (i) both it and CITY will at all times be in compliance with the requirements of the Applicable Laws and (ii) CITY will meet or exceed the diversion requirements set forth in CONTRACTOR'S Diversion Guarantee and the Applicable Laws	6.05	33
Agreement/ Warrant/ Guarantee	64	Guarantee and Indemnification	CONTRACTOR agrees that it will at its sole cost and expense: To the extent legally permitted, defend, indemnify, and hold harmless CITY and CITY's agents from and against all fines and/or penalties and other liabilities which may be imposed a regulatory agency if: (1) CONTRACTOR fails to timely provide information which delays CITY from submitting reports in a timely manner; or (2) the goals and requirements of the Applicable Laws are not met.	6.05	33

Exhibit 9					
PERFORMANCE REVIEW METHODOLOGY					
Agreement/ Warrant/ Guarantee	65	Guarantee and Indemnification	CONTRACTOR agree to: (a) Assist CITY in responding to inquires from any regulatory agency, (b) Assist CITY in preparing and participating in CalRecycle's biannual review of CITY's SRRE, (c) Assist CITY in applying for any extension if so directed by CITY; (d) Assist CITY in any hearing conducted by any regulatory agency relating to CITY's compliance with the Applicable Laws; (e) Assist CITY with the development of a public awareness and education program; (e) Provide CITY with technical assistance needed to comply with the Applicable Laws; (f) Defend CITY and CITY's agents against the imposition of fines/penalties/inabilities, issued by regulatory agencies pursuant to the Applicable Laws (g) Be responsible for and pay, any fees/penalties/costs imposed against the CITY by CalRecycle, and indemnify and hold harmless CITY from and against any fines/penalties/inabilities levied against it for violation of Applicable Laws related to CONTRACTOR's performance of its obligations under this Agreement.	6.05	33
Agreement/ Warrant/ Guarantee	66	Waste Generation/ Characterization Studies	CONTRACTOR agrees to participate and cooperate with CITY to accomplish studies and data collection and prepare reports to satisfy the requirements of the Applicable Laws including AB 939 and AB 341.	6.07	34
Agreement/ Warrant/ Guarantee	67	Implementation of Additional Diversion Services	If the CITY directs CONTRACTOR to perform additional services or modify the manner in which it performs existing services, and CONTRACTOR agrees to do so at no additional charge.	6.08	34
Article 7: Service Units					
N	68	Additions and Deletions	CONTRACTOR shall provide services described in this Agreement to new Service Units in CONTRACTOR'S Service Area within five (5) Work Days of receipt of notice from the CITY or new Service Unit to begin such Service.	7.02.1	35
N	69	Annexation	If additional territory within or adjacent to the CONTRACTOR'S Service Area is acquired by the CITY through annexation, CONTRACTOR agrees to provide Collection Services in such annexed area in accordance with the provisions and service rates set forth in this Agreement within five (5) Work Days of notice from the CITY, and not begin Collection Service without written CITY authorization.	7.03	35
N	70	Route Map Update	CONTRACTOR shall revise the Service Unit route maps to show the addition of Service Units added due to annexation and shall provide such revised maps to the Agreement Administrator as requested.	7.04	35
Article 8. Flow Control					
N	71	Flow Control	CONTRACTOR expressly consents to CITY's ability to direct the location for disposal or processing of Solid Waste hereunder, and waives any and all rights to challenge CITY's ability to do so, including without limitation, any rights under the Commerce Clause of the United States Constitution.	8.01.2	35
Article 9. Processing and Disposal					
Y	72	Disposal Facility	All Refuse Collected as a result of performing Collection Services shall be transported to, and delivered on the same day as Collection, at the Disposal Facility listed in Exhibit 3. In the event the Disposal Facility is closed on a Work Day, the CONTRACTOR shall transport and dispose of the Refuse at such other legally permitted disposal facility as is approved by CITY.	9.01.2	36

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	73	Status of Disposal Site	Any Disposal Facility utilized by CONTRACTOR shall be designed and constructed in accordance with 23 California Code of Regulations Section 2510 et seq. ("Subchapter 15").	9.01.2.1	36
N	74	Status of Disposal Site	Any such landfill has been issued all permits from federal, state, regional, county and city agencies necessary for it to operate as a Class III Sanitary Landfill and is in full regulatory compliance with all such permits.	9.01.2.1	36
Agreement/ Warrant/ Guarantee	75	Disposal Priority and Capacity Agreement	CONTRACTOR warrants and guarantees CITY that its Facilities listed in Exhibit 3 will have capacity for all Refuse Collected by CONTRACTOR pursuant to this Agreement throughout the term hereof. CONTRACTOR will either retain ownership of this facility, or obtain and/ or retain contracts with this facility guaranteeing such capacity for the term of this Agreement.	9.01.2.2	36
N	76	Disposal Priority and Capacity Agreement	CONTRACTOR shall be solely responsible for transfer and disposal of residual waste from this facility to the Disposal Facility.	9.01.2.2	36
Y	77	Organic Waste Processing Facility	CONTRACTOR shall deliver all Collected Organic Waste to a fully permitted Organic Waste Processing Facility listed in Exhibit 3 within twenty-four (24) hours of Collection. In the event the facility is closed on a Work Day, the CONTRACTOR shall transport and deliver the Organic Waste to such other legally permitted facility as is approved by the CITY.	9.01.3	36
Y	78	Materials Recovery Facility	All Recyclable Materials Collected as either Source Separated Recyclables are as mixed waste a result of performing SFD, MFD, Commercial and City Recycling Services shall be delivered to the Materials Recovery Facility (MRF) listed in Exhibit 3. In the event the MRF is closed on a Work Day, the CONTRACTOR shall transport and deliver the Recyclable Materials to such other legally permitted MRF as is approved by CITY	9.01.4	36
Y	79	Transformation Facility	Any Transformation Site utilized by CONTRACTOR, shall be designed and constructed in accordance with applicable federal, State, regional, County and City laws, and shall have been issued all permits from all agencies necessary for it to operate as a Transformation Facility and shall be in full regulatory compliance with all such permits.	9.01.5	36
N	80	Marketing and Sale of Recyclable Material	CONTRACTOR shall be responsible for marketing and sale of all Recyclable Materials Collected pursuant to this Agreement.	9.02	37
Article 10. SFD Collection Services					
N	81	Provision of Carts for SFD Service Units	CONTRACTOR shall provide each Customer at a SFD Service Unit with one Refuse Cart, one Recycling Cart, and one Organic Waste Cart.	10.01	37
Y	82	SFD Use of Existing Carts	CONTRACTOR shall replace the Carts in accordance with the replacement schedule set forth in Exhibit 6.	10.01.1	37
N	83	SFD Collection Requirement	CONTRACTOR shall provide SFD Collection Service to all Customers at SFD Service Units in the Service Area not less than once per week, at rates that do not exceed the Maximum Service Rates, with all Collection Services on the same Work Day.	10.03	37

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	84	SFD Walk-Out Service	CONTRACTOR shall provide "Walk-Out SFD Collection Services" to a SFD Service Unit when requested on the same Work Day that curbside Collection would otherwise be provided to the SFD Service Unit, at no additional cost to the SFD Service Unit meeting the criteria outlined in Section 10.04.2.1.	10.04	37
Y	85	SFD Hours and Days of Collection	Except as provided in Section 4.05, SFD Collection Service shall be provided, commencing no earlier than 7:00 a.m. and terminating no later than 6:00 p.m., Monday through Friday.	10.05	38
N	86	SFD Manner of Collection	The CONTRACTOR shall provide SFD Collection Service with as little disturbance as possible and shall leave any Cart in an upright position at the same point it was Collected without obstructing alleys, roadways, driveways, sidewalks or mailboxes.	10.06	38
N	87	SFD, MFD, Commercial Replacement of Refuse, Recycling, and Organic Waste Carts	Any Cart damaged by the CONTRACTOR shall be replaced by the CONTRACTOR, at the CONTRACTOR'S expense, on or before the next service date at no cost or inconvenience to the Customer.	10.07	38
N	88	SFD, MFD, Commercial Replacement of Refuse, Recycling, and Organic Waste Carts	Any Cart that has been stolen or damaged beyond repair through no fault of the CONTRACTOR shall be replaced by Customer within five (5) Work Days upon notification to the CONTRACTOR by the CITY.	10.07	38
N	89	SFD, MFD, Commercial Replacement of Refuse, Recycling, and Organic Waste Carts	The CONTRACTOR shall maintain records documenting all Cart replacements occurring on a monthly basis.	10.07	38
N	90	Repair of Refuse, Recycling and Organic Waste Carts	Within five (5) business days of being made aware of needed Cart repairs, CONTRACTOR shall either repair the damaged Cart or remove the Cart for repairs and deliver a replacement Cart to the Customer.	10.08	38
N	91	SFD Refuse Collection Service	CONTRACTOR shall provide all Customers at SFDs with one Refuse Cart and shall Collect all Refuse placed therein not less than once per week.	10.10.1	39
Y	92	SFD Refuse Overage	CONTRACTOR shall Collect all Refuse put out for Collection in addition to two pickups at no charge.	10.10.2	39
Y	93	SFD Refuse Overage	CONTRACTOR shall Collect all additional Refuse placed out for Collection in the Customer's own containers (bags, barrels, etc.) at no additional charge during the period beginning December 26 through the end of the holiday tree Collection period.	10.10.2	39
N	94	SFD Refuse Overage	CONTRACTOR will track overage pickups in its computer files.	10.10.2	39
Y	95	SFD Disposal Facility	In the event the Disposal Facility is closed on a Work Day, CONTRACTOR shall transport and dispose of the Solid Waste at such other legally permitted disposal facility as designated in writing by CITY.	10.10.3	39

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	96	SFD Recycling Service	CONTRACTOR shall provide all Customers at SFDs with a Recycling Cart, and shall Collect all Recyclable Materials placed therein not less than once per week on the same day as such Customers' Refuse Cart is Collected and deliver all Recyclable Materials Collected to a MRF as listed in Exhibit 3.	10.11.1	39
N	97	SFD Recycling - Improper Procedure	CONTRACTOR shall, if practical, separate the Refuse or Organic Waste from the Recyclable Materials. The Recyclable Materials shall then be Collected and the Refuse or Organic Waste shall be left in the Recycling Cart along with a Non-Collection Notice.	10.11.2	40
Y	98	SFD Organic Waste Collection Service	CONTRACTOR shall provide all SFD Customers utilizing a Refuse Cart with an Organic Waste Cart. CONTRACTOR shall Collect all Organic Waste placed in Organic Waste Carts, as well as all Organic Waste bundled and put out for Collection by Customers not less than once per week on the same day as Refuse Collection.	10.12.1	40
N	99	SFD Green Waste Collection Program	As the default, CONTRACTOR shall provide a Green Waste Collection program that, at a minimum, Collects the Green Waste defined in Section 1.52.	10.12.1.1	40
N	100	SFD Food Waste Collection Program	CONTRACTOR and CITY shall meet and confer to determine the cost impact and technical feasibility of CONTRACTOR implementing a Food Waste Collection Program if such a program is necessary to meet CONTRACTOR's sixty percent (60%) or seventy percent (70%) diversion requirements. Any associated cost impact would be done in conjunction with Section 2.02.3 or 2.03.3 of this Agreement.	10.12.1.2	40
N	101	SFD Organic Waste Non-Collection	In the event of non-collection, CONTRACTOR shall affix to the Organic Waste Cart a Non-Collection Notice. CONTRACTOR shall maintain a copy of such notices during the term of this Agreement.	10.12.2	40
Y	102	Holiday Tree Collection Program	CONTRACTOR shall operate an annual holiday tree Collection program, beginning December 26 th and continuing through 10:00 P.M. on the second Saturday in January, where Holiday trees placed out for Collection by Single Family and Multi-Family Customers shall be Collected by CONTRACTOR.	10.12.3	41
Y	103	SFD Bulky Item Collection Service	CONTRACTOR shall provide unlimited Bulky Item pickup service to all SFD Service Units at no additional charge.	10.13	41
Y	104	Disposal of Electronic Waste	CONTRACTOR shall divert Electronic Waste, or "E-Waste," Collected by taking these goods to a properly permitted facility, and not by landfilling.	10.14	41
Y	105	SFD Mixed Waste Processing	On July 1, 2020, CONTRACTOR shall direct 100% of the SFD Refuse Collected to a MRF for processing until directed otherwise by CITY. 100% of the SFD Refuse will be processed through a sorting line and processed in a manner to maximize recovery of Recyclable Materials and Organic Waste. A minimum of 8% of this 100% shall be diverted from landfilling. Increasing to 10% July 1, 2025.	10.15	41
Article 11. MFD Collection Services					

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
Y	106	MFD Source Separated Recycling Collection	CONTRACTOR will provide each building with a minimum capacity of two 96-gallon Recyclables Carts, but no less than the number of Carts in use prior to implementation of service under this Agreement. CONTRACTOR will provide 35, 64 and 96-gallon Carts, or 18-gallon crates, upon request to Multi-Family Customers for use Collecting Recyclable Materials inside multi-story complexes.	11.02	41
Y	107	MFD Source Separated Recycling Collection	CONTRACTOR must Collect Recyclables a minimum of once per week, wheel out Multi-family Recycling Carts and return the Carts to their storage location, and will Collect Recyclables more often at no additional charge if space does not permit Customer to store a sufficient amount of Recyclables Containers for the Customer to require only once per week Collection.	11.02	41
Y	108	MFD Source Separated Recycling Collection	The CONTRACTOR shall notify all Customers via a mailed flyer each year of the availability of Recycling Collection programs.	11.02	41
Y	109	MFD Organic Waste Collection Service	CONTRACTOR shall provide Organic Waste Collection Service in either Bins or Carts to all MFD Service Units that request this service at no additional charge. CONTRACTOR shall Collect all Organic Waste placed in Organic Waste Carts, as well as all Organic Waste bundled as set forth below, and put out for Collection by Customers not less than once per week on the same day as Refuse Collection.	11.03.1	42
N	110	MFD Green Waste Collection Program	As the default, CONTRACTOR shall provide a Green Waste Collection program that, at a minimum, Collects the Green Waste defined in Section 1.52,	11.03.1.1	42
Y	111	Holiday Tree Collection Program	CONTRACTOR shall operate an annual holiday tree Collection program, beginning December 26 th and continuing through 10:00 P.M. on the second Saturday in January, where Holiday trees placed out for Collection by Single Family and Multi-Family Customers shall be Collected by CONTRACTOR.	11.04	42
Y	112	MFD Mixed Waste Processing	On the Effective Date, CONTRACTOR shall direct 100% of the MFD Refuse Collected to a MRF for processing until directed otherwise by CITY. 100% of the MFD Refuse will be processed through a sorting line and processed in a manner to maximize recovery of Recyclable Materials and Organic Waste. A minimum of 30% of this 100% shall be diverted from landfilling. Increasing to 35% July 1, 2020, and 41% July 1, 2025.	11.05	42
N	113	MFD Manner of Collection	CONTRACTOR'S shall follow the regular walk for pedestrians while on private property and shall not trespass nor cross property to the adjoining Premises unless the occupant or owner of both properties has given permission. Care should be taken to prevent damage to property, including flowers, shrubs, and other plantings.	11.06	42
Y	114	MFD On-Call Bulky Item Pickup	CONTRACTOR shall provide unlimited Bulky Item pickup service to all MFD Service Units at no additional charge.	11.07	43
Article 12. Commercial Collection Services					

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
Y	115	Commercial and MFD Hours of Collection	Collection Services shall not start before 7:00 am or continue after 6:00 pm of any day.	12.02	43
N	116	Commercial Accessibility	CONTRACTOR shall Collect all Bins, Carts and Roll-Off Containers that are readily accessible to the CONTRACTOR'S crew and vehicles and not blocked. However, CONTRACTOR shall provide "push services" as necessary during the provision of Commercial Collection Services	12.04	43
N	117	Commercial and MFD Locking Bins	All Bins shall have the ability to be locked should the Customer require locking lid service.	12.05	43
N	118	Commercial and MFD Manner of Collection	CONTRACTOR shall provide Commercial Collection Service with as little disturbance as possible and shall leave any Bins, Carts or Roll-Off Containers at the same point it originally located without obstructing alleys, roadways, driveways, sidewalks or mailboxes.	12.06	43
Y	119	Commercial and MFD Replacement/Cleaning of Bins	CONTRACTOR shall at Customer's request annually refurbish, replace, or steam clean as necessary all Bins and Roll-Off Containers at no charge to Customers.	12.07	43
N	120	Commercial and MFD Refuse Collection Service.	Commercial Refuse Collection Service shall be received no less than one (1) time per week with no exception for holiday(s) as set forth herein, except that Collection service scheduled to fall on a holiday may be rescheduled as determined between the Customer and the CONTRACTOR as long as the minimum frequency requirement is met.	12.09.1	44
N	121	Commercial and MFD Refuse Overflow	In the case of repeated overflows of Refuse, CONTRACTOR shall contact the Commercial Service Unit Customer to arrange for an appropriate change in Cart or Bin size, Collection frequency or both.	12.09.2	44
Y	122	Commercial Source Separated Recyclables Collection	CONTRACTOR agrees to provide, at no additional charge, Source Separated Recycling Collection service to Commercial Customers requesting it. The CONTRACTOR also agrees to make programs available for all other Recyclable Materials for which it has established markets and shall notify all Customers via a mailed flyer each year of the availability of Recycling Collection programs.	12.10.1	44
Y	123	Commercial Mixed Waste Processing	On the Effective Date, CONTRACTOR shall direct 100% of the Commercial Refuse Collected to a MRF for processing until directed otherwise by CITY. 100% of the Commercial Refuse will be processed through a sorting line and processed in a manner to maximize recovery of Recyclable Materials and Organic Waste. A minimum of 30% of this 100% shall be diverted from landfilling. Increasing to 35% July 1, 2020, and 41% July 1, 2025.	12.10.2	44
N	123	Commercial Recycling - Improper Procedure	CONTRACTOR shall, if practical, separate the Refuse or Organic Waste from the Recyclable Materials. The Recyclable Materials shall then be Collected and the Refuse or Organic Waste shall be left in the Recycling Cart along with a Non-Collection Notice.	12.10.2.1	45
N	124	Commercial Green Waste Collection Services	Such service shall be received no less than one (1) time per week with no exception for holiday(s) as set forth herein, except that Collection service scheduled to fall on a holiday may be rescheduled as determined between the Customer and the CONTRACTOR as long as the minimum frequency requirement is met.	12.11.1	45

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
Y	125	Commercial Green Waste Collection Services	CONTRACTOR shall provide one (1) Organic Waste Cart at no charge, and may charge for additional Organic Waste Carts in accordance with Exhibit 11. CONTRACTOR may charge for Organic Waste placed in Bins or Roll-Off Containers in accordance with Exhibit 11.	12.11.1	45
Y	126	Commercial Restaurant Food Waste Diversion Program.	CONTRACTOR shall Collect Refuse or Source Separated Organic Waste from all of the CITY's food waste generating Commercial Customers on a separate route from other Refuse. A minimum of sixty-seven percent (67%) of food waste per year shall be recovered and diverted from restaurant food waste through this program.	12.11.2	45
Y	127	Commercial Restaurant Food Waste Diversion Program.	CONTRACTOR will visit each food waste generating Commercial Customer once per Agreement Year and conduct audits to customize food waste diversion programs to each individual Customer as needed.	12.11.2	46
Y	128	Commercial Restaurant Food Waste Diversion Program.	All food waste diversion program services are to be provided at no additional cost to the CITY or Customers.	12.11.2	46
Y	129	Commercial On-Call Bulky Item Pickup	CONTRACTOR shall provide Commercial Bulky Item Collection Service to all Commercial Service Units in the Service Area at rates outlined in Exhibit 11.	12.12.1	46
Y	130	Commercial Permanent Roll-Off Container Service	On the Effective Date, CONTRACTOR shall direct 100% of the Refuse Collected from Permanent Compactors and Roll-Off Containers to a MRF for processing until directed otherwise by CITY. The processing will occur at the facility listed in Exhibit 3. A minimum of 30% of this 100% shall be diverted from landfilling. Increasing to 35% July 1, 2020, and 41% July 1, 2025.	12.13	46
N	131	Permanent Roll-off Container Mixed Waste Processing	CONTRACTOR shall provide exclusive Roll-Off Container Collection service to permanent accounts, but excluding temporary Roll-Off Container Service. Processing costs for Green Waste or Recyclables shall not exceed the cost to dispose of Refuse. A minimum of 30% of this 100% shall be diverted from landfilling. Increasing to 35% July 1, 2020, and 41% July 1, 2025	12.13.1	46
Article 13. CITY Collection Services					
Y	132	CITY Collection Services	CONTRACTOR shall provide CITY Collection Services at all CITY Service Units at no cost to CITY and shall provide Containers for such service as CITY deems appropriate for each of its various Premises	13.01	47
Y	133	CITY Temporary Roll-Off Collection Service	CONTRACTOR shall provide temporary CITY Roll-Off Service to all CITY Service Units requesting such service at no charge to CITY.	13.02	47
Y	134	CITY Code Enforcement Clean-Up Services	CONTRACTOR shall provide CITY Collection Services to support Code Enforcement by providing Bins, Cart, or a Roll-Off Containers within twenty-four (24) hours of a request of the Agreement Administrator. CONTRACTOR shall transport and deliver the Collected Solid Waste to the appropriate facility.	13.03	47
Y	135	CITY Streetside Litter Container Collection and Container and Bench Cleaning	CONTRACTOR provides 32-gallon inserts that will be emptied as frequently as necessary to prevent overflow, but at least once per day. CONTRACTOR will wash and disinfect all such Containers and accompanying bus benches at least once per month.	13.04	47

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
Y	136	CITY Special Pickup/Abandoned Item Collection	CONTRACTOR will Collect all items abandoned in CITY's public right-of-ways, or on CITY's public property within 24 hours of notification from the CITY to do so. CONTRACTOR shall not charge CITY for this service.	13.05	47
Y	137	CITY Special Event Collection Service	CONTRACTOR shall provide CITY Collection Services, as well as Containers for Refuse, Organic Waste and/or Recyclable Materials at all CITY-sponsored special events at no cost.	13.06	47
Y	138	CITY Special Event Collection Service Mixed Waste Processing	CONTRACTOR shall direct 100% of the all Solid Waste collected at special events held within the CITY to a MRF for processing or composting until directed otherwise by CITY. A minimum of 30% of this 100% shall be diverted from landfilling. Increasing to 35% July 1, 2020, and 41% July 1, 2025.	13.06.1	48
N	139	CITY Emergency Collection and Disposal Service	CONTRACTOR will assist CITY at the CITY's request with emergency Collection and disposal service	13.07	48
Y	140	Bi-Annual Neighborhood Cleanup Campaign	CONTRACTOR shall conduct neighborhood clean-ups twice per year.	13.08	48
N	141	Bi-Annual Neighborhood Cleanup Campaign	CONTRACTOR shall deliver Roll-off Containers to sites as directed by, process or dispose of all Collected Solid Waste, and replace Containers if necessary at no charge to CITY or Customers.	13.08	48
Y	142	Bi-Annual Neighborhood Cleanup Campaign	CONTRACTOR shall record the kinds and weights (in tons) of Solid Waste diverted, if any, during these cleanups from the landfill through Recycling, reuse, Transformation or other means of diversion.	13.08	48
Y	143	Maximize Diversion at Large Special Events	CONTRACTOR will work with large venue event organizers to develop recycling plans for events planned each year in the CITY. CONTRACTOR will assist event organizers to incorporate "zero waste" focus and practices, track and report diversion, and other successes during events.	13.09	49
N	144	Additional Programs and Services	CONTRACTOR shall provide additional services and programs as requested by CITY.	13.10	49
Article 14. Collection Equipment and Personnel					
Y	145	Collection Vehicles	CONTRACTOR's Collection vehicles shall be maintained so as to both: (1) meet the highest industry standards with regards to efforts to prevent liquid from leaking and to the degree possible be "watertight" and "leak-proof", and (2) at all times comply with the provisions of all laws and regulations, including any applicable National Pollution Discharge Elimination Systems ("NPDES") permit, with regards to leaking of materials.	14.01	49
Y	146	Collection Vehicles	CONTRACTOR shall immediately clean up any spills from its Collection vehicles of which it becomes or is made aware, in a manner that complies with all Applicable Laws.	14.01	49
Y	147	Collection Vehicles	CONTRACTOR shall, at a minimum: notify the Agreement Administrator and applicable Hazardous Materials Management Agencies within one (1) hour of a spill or leak of any Hazardous Substance or Waste; clean up any spillage or litter caused by CONTRACTOR within ninety (90) minutes upon notice from the CITY; and, to facilitate such cleanup, CONTRACTOR'S Collection vehicles shall at all times carry reasonable quantities of petroleum absorbent materials along with a broom and shovel.	14.01	49

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	148	Vehicle Registration, Licensing and Inspection	CONTRACTOR shall submit documentation to the Agreement Administrator to verify that each of the CONTRACTOR'S Collection vehicles is in compliance with all registration, licensing and inspection requirements.	14.01.2	49
N	149	Vehicle Registration, Licensing and Inspection	CONTRACTOR shall not use any vehicle to perform Collection Services that is not in compliance with applicable registration, licensing and inspection requirements.	14.01.2	50
Y	150	Clean Air Vehicles	During the term of this Agreement, to the extent required by law, CONTRACTOR shall provide its Collection vehicles to be in full compliance with local, State and federal clean air requirements that were adopted,	14.02	50
Y	151	Fuel Type	CONTRACTOR shall use compressed natural gas (CNG) as the fuel type for all its Collection vehicles, and to the extent practical CNG, bio-diesel or hybrid electric for all its support vehicles.	14.02.1	50
Y	152	Best Available Technology	CONTRACTOR'S collection vehicle fleet shall utilize best available technology when providing integrated solid waste management services pursuant to this Agreement, consistent with CONTRACTOR'S fleet of collection vehicles.	14.03	50
N	153	Collection Vehicle Replacement	Collection vehicles utilized by CONTRACTOR pursuant to this Agreement shall be replaced with new vehicles as specified in the replacement schedule in Exhibit 6, but in no event to later than July 1, 2017.	14.04	50
Y	154	Collection Vehicle Age	Without prior approval of the CITY, CONTRACTOR shall not operate any Collection vehicle within the CITY that is older than ten (10) years after the date first put in service.	14.05	50
N	155	Collection Vehicle Noise Level	Collection vehicle noise level using compaction processes shall not exceed seventy-five (75) decibels at a distance of twenty-five (25) feet from the Collection vehicle measured at an elevation of five (5) feet above ground level using the "A" scale of the standard sound level meter at slow response.	14.06	50
N	156	Safety Markings	All Collection equipment used by CONTRACTOR shall have appropriate safety markings including, but not limited to, highway lighting, flashing and warning lights, clearance lights, and warning flags	14.07	50
Y	157	Vehicle Signage and Painting	Collection vehicles shall be painted and numbered consecutively, and shall have the CONTRACTOR'S name, CONTRACTOR'S Customer service telephone number, and the number of the vehicle painted in letters of contrasting color, at least four (4) inches high, on each side and the rear of each vehicle.	14.07.1	50
N	158	Vehicle Signage and Painting	CONTRACTOR shall repaint all vehicles (including vehicle striping) during the term of this Agreement on a frequency as necessary to maintain a positive public image as reasonably determined by the Agreement Administrator, but not less often than every thirty-six (36) months beginning July 1, 2015.	14.07.1	50
Y	159	Bin Signage, Painting, and Cleaning	All metal Bins shall be either painted or galvanized, and all metal or plastic Bins shall display the CONTRACTOR'S name, CONTRACTOR'S Customer service telephone number, and the number of the bin, and shall be steam cleaned by the CONTRACTOR as frequently as necessary so as to maintain them in a sanitary condition. At a minimum, CONTRACTOR shall steam clean or replace the Bins as needed once per year at CONTRACTOR'S expense.	14.07.2	51

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	160	Maintenance Log	CONTRACTOR shall maintain a maintenance log for all Collection vehicles, which shall all times be accessible to CITY by physical inspection upon request of Agreement Administrator, and shall show, at a minimum, each vehicles CONTRACTOR assigned identification number, date purchased or initial lease, dates of performance of routine maintenance, dates of performance of any additional maintenance, and description of additional maintenance performed.	14.08	51
N	161	Reserve Equipment	CONTRACTOR shall at all times have available to it, reserve Collection equipment which can be put into service and operation within one (1) hour of any breakdown. Such reserve equipment shall correspond in size and capacity to the equipment used by the CONTRACTOR to perform the contractual duties.	14.09	51
Y	162	Equipment Maintenance	CONTRACTOR shall maintain Collection equipment in a clean condition and good repair and shall wash all Collection vehicles at least once a week.	14.10	51
N	163	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.	14.11	51
Y	164	Collection Vehicle Size Limitations	CONTRACTOR shall not use any Collection vehicle exceeding 40 cubic yards in capacity or exceeding 56,000 pounds when loaded.	14.12	51
Y	165	Containers	CONTRACTOR shall provide and maintain all Carts, Bins and Roll-off Containers in a clean, properly labeled and maintained manner, and free of any graffiti.	14.13	51
N	166	Containers	CONTRACTOR shall remove, repair, or replace any damaged Cart, Bin, or Roll-off Container that is damaged, dirty, or marked by graffiti, as requested by a Customer or the CITY within forty-eight (48) hours of such a request at no additional charge.	14.13	51
Y	167	Cart Replacement	Carts that are in service as of the Effective Date shall be replaced in accordance with the replacement schedule set forth in Exhibit 6.	14.14	51
N	168	Personnel Requirements	The CONTRACTOR shall employ and assign qualified personnel to perform all services set forth herein. The CONTRACTOR shall be responsible for ensuring that its employees comply with all Applicable Laws and regulations and meet all federal, state and local requirements related to their employment and position.	14.15	51
N	169	Qualified Drivers	CONTRACTOR shall furnish such qualified drivers, mechanical, supervisory, clerical, management and other personnel as may be necessary to provide the services required by this Agreement in a satisfactory, safe, economical and efficient manner.	14.15.1	51
N	170	Customer Courtesy	CONTRACTOR shall train its employees in Customer courtesy, shall prohibit the use of loud or profane language, and shall instruct Collection crews to perform work quietly. If any employee is found to be discourteous or not to be performing services in the manner required by this Agreement, CONTRACTOR shall take all necessary corrective measures	14.15.2	52

<p align="center">Exhibit 9 PERFORMANCE REVIEW METHODOLOGY</p>					
N	171	Identification Required	CONTRACTOR shall provide its employees, companies and subcontractors with identification for all individuals who may make personal contact with residents or businesses in CITY. CONTRACTOR shall provide a list of current employees, companies, and subcontractors to CITY upon request.	14.15.3	52
N	172	Fees and Gratuities	CONTRACTOR shall not, nor shall it permit any agent, employee, or subcontractors employed by it, to request, solicit, demand, or accept, either directly or indirectly, any compensation or gratuity for Solid Waste Collection Services under this Agreement.	14.15.4	52
N	173	Unauthorized Material Removal	CONTRACTOR will dismiss or discipline employees that remove documents or any other material from Containers, other than specifically for the purposes of disposal and diversion as described in this Agreement.	14.15.5	52
N	174	Uniforms	CONTRACTOR'S field operations personnel shall be required to wear a clean uniform shirt bearing the CONTRACTOR'S name.	14.15.7	52
N	175	Driver's License	Each driver of a Collection vehicle shall at all times carry a valid California driver's license and all other required licenses for the type of vehicle that is being operated.	14.15.8	53
N	176	Compliance with Applicable Laws	Each driver of a Collection vehicle shall at all times comply with all Applicable Laws, regulations and requirements.	14.15.9	53
N	177	Identification of Employees	CONTRACTOR'S employees, officers, and agents shall at no time be allowed to identify themselves or in any way represent themselves as being employees of the CITY.	14.15.10	53
N	178	Identification of CONTRACTOR	The CONTRACTOR'S name and the Customer service telephone number shall be properly displayed on all Collection vehicles.	14.15.11	53
N	179	Employee List	CONTRACTOR shall provide a list of current employees and authorized subcontractors to CITY upon request.	14.15.12	53
N	180	Training and Legal Compliance	CONTRACTOR shall provide operating and safety training for all personnel that meet minimum OSHA standards, and shall comply with all Applicable Laws and regulations applicable to its employees and personnel.	14.15.13	53
N	181	Training and Legal Compliance	CONTRACTOR shall establish and enforce an education program designed to train CONTRACTOR's employees in the identification of Hazardous Wastes, and will provide employees with appropriate literature.	14.15.13	53
Article 15. Service Inquiries and Complaints					
N	182	CONTRACTOR Representative	CONTRACTOR shall designate a "CONTRACTOR Representative" within thirty (30) days of the execution of this Agreement and annually by January 1st of each subsequent Agreement Year, and any other time the person in that position changes. The CONTRACTOR Representative shall be available to the CITY through the use of telecommunications equipment at all times that CONTRACTOR is providing Collection Services in the Service Area.	15.01	53

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	183	Service Supervisor	CONTRACTOR shall assign a qualified "Service Supervisor" within thirty (30) days of the execution of this Agreement, and annually by January 1st of each subsequent Agreement Year of the term of this Agreement, and any other time the person in that position changes. The Service Supervisor shall be available to the Agreement Administrator through the use of telecommunication equipment at all times that CONTRACTOR is providing Collection Services. CONTRACTOR shall designate an acceptable substitute who shall be available and who has the authority to act in the same capacity as the supervisor.	15.02	53
Y	184	CONTRACTOR'S Office	CONTRACTOR shall maintain a customer service center as listed in Exhibit 3. Said office shall be open at a minimum, from 7:00 A.M. to 5:00 P.M., Monday through Friday, and from 7:00 A.M. to 3:00 P.M. on Saturdays, exclusive of holidays.	15.03	54
N	185	Emergency Contact	The CONTRACTOR shall provide the Agreement Administrator with an emergency phone number where the CONTRACTOR can be reached outside of the required office hours.	15.04	54
Y	186	Telephone Customer Service Requirements	CONTRACTOR shall maintain a toll free telephone number that rings at its customer service center during Office Hours. Bi-lingual (English and Spanish speaking) personnel will be available during Office Hours to assist Customers with both personal and telephonic inquiries.	15.05	54
Y	187	Complaint Documentation	CONTRACTOR shall log all complaints received by telephone and any action taken by CONTRACTOR to respond to and remedy the complaint. Daily logs of complaints shall be retained for a minimum of twenty-four (24) months.	15.06	54
N	188	CONTRACTOR's Customer Service	All service inquiries and complaints shall be directed to the CONTRACTOR. A representative of the CONTRACTOR shall be available to receive the complaints during normal business hours. All service complaints will be handled by the CONTRACTOR in a prompt and efficient manner.	15.08	55
N	189	CONTRACTOR's Customer Service	CONTRACTOR'S service and emergency telephone numbers shall be accessible by a toll free (West Hollywood) phone number. The telephone number(s) shall be listed in the area's telephone directories under the CONTRACTOR'S name in the White Pages and Yellow Pages.	15.08.4	55
Article 16. CONTRACTOR Provided Education and Public Awareness					
Y	190	Education and Public Awareness	CONTRACTOR shall maintain its own program of providing information relevant to needs and methods to reduce, reuse and recycle Solid Waste with its Bills. All public education materials shall be approved in advance by CITY and, unless otherwise noted, shall be printed in English, Russian and Spanish. CONTRACTOR shall reproduce and include in any Billing, at no additional cost, one 8.5" x 11" sheet, provided by the CITY.	16.01	55
Y	191	Implementation and On-going Education Requirements.	All materials and programs shall be produced and/or available in English, Russian and Spanish languages, including pictures wherever applicable. CONTRACTOR's Public Education Plan shall be updated annually and submitted to the City by January 1st of each Agreement Year.	16.01.1	56
Y	192	Instructional Packet	An information packet shall be attached to each set of Carts or Bins distributed to a Customer.	16.01.1.1	56

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
Y	193	Container Labels	Recyclables and Green Waste Containers shall carry stickers/labels or other identifying markings in English, Russian and Spanish, and include icons indicating the materials that should and should not be placed in each Container.	16.01.1.2	56
Y	194	How-To Brochure	CONTRACTOR will prepare and distribute a brochure packet to new Multi-Family and Commercial Customers when they start service.	16.01.1.3	56
Y	195	Quarterly Notices	Each quarter except for the quarter in which the annual newsletter is distributed, CONTRACTOR shall prepare and mail notices to each Customer promoting and explaining programs: Household Hazardous Waste disposal, Collection schedules, including holiday schedules; and the procedures to begin and terminate services. These materials may be included with Billings, and may be printed in English only (Russian and Spanish language is not required).	16.01.1.4	57
Y	196	Educational Video	CONTRACTOR is responsible for the cost and production of one, eight-to-ten minute educational video on the new programs. Content of the video shall be approved in advance by the CITY	16.01.1.5	57
N	197	News Media Relations	Copies of draft news releases shall be submitted to CITY for prior review and approval at least five (5) working days in advance of release. Copies of articles resulting from media interviews or news releases shall be provided to the CITY within five (5) days after publication.	16.02	57
Y	198	Workshops	CONTRACTOR shall attend and participate in such workshops described in Section 16.03	16.03	57
N	199	Community Events	CONTRACTOR will provide its mini-Collection truck "Mighty Mike" and its recycling display and information booth for community sponsored events free of charge at the CITY's request.	16.04	57
Y	200	Seminars by Industry Professionals	CONTRACTOR will conduct monthly seminars by English and Russian-speaking industry professionals on the subjects of Recycling, composting, waste reduction, and other related topics for Customers at no additional cost to CITY, Customers, or Attendees.	16.05	57
Article 17. Record Keeping and Reporting Requirements					
N	201	Record Keeping	CONTRACTOR shall maintain records required to conduct its operations. Electronically maintained data/records shall be protected and backed up and maintained for five (5) years after the expiration of this Agreement.	17.01	58
N	202	Financial Records	CONTRACTOR shall maintain financial records relating to its operations pursuant to this Agreement separate and segregated from such records relating to its other operations. CONTRACTOR shall maintain at least: Audited financial statements for the CONTRACTOR as a whole; Audited statements of revenue and expense for this Agreement segregated from the other operations of CONTRACTOR ; and Complete descriptions of related party transactions as set forth in Section 17.01.1	17.01.1	58

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	203	CERCLA Defense Records	CONTRACTOR shall maintain data retention and preservation systems which can establish where Solid Waste Collected in the CITY was landfilled for not less than five (5) years following the termination of this Agreement, and agrees to notify CITY 's Risk Manager and CITY Attorney before destroying such records thereafter. At any time, including after the expiration of the term hereof, CONTRACTOR shall provide copies of such records to CITY.	17.01.2	58
N	204	Disposal Records	CONTRACTOR shall maintain disposal records of all Solid Waste Collected in CITY for the period of this Agreement and all extensions to this Agreement or successor Agreements.	17.01.3	58
N	205	Other Records	CONTRACTOR shall maintain all other records reasonably related to provision of Collection Services, whether or not specified in this the Agreement.	17.01.4	59
Y	206	Monthly Reporting	CONTRACTOR shall provide monthly reports to the Agreement Administrator, in an electronic format acceptable to CITY, submitted no later than the 20th day of each report month and shall cover the following topics for the previous month: Tonnage and Diversion Reports, Facility Reports.	17.02	59
Y	207	Quarterly Reports	CONTRACTOR shall provide Quarterly reports to the Agreement Administrator, in an electronic format acceptable to CITY, submitted no later than the 30th day following the end of each calendar quarter and shall include the topics for the previous quarter: Franchise Fees Report.	17.03	59
Y	208	Annual Reporting	CONTRACTOR shall provide annual reports to the Agreement Administrator, both in a hard copy format and in an electronic format acceptable to CITY. The annual reports shall be submitted no later than January 31st for the previous Agreement Year, and shall summarize the monthly and quarterly reports, and shall include the following additional information: Annual Route Audit, Equipment Inventory, Public Education, Outreach Activities, Diversion Analysis, Customer Service Data Level, Service Issue Summary, Hazardous Waste Diversion Report, Collection Vehicle Noise Testing, Recyclable Material Revenue Report, Additional Reporting.	17.04	59
N	209	Upon CITY Request	CONTRACTOR shall provide the reports under this Section to the Agreement Administrator. The reports requested under this section shall be submitted within five (5) working days of when such written notice of CITY's request is given. CONTRACTOR shall provide annual reports to the Agreement Administrator, both in a hard copy format and in an electronic format acceptable to CITY: Spill Reports, Account Delinquency, Bulky Item Pickups Report, Customer Service Report, Bin and Cart Inventory.	17.05	60
N	210	CalRecycle Reports	CONTRACTOR shall provide data and information, to assist in the CITY'S preparation of annual CalRecycle reports.	17.06	61
N	211	Financial Report	The CITY may request and be provided with the CONTRACTOR's financial reports/statements for the most recently completed fiscal year. The cost for preparation of the financial statements and audit shall be borne by CONTRACTOR as a direct cost of service. In addition, CONTRACTOR shall provide to CITY the supplemental schedule on a compiled basis.	17.07	61

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	212	Adverse Information	For matters directly related to the performance of services pursuant to the Agreement, CONTRACTOR shall provide CITY two copies (one to the City Administrator, one to the City Attorney) of all reports or other material relating to CONTRACTOR's performance of services pursuant to this Agreement, submitted by CONTRACTOR to, or received by CONTRACTOR from, any federal, state or local agency, including any federal or state court within 30 days of receipt by CONTRACTOR, or sooner.	17.08	61
Article 18. Quality of Performance of CONTRACTOR					
N	213	Intent	CONTRACTOR acknowledges and agrees that one of CITY'S primary goals in entering into this Agreement is to ensure that the Collection Services are of the highest caliber, that Customer satisfaction remains at the highest level, that maximum diversion levels are achieved, and that materials Collected are put to the highest and best use to the extent possible.	18.01	61
N	214	Administrative Charges	CONTRACTOR shall pay any administrative charges assessed by CITY within ten (10) days after they are assessed.	18.02	62
N	215	Timing of Payment	CONTRACTOR shall pay any administrative charges assessed by CITY within ten (10) days after they are assessed. If they are not paid within the ten (10) day period, CITY may proceed against the performance bond required by the Agreement or find CONTRACTOR in default and terminate this Agreement, or both	18.04	64
Article 19. Franchise Fee Audit and Performance Review					
N	216	Franchise Fee Annual Audit and Costs	CONTRACTOR shall be responsible for the cost of the audit, up to a \$37,500 per year cap, adjusted by the annual increase in the CPI.	19.01	65
N	217	Payments and Refunds	Should an audit disclose that the franchise fees payable by the CONTRACTOR were underpaid or that Customers were overcharged for the period under review, CONTRACTOR shall pay to CITY any underpayment of franchise fees and/or refund to CONTRACTOR's Customers any overcharges within thirty (30) days following the date of the audit	19.02	65
N	218	Performance Review: At CONTRACTOR'S Cost	The CONTRACTOR shall pay in advance the cost of the review under this Section 19.03.2 an amount of Seventy-Five Thousand Dollars (\$75,000.00), and this amount shall be adjusted annually each July 1st. CONTRACTOR shall pay for the review under this Article 19 regardless of if any extension beyond the June 30, 2020, or June 30, 2025 date occurs.	19.03.2	66
N	219	Performance Review: At CONTRACTOR'S Cost	CONTRACTOR shall reimburse any cost in excess Seventy-Five Thousand Dollars (\$75,000.00), and as adjusted by CPI, to the City within 30 days of request for reimbursement by CITY	19.03.2	66
N	220	CONTRACTOR'S Cooperation	CONTRACTOR shall cooperate fully with the review and provide all data requested by the CITY within thirty (30) Work Days.	19.04	66

Exhibit 9					
PERFORMANCE REVIEW METHODOLOGY					
N	221	Performance Satisfaction Survey	If requested by the CITY, CONTRACTOR will create and conduct a survey at CONTRACTOR's expense. CONTRACTOR shall obtain CITY's approval of the survey's content, format, and mailing list prior to its distribution. The survey results shall be made available to the CITY 30 days prior to the Solid Waste Services and Performance Review Hearing.	19.05	67
Article 20. Performance Bond					
Y	222	Performance Bond	Concurrent with execution of this Agreement, CONTRACTOR shall deliver to the City a performance bond or cash bond in the sum of the amount of Five Hundred Thousand Dollars (\$500,000).	20.01	67
Article 21. Insurance					
Y	223	Insurance Policies	CONTRACTOR shall secure and maintain throughout the term of this Agreement insurance 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.	21.01	68
Y	224	Verification of Coverage	CONTRACTOR shall furnish CITY with certificates of insurance and with original endorsements affecting coverage required by this clause. Proof of insurance shall be mailed to the City Clerk.	21.06	69
Y	225	Delivery of Proof of Coverage	Simultaneously with the execution of this Agreement, CONTRACTOR shall furnish CITY certificates of each policy of insurance required hereunder, in form and substance satisfactory to CITY.	21.07	70
Y	226	Subcontractors	CONTRACTOR shall include all Companies and subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each CONTRACTOR and subcontractor. CONTRACTOR shall comply with all requirements of the insurers issuing policies.	21.08	70
Y	227	Rights of Subrogation	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.	21.10	70
Article 22. Indemnification					
Agreement/ Warrant/ Guarantee	228	Indemnification	CONTRACTOR agrees to and shall indemnify and hold harmless CITY from and against any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding or suit in law in any way connected with the Agreement, including: (1) the negligence or willful misconduct of CONTRACTOR; (2) the failure of CONTRACTOR, and/or subcontractors to comply in all respects with the provisions of this Agreement; (3) the acts of CONTRACTOR, (4) any challenge to the award of, or any provisions of this Agreement. CONTRACTOR agrees to reimburse the CITY for any and all costs and expenses CITY incurs in providing any such defense.	22.01	71
Agreement/ Warrant/ Guarantee	229	Hazardous Substances Indemnification.	CONTRACTOR specifically agrees to and shall, to the maximum extent permitted by law, defend (with counsel acceptable to CITY) reimburse, indemnify, and hold CITY harmless from and against any and all claims, actions, liabilities, damages, that arise out of any action, inaction or omission of CONTRACTOR that results in Sections 22.02.2-22.02.7	22.01	71

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
Agreement/ Warrant/ Guarantee	230	AB 939 Indemnification and Guarantee	CONTRACTOR agrees to indemnify and hold harmless the CITY from and against all fines and/or penalties imposed by CalRecycle in the event the source reduction and Recycling goals or any other requirement of AB 939 are not met by the CITY with respect to the waste stream Collected under this Agreement.	22.03	73
Agreement/ Warrant/ Guarantee	231	AB 939 Indemnification and Guarantee	CONTRACTOR warrants and represents that it is familiar with CITY's waste characterization study as set forth in CITY's SRRE, and that it has the ability to and will provide sufficient programs and services to ensure CITY will meet or exceed the diversion requirements set forth in AB 939, with respect to that portion of the Solid Waste generated in CITY that is the subject of this Agreement.	22.03	73
Agreement/ Warrant/ Guarantee	232	Subcontractors	The CONTRACTOR shall require all subcontractors to enter into a contract containing the provisions set forth in the preceding subsection in which contract the subcontractor fully indemnifies the CITY in accordance with this Agreement.	22.04	73
Agreement/ Warrant/ Guarantee	233	Payroll Tax	CONTRACTOR shall exonerate, defend, indemnify and hold harmless CITY and agents, and shall assume full responsibility for payment of all wages or salaries and all taxes or contributions with respect to CONTRACTOR's employees engaged in the performance of CONTRACTOR's obligations.	22.05	73
Agreement/ Warrant/ Guarantee	234	Damage by CONTRACTOR	If CONTRACTOR'S employees or subcontractors negligently 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.	22.06	73
Article 23. CITY's Remedies: Default and Termination					
N	235	Performance During Reviews	CONTRACTOR's performance under this Agreement is not excused during any period of time when its performance is under review as set forth above, including at any time prior to a final decision as to whether such performance is deficient.	23.05	74
N	236	Termination without Right to Cure	The occurrence of any of the listed in Sections 23.06.1-23.06.15 shall be deemed an "Event of Default," in which case CITY may terminate this Agreement without providing CONTRACTOR an opportunity to cure:	23.06	74
N	237	Failure to Provide Assurance of Performance	CONTRACTOR shall have forty-eight (48) hours from the time it is given notification by CITY to cure any default arising under subsections 23.06.1-23.06.13	23.06.14	75
Article 24. CONTRACTOR'S Remedies; Administrative Hearing					
N	238	Actions for Damages	CONTRACTOR shall present a claim to CITY, as required by Government Code section 910 et seq, within 30 days of the date of the occurrence giving rise to the claim for damages.	24.04	77
Article 25. CITY'S Additional Remedies					
Article 26. Rights of CITY to Perform Service					

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	239	General Provisions	Under the CITY's right to perform service, CONTRACTOR agrees: a) It will take direction from CITY to effect the transfer of possession of equipment and property to CITY for CITY's use, b) It will, if CITY so requests, keep in good repair and condition all of such equipment and property, provide all motor vehicles with fuel, oil and other service, and provide such other service as may be necessary to maintain said property in operational condition. c) CITY may immediately engage all or any personnel necessary or useful for the Collection and transportation of Solid Waste	26.01	78
N	240	Billing and Compensation to CITY During CITY's Possession	During such time that CITY is providing Integrated Waste Management Services, CONTRACTOR shall Bill and collect payment from all Customers. CONTRACTOR shall reimburse CITY for any and all costs and expenses incurred by CITY beyond that billed and received by CITY, not later than five (5) working days from and after each such submission.	26.03	79
Article 27. Legal Representation					
Article 28. Financial Interest					
Agreement/ Warrant/ Guarantee	241	Financial Interest	CONTRACTOR warrants and represents that no elected official, officer, agent or employee of the CITY has a financial interest, directly or indirectly, in this Agreement	28.01	80
Article 29. Exempt Waste					
N	242	Exempt Waste	If CONTRACTOR is aware of any Exempt Waste and chooses not to Collect it, CONTRACTOR must notify CITY of the Exempt Waste.	29.01	80
Article 30. Independent Contractor					
N	243	Independent Contractor	CONTRACTOR shall be an independent contractor and not an officer, agent, servant or employee of CITY. CONTRACTOR shall have exclusive control of the details of the services and work performed and over all persons performing such services and work and shall be solely responsible for the acts and omissions of its agents. CONTRACTOR nor its agents shall obtain any right to any other benefits that accrued to CITY employees and expressly waives any claim it may have or acquire to such benefits.	30.01	80
N	244	CONTRACTOR Name	CONTRACTOR's name may not include "West Hollywood" or any other language indicating that the CONTRACTOR is a division of, or otherwise connected to, the CITY.	30.01.1	81
N	245	Subcontractors	The CONTRACTOR shall require all subcontractors to enter into a contract containing the provisions set forth in the preceding subsection in which contract the subcontractor agrees that CONTRACTOR and subcontractor are independent contractors and have no other agency relationship with CITY.	30.02	81
Article 31. Relationship of the Parties					
Article 32. Laws to Govern					
Article 42. Notices					
Article 34. Assignment, Subletting, Transfer; Requirements and Limitations					

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	246	General	CONTRACTOR shall not assign its rights, nor delegate, subcontract or otherwise transfer its obligations under this Agreement to any other person without the prior written consent of CITY.	34.01	81
N	247	Nature of Agreement - Personal to CONTRACTOR	CONTRACTOR acknowledges that this Agreement involved rendering a vital service to CITY's residents and businesses, and that CITY has selected CONTRACTOR to perform the services specified herein based on the CONTRACTOR's experience, skill and reputation for conducting its Integrated Waste Management Services, and CONTRACTOR's financial resources to maintain the required equipment and to support its indemnity obligations to CITY under this Agreement.	34.03	82
N	248	Procedure for Consideration of Assignment	As part of the procedure for the consideration of assignment, CONTRACTOR shall pay CITY its reasonable expenses for attorney's fees and investigation costs necessary to investigate the suitability of any proposed assignee, with an advance payment of \$50,000 being paid to the CITY prior to assignment request consideration. CONTRACTOR shall pay the CITY a transfer fee equal to 1% of the Gross Receipts it will receive during the remaining term of the Agreement, as estimated by CITY.	34.04	82
N	249	Procedure for Consideration of Assignment	CONTRACTOR shall furnish CITY with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years. CONTRACTOR shall furnish CITY with satisfactory proof to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe and effective manner.	34.04	82
Article 35. Compliance with Laws					
Y	250	Compliance with Laws	CONTRACTOR shall at all times, at its sole cost, comply with all applicable laws and regulations of the United States, the State of California, and any federal, state, regional or local administrative and regulatory agencies including without limitation the West Hollywood Municipal Code.	35.01	83
Article 36. Nondiscrimination, Permits, Licenses, Ordinances					
Agreement/ Warrant/ Guarantee	251	Nondiscrimination	CONTRACTOR shall not discriminate against any person on the basis of such person's race, sex, color, national origin, religion, marital status or sexual orientation and shall comply with all applicable local, state and federal laws and regulations regarding nondiscrimination, including those prohibiting discrimination in employment.	36.01	83
Agreement/ Warrant/ Guarantee	252	Permits	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 Agreement Administrator.	36.02	83
Agreement/ Warrant/ Guarantee	253	Living Wage Ordinance	CONTRACTOR shall abide by the provisions of the West Hollywood Living Wage Ordinance. During the term of this Agreement, CONTRACTOR shall keep on file sufficient evidence of its employee compensation to enable verification of compliance with the West Hollywood Living Wage Ordinance made available upon request of the CITY for a period of three years after the Agreement expiration.	36.03	83

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
Agreement/ Warrant/ Guarantee	254	Equal Benefits to Domestic Partners Ordinance	CONTRACTOR shall abide by the provisions of the West Hollywood Equal Benefits to Domestic Partners Ordinance. During the term of this Agreement, CONTRACTOR shall keep on file sufficient evidence of its employee compensation to enable verification of compliance with the West Hollywood Equal Benefits to Domestic Partners Ordinance. These records shall be made available at the request of the CITY, with reasonable notice, during regular business hours, and shall be retained by CONTRACTOR for a period of three years after the expiration of this Agreement.	36.04	84
Agreement/ Warrant/ Guarantee	255	Arab League Boycott of Israel	CONTRACTOR hereby warrants that it is in compliance with West Hollywood Municipal Code Section 1403.	36.05	84
Article 37. Ownership of Written Materials					
N	256	Ownership of Written Materials	CONTRACTOR shall not use such materials in connection with any project not connected with this Agreement without the prior written consent of the Agreement Administrator.	37.01	84
Article 38. Waiver					
Article 39. CONTRACTOR's Warranties and Representations					
Agreement/ Warrant/ Guarantee	257	CONTRACTOR's Warranties and Representations	CONTRACTOR hereby covenants, represents, and warrants that CONTRACTOR is duly organized and validly existing as a corporation under the laws of the State of California, with full legal right and power to enter into and perform its obligations under this Agreement.	39.01	84
Agreement/ Warrant/ Guarantee	258	CONTRACTOR's Warranties and Representations	CONTRACTOR hereby covenants, represents, and warrants that CONTRACTOR has the authority to enter into and perform its obligations under this Agreement. CONTRACTOR or its authorized representative has taken all actions required by law and its governing documents to authorize the execution of this Agreement.	39.01	84
Agreement/ Warrant/ Guarantee	259	CONTRACTOR's Warranties and Representations	CONTRACTOR hereby covenants, represents, and warrants that neither the execution of this Agreement nor the delivery by CONTRACTOR of services nor the performance by CONTRACTOR of its obligations hereunder: (1) conflicts with, violates or results in a breach of Applicable Law; (2) conflicts with, violates or results in a breach of any term or condition of any judgment, decree, agreement 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.	39.01	84
Agreement/ Warrant/ Guarantee	260	CONTRACTOR's Warranties and Representations	CONTRACTOR hereby covenants, represents, and warrants that there is no action, suit or other proceeding likely to result in an unfavorable decision which would adversely affect the validity or enforceability of this Agreement or which could adversely affect the ability of CONTRACTOR to perform its obligations hereunder or which would have an adverse effect on the financial condition of CONTRACTOR.	39.01	84
Agreement/ Warrant/ Guarantee	261	CONTRACTOR's Warranties and Representations	CONTRACTOR hereby covenants, represents, and warrants that 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.	39.01	84

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
Agreement/ Warrant/ Guarantee	262	CONTRACTOR's Warranties and Representations	CONTRACTOR hereby covenants, represents, and warrants that 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 Collection Services required by this Agreement.	39.01	84
Agreement/ Warrant/ Guarantee	263	CONTRACTOR's Warranties and Representations	CONTRACTOR hereby covenants, represents, and warrants that the information supplied by CONTRACTOR in all submittals made in connection with negotiation and execution of this Agreement, including all materials in Exhibits of this Agreement, 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.	39.01	84
Agreement/ Warrant/ Guarantee	264	CONTRACTOR's Warranties and Representations	CONTRACTOR hereby covenants, represents, and warrants that CONTRACTOR's representative, designated in Section 3.03, shall have authority in all daily operational matters related to this Agreement. CITY may rely upon action taken by such designated representative as action of CONTRACTOR unless the actions taken are not within the scope of this Agreement.	39.01	84
Agreement/ Warrant/ Guarantee	265	CONTRACTOR's Warranties and Representations	CONTRACTOR hereby covenants, represents, and warrants that the Disposal Facility as listed in Exhibit 3 is properly permitted, is classified as a Class 3 landfill, complies with all Applicable Laws, is not on or being considered for inclusion on a state or federal Superfund list, or CalRecycle list of solid waste facilities failing to meet State minimum standards, has sufficient capacity to accept all Solid Waste Collected from within the CITY during the term, and that it will in fact accept all Solid Waste Collected from within the CITY during the term.	39.01	84
Agreement/ Warrant/ Guarantee	266	CONTRACTOR Status	CONTRACTOR represents and warrants that it is duly organized, validly existing and in good standing under applicable laws. It is qualified to transact business in the State of California and has the power to own its properties and to carry on its business as now owned and operated and as required by this Agreement.	39.02	84
Agreement/ Warrant/ Guarantee	267	Accuracy of Representations	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, and shall remain so during the term hereof.	39.03	86
Agreement/ Warrant/ Guarantee	268	Conditions to Effectiveness of Agreement	Accuracy of Representations. 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, and shall remain so during the term hereof.	39.04	86
Agreement/ Warrant/ Guarantee	269	Conditions to Effectiveness of Agreement	Absence of Litigation. There shall be no litigation pending in any court challenging the award of this franchise to CONTRACTOR or the execution of this Agreement or seeking to restrain or enjoin its performance.	39.04	86
Agreement/ Warrant/ Guarantee	270	Conditions to Effectiveness of Agreement	Furnishing of Insurance and Bond or Letter of Credit. CONTRACTOR shall have furnished evidence of the insurance and bonds or letter of credit required by Article 20, and shall comply with all ongoing requirements relating thereto.	39.04	86

<p align="center">Exhibit 9 PERFORMANCE REVIEW METHODOLOGY</p>					
Agreement/ Warrant/ Guarantee	271	Conditions to Effectiveness of Agreement	Effectiveness of City Council Action. CITY's Resolution approving this Agreement shall have become effective pursuant to California law prior to the Effective Date.	39.04	86
Agreement/ Warrant/ Guarantee	272	Conditions to Effectiveness of Agreement	CONTRACTOR shall deliver to CITY evidence satisfactory to the Agreement Administrator that CONTRACTOR has the authority to provide, or has arranged for, the disposal and processing rights at the designated Disposal Facility, Materials Recovery Facility (MRF), Recycling facility, and Green Waste facility.	39.04	86
Article 40. Condemnation					
N	273	Condemnation	CITY fully reserves the rights to acquire CONTRACTOR's property utilized in the performance of this Agreement, by purchase or through the exercise of the right of eminent domain. This provision is additive, and not intended to alter the rights of the parties set forth in Article 26.	40.1	86
Article 41. Prohibition Against Gifts					
N	274	Prohibition Against Gifts	CONTRACTOR shall not offer any CITY officer or designated employee any gifts prohibited by the CITY or the Applicable Laws.	41.01	87
Article 42: Notices					
N	275	Services Description	CONTRACTOR shall periodically, at least 30 days prior to the effective date of a rate change, and a minimum of once per year, prepare and distribute subject to the direction of CITY, a notice to each Customer Billed by CONTRACTOR.	42.03	87
Article 43. Representatives of the Parties					
N	276	Representatives of the Parties	CONTRACTOR shall, by the Effective Date, designate in writing a responsible officer who shall serve as the representative of CONTRACTOR in all matters related to the Agreement and shall inform CITY in writing of such designation and of any limitations upon his or her authority to bind CONTRACTOR. CITY may rely upon action taken by such designated representative as actions of CONTRACTOR unless they are outside the scope of the authority expressly delegated to him/her by CONTRACTOR as communicated to CITY.	43.02	88
Article 44. CITY Free to Negotiate with Third Parties					
Article 45. Privacy					
N	277	Privacy	CONTRACTOR shall strictly observe and protect the rights of privacy of Customers. Information identifying individual Customers or the composition or contents of a Customer's waste stream shall not be revealed 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.	45.01	88
Article 46. Proprietary information, Public Records					
Article 47. Transition to Next CONTRACTOR					
N	278	Transition to Next CONTRACTOR	In the event CONTRACTOR is not awarded a Agreement 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.	47.01	89
Article 48. Retention of Records					

Exhibit 9 PERFORMANCE REVIEW METHODOLOGY					
N	279	Retention of Records	CONTRACTOR shall maintain all records or documents related to charges for services or expenditures charge to Customers for at least (5) years, or for any longer period required by law, from the date of final payment to CONTRACTOR.	48.01	89
N	280	Retention of Records	CONTRACTOR shall maintain all documents and records, which demonstrate performance under this Agreement for a minimum period of five (5) years, or for any longer period required by law, from the date of termination or completion of this Agreement.	48.02	89

Exhibit 10
CONTRACTOR ANNUAL ROUTE AUDIT METHODOLOGY

At least once annually, the CONTRACTOR shall conduct an audit of its Collection routes in the CITY. The annual route audit, at minimum, shall consist of a physical observation of each Customer in the CITY. This Person(s) is to be approved in advanced by the CITY. The annual route audit information shall include, as a minimum, the following information for each account:

- Route Number;
- Truck Number;
- Account Name;
- Account Number;
- Account Service Address;
- Service Level per Billing System (Quantity, Size, Frequency);
- Service Level per Routing System;
- Observed Containers (Quantity and Size). Container condition;
- Proper signage; and
- Graffiti.

Within 30 days after the completion of the annual route audit, the CONTRACTOR shall submit to the CITY a report summarizing the results of the annual audit. This summary shall include:

- Identification of the routes;
- Route map;
- Truck numbers;
- Number of accounts, by route and in total;
- Confirmation that all routes are dedicated exclusively to CITY Customers; Types of exceptions observed;
- Number of exceptions by type; Total monthly Billing, pre-audit;
- Total monthly Billing, post-audit (subsequent to corrections of identified exceptions); and,
- Percentage of exceptions:
 - Percentage of the number of accounts with errors to the total number of accounts served;
 - Percentage of the "net" change in monthly Billing as a result of the audit to the total "pre-audit" monthly Billing;
 - Percentage of the "absolute" change in net monthly Billing as a result of the audit to the total "pre-audit" monthly Billing.

The report shall include a description of the procedures followed to complete the annual route audit. This description shall include the names and titles of those supervising the route audits and the name and titles of those performing the observations. Additionally, the report shall include a description of the pre-audit training of the route auditors, particularly if temporary personnel are used.

The report shall also include a description of the changes and the CONTRACTOR's plans to resolve the exceptions. The results of the annual audit, and supporting back-up data, shall be available for review by the CITY or its representative. If review indicates that 2% or more of the samples tested are inaccurate, CONTRACTOR shall pay CITY for the cost of conducting a second route audit by the CITY or a third party selected by CITY.

EXHIBIT 11 MAXIMUM SERVICE RATES EFFECTIVE JULY 1, 2014 THROUGH JUNE 30, 2015	
A. Single-family Cart Collection Services (Refuse, Organics, Recyclables)	Maximum Rate
Cart Collection – 20, 32, 64, or 96 Gallon Refuse	\$ 15.08/unit/month
Bulky Waste Collection (No charge
Each Additional Recycling Cart	No charge
Walk Out Service	No Charge (qualified disability only)
Overage Service (Free of charge for first 2 requests each calendar year)	\$6.32/each 3+ occurrences/year
Each Additional Refuse Cart - (2 carts or more)	\$5.59 each cart (2+ carts)
Each Additional Organic Waste Cart - (2 carts or more)	No Charge
Return Charge (customer request, carts not out)	\$25.26
Replacement Cart Damaged (Result of Customer Misuse)	\$83.33
Senior and Low Income Discount	10% on Collection Rates
B. Multi-family Cart Collection Services (Refuse, Organics, Recyclables)	Maximum Rate
Cart Collection – 90 Gallon Refuse Cart	\$ 15.08/unit/month
1, 2 or 3 Barrel Rack	\$63.27/month/rack
Recycling and Green Waste Collection	\$1.83/month/unit
Each Additional Recycling Cart	No charge
Walk Out Service	No Charge (qualified disability only)
Overage Service (Free of charge for first 2 requests each calendar year)	\$6.32/each 3+ occurrences/year
Each Additional Refuse Cart - (2 carts or more)	\$5.59 each cart (2+ carts)
Each Additional Organic Waste Cart - (2 carts or more)	No Charge
Return Charge (customer request, carts not out)	\$25.26
Senior and Low Income Discount	10% on all rates or collection Rates

EXHIBIT 11								
MAXIMUM SERVICE RATES								
EFFECTIVE JULY 1, 2014 THROUGH JUNE 30, 2015								
C. Multi-family Bin Collection Services – One Bin (100% Processing)								
Bin Size	Collection Frequency - Maximum Rate							Extra Empty
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week	7x/week	
1 Cubic Yard	\$72.90	\$102.50	\$143.91	\$186.42	\$222.40	\$257.30	\$399.02	\$34.32
1.5 Cubic Yard	\$84.68	\$121.14	\$162.96	\$218.71	\$260.51	\$302.33	\$441.69	\$34.32
2 Cubic Yard	\$93.26	\$135.08	\$176.90	\$225.15	\$266.94	\$316.26	\$455.64	\$48.24
3 Cubic Yard	\$107.21	\$155.46	\$204.78	\$246.58	\$302.33	\$344.14	\$483.51	\$48.24
4 Cubic Yard	\$121.14	\$190.83	\$232.64	\$294.83	\$358.09	\$413.82	\$553.20	\$76.11
5 Cubic Yard	\$135.08	\$204.78	\$274.45	\$336.64	\$413.82	\$476.02	\$615.38	\$76.11
6 Cubic Yard	\$141.52	\$218.71	\$308.77	\$372.01	\$462.07	\$531.75	\$671.11	\$76.11
3 Cubic Yard Compactor	\$236.93	\$348.44	\$457.77	\$553.20	\$679.72	\$775.12	\$1,091.38	\$102.93
D. Multi-family Bin Services – Each Additional Bin (100% Processing)								
Bin Size	Collection Frequency - Maximum Rate							
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week	7x/week	
1 Cubic Yard	\$60.27	\$88.14	\$128.89	\$170.71	\$206.06	\$240.37	\$379.75	
1.5 Cubic Yard	\$72.08	\$108.51	\$150.32	\$206.06	\$247.90	\$289.71	\$429.06	
2 Cubic Yard	\$80.64	\$122.45	\$164.27	\$212.51	\$254.31	\$303.63	\$443.01	
3 Cubic Yard	\$94.58	\$142.83	\$192.12	\$233.94	\$289.71	\$331.49	\$470.89	
4 Cubic Yard	\$108.51	\$178.18	\$220.02	\$282.20	\$345.43	\$401.20	\$540.56	
5 Cubic Yard	\$122.45	\$192.12	\$261.81	\$324.00	\$401.2	\$463.38	\$602.74	
6 Cubic Yard	\$128.89	\$206.06	\$296.12	\$359.37	\$449.44	\$519.11	\$658.48	
3 Cubic Yard Compactor	\$224.30	\$335.79	\$445.15	\$540.56	\$667.08	\$762.50	\$1,078.73	

EXHIBIT 11 MAXIMUM SERVICE RATES EFFECTIVE JULY 1, 2014 THROUGH JUNE 30, 2015								
E. Commercial Bin Collection Services – One Bin (100% Processing)								
	Collection Frequency - Maximum Rate							Extra Empty
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week	7x/week	
1 Cubic Yard	\$108.03	\$149.38	\$209.75	\$271.70	\$324.14	\$375.01	\$581.57	\$42.82
1.5 Cubic Yard	\$125.53	179.55	\$241.53	\$324.14	\$386.14	\$448.10	\$654.66	\$42.82
2 Cubic Yard	\$138.25	200.23	\$262.21	\$333.69	\$395.63	\$468.77	\$675.34	\$60.21
3 Cubic Yard	\$158.89	230.23	\$303.49	\$365.47	\$448.10	\$510.08	\$716.64	\$60.21
4 Cubic Yard	\$179.55	282.82	\$344.81	\$436.99	\$530.72	\$613.35	\$819.92	\$94.98
5 Cubic Yard	\$200.23	303.49	\$406.77	\$498.94	\$613.35	\$705.52	\$912.10	\$94.98
6 Cubic Yard	\$209.75	324.14	\$457.64	\$551.37	\$684.85	\$788.15	\$994.70	\$94.98
3 Cubic Yard Compactor	\$351.19	516.44	\$678.51	\$819.92	\$1,007.41	\$1,148.86	\$1,617.57	\$128.43
F. Commercial Bin Collection Services – Each Additional Bin (100% Processing)								
	Collection Frequency - Maximum Rate							
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week	7x/week	
1 Cubic Yard	\$89.35	\$130.63	\$191.05	\$253.01	\$305.44	\$356.29	\$562.87	
1.5 Cubic Yard	\$106.81	\$160.82	\$222.82	\$305.44	\$367.41	\$429.38	\$635.95	
2 Cubic Yard	\$119.50	\$181.50	\$243.43	\$314.99	\$376.93	\$450.04	\$656.60	
3 Cubic Yard	\$140.16	\$211.67	\$284.75	\$346.75	\$429.38	\$491.35	\$697.92	
4 Cubic Yard	\$160.82	\$264.12	\$326.10	\$418.26	\$512.02	\$594.66	\$801.21	
5 Cubic Yard	\$181.50	\$284.75	\$388.04	\$480.24	\$594.66	\$686.79	\$893.39	
6 Cubic Yard	\$191.05	\$305.44	\$438.91	\$532.63	\$666.14	\$769.44	\$975.97	
3 Cubic Yard Compactor	\$332.45	\$497.71	\$659.76	\$801.21	\$988.70	\$1,130.13	\$1,598.88	

EXHIBIT 11	
MAXIMUM SERVICE RATES	
EFFECTIVE JULY 1, 2014 THROUGH JUNE 30, 2015	
G. Additional Services	Maximum Rate
Bulky Waste Collection (commercial only)	\$24.93/each item
Each Additional Extra Organic Waste Cart (commercial only)	\$1.38/each cart (2+ carts)
Each Additional Recycling Cart (commercial only)	No Charge
Bin Cleaning (free for 2 occurrences/year)	No Charge
Extra Bin Cleaning (3+ occurrences/year)	\$44.21 (each bin 3+ occurrences/year)
Temporary Bin Service	\$85.77 (One (1) 3 yard temporary bin for 7 days)
Roll-off (pull only)	\$240.15 + tons at per ton tip fee
Compactor Roll-off (pull only)	\$240.15 + tons at per ton tip fee
Compactor Wash Out	\$205.56
Green Waste Roll-off (pull only)	\$180.11 + tons at per ton tip fee
Roll-off Go Back or Relocate	\$94.75 (return charge)
Roll-off Demurrage	\$13.33 per each extra day after 7 days
Dead Run - Roll-off/Compactor	\$115.42
Dead Run - Bulky Item	\$32.07
Dead Run or Go Back - Bin	\$31.59
C&D Go Back - Bin	\$96.18
8x26 Storage Box	\$126.32
Bin Replacement	\$444.44 (customer damaged, or customer request after using all free exchanges and cleanings)
Locking Bins	\$8.89 for 1 bin frequency 1 (various rates from there depending on service level of bins)
Bin Push Rates	No Charge
Bin Overflow	"extra empty" rates on the commercial and multi-family bin rate schedules
H. Tipping Fees	Maximum Cost Per Ton
Disposal	\$40.43/ton (includes transfer)
Green Waste Processing/Compost	\$41.66/ton (includes transfer and residual disposal)
Food Waste Processing/Compost	\$89.93/ton (includes transfer and residual disposal)
Mixed Waste Processing	\$89.93/ton (includes transfer and residual disposal)

**EXHIBIT 12
CONTRACT YEAR, DIVERSION, AND RATE ADJUSTMENT SCHEDULE**

Term Year	Contract Year	Diversion Calendar Year	Minimum Diversion	Rate Adjustment Methodology	Date of New Rates	Rate Increase Application Due	Performance Review Completed	City's Offer to Extend Term
0.5	Jan. 1 2015 – June 30, 2015	2015	50%	CPI	7/1/2015	Set by prior term		
1	July 1, 2015 – June 30 2016	2016	50%	CPI	7/1/2016	4/1/2016 for 7/1/2016 CPI		
2	July 1, 2016 – June 30, 2017	2017	50%	CPI	7/1/2017	4/1/2017 for 7/1/2017 CPI		
3	July 1, 2017 – June 30, 2018	2018	50%	CPI	7/1/2018	4/1/2018 for 7/1/2018 CPI		
4	July 1, 2018 – June 30, 2019	2019	50%	CPI	7/1/2019	4/1/2019 for 7/1/2019 CPI	May 1, 2019 & covers calendar years 2015 - 2018	Sept. 1 2019
5	July 1, 2019 – June 30, 2020	2020	50%	CPI	7/1/2020	4/1/2020 for 7/1/2020 CPI	CPI increase if Contractor's requested rate increase exceeds 10.0% and City options to continue Term.	
				Non- CPI Up to 10%	7/1/2020	4/1/2019 for increased diversion	Non-CPI rate increase request for required increased diversion submitted 15 months in advance.	
6	July 1, 2020 – June 30, 2021	2021	60%	CPI	7/1/2021	4/1/2021 for 7/1/2021 CPI		
7	July 1, 2021 – June 30, 2022	2022	60%	CPI	7/1/2022	4/1/2022 for 7/1/2022 CPI		
8	July 1, 2022 – June 30, 2023	2023	60%	CPI	7/1/2023	4/1/2023 for 7/1/2023 CPI		
9	July 1, 2023 – June 30, 2024	2024	60%	CPI	7/1/2024	4/1/2024 for 7/1/2024 CPI	May 1, 2024 & covers calendar years 2019 - 2024	Sept. 1 2024
10	July 1, 2024 – June 30, 2025	2025	60%	CPI	7/1/2025	4/1/2025 for 7/1/2025 CPI	CPI increase if Contractor's requested rate increase exceeds 10.0% and City options to continue Term.	
				Non- CPI Up to 10%		4/1/2024 for increased diversion	Non-CPI rate increase request for required increased diversion submitted 9 months in advance.	
11	July 1, 2025 – June 30, 2026	2026	70%	CPI	7/1/2026	4/1/2026 for 7/1/2026 CPI	Agreement terminates June 30, 2030 with no additional Term extensions or any non- CPI rate increases allowed.	
12	July 1, 2026 – June 30, 2027	2027	70%	CPI	7/1/2027	4/1/2027 for 7/1/2028 CPI		
13	July 1, 2027 – June 30, 2028	2028	70%	CPI	7/1/2028	4/1/2028 for 7/1/2028 CPI		
14	July 1, 2028 – June 30, 2029	2029	70%	CPI	7/1/2029	4/1/2029 for 7/1/2029 CPI		
15	July 1, 2029 – June 30, 2030	2030	70%	Agreement terminates June 30, 2030.				