AGREEMENT BETWEEN THE CITY OF RED BLUFF AND WASTE CONNECTIONS OF CALIFORNIA, INC. FOR SIDENTIAL AND COMMERCIAL WASTE MANAGEMENT

January 6, 2009

TABLE OF CONTENTS

SECTION 1.		
	THE COLLECTION OF SOLID WASTE AND RECYCLABLE	-
	MATERIALS	
	A. Binding Agreement	
	B. Grant of Franchise; Exclusions	
	C. Waiver of Rights	
	D. Gardeners and Landscapers	
	E. Sale or Gift of Recyclable Materials	
	F. Annexation and Rezoning	
	G. Other Services; Niche Recycling Services	
	H. Disposal Facility Destination	
	1. Use of Tehama County/City of Red Bluff Landfill	4
	2. Flow Control-Reservation of Rights	4
	I. Use of City Streets	4
	J. Enforcement of Exclusivity of Franchise	5
SECTION 2.	TERM	5
	A. Commencement	5
	B. Extension of Term	5
SECTION 3.	DEFINITIONS	5
	A. "AB 939"	5
	B. "Bins" or "Commercial Bins"	5
	C. "Bulky Goods"	5
	D. "Commercial Premises"	6
	E. "Commercial Solid Waste"	
	F. "Construction and Demolition Waste"	6
	G. "Gross Revenues"	6
	H. "Hazardous Waste"	
	I. "Landfill JPA"	6
	J. "Multi-Family Containers"	
	K. "Multi-Family Premises" or "Multi-Family Units"	
	L. "Premises"	
	M. "Recyclable Materials"	
	N. "Recyclable Solid Waste"	
	0. "Recycling Container"	
	P. "Residential Containers"	
	Q. "Residential Premises" or "Single-Family Dwelling" or	
	"Single Family Unit"	8
	R. "Residential Solid Waste"	
	S. "Scavenging"	
	T. "Single Family Containers"	
	U. "Solid Waste"	
	V. "Yard Waste"	
	W. "Yard Waste Containers"	
SECTION 4	COMPLIANCE WITH LAWS AND REGULATIONS	
SECTION 5.		
SECTION J.	RESIDENTIAL&COMMERCIALWA	
{00015410.DOC.}	MANAGEMENT AGREEM	

	А.	Public Health and Safety-General; Solid Waste Collection	. 9
		1. Collection	9
		2. Carts/Bins	9
		3. Compliance	10
		4. Route Maps and Schedules	10
	B.	Recycling Services	10
		1. Recyclable Solid Waste Collection	10
		2. Planning Review Services	
		3. Scavenging -Discouragement	
	C.	Yard Waste/Recycling Collection	
	D.	Hours of Collection; Holidays	
	E.	Bulky Goods Pick-Up	
	F.	Customer Education Program	
	G.	Disabled Program	
	H.	On Call Service	
	Ι.	Courtesy Collection Service for City Facilities	12
	J.	Christmas Tree Collection	
	K.	Street Sweeping	
	L.	Leaf Collection	
	M.	Main Street, Walnut Street and Washington Street Collections	
	N.	Special Events	
SECTION 6.	COLL	ECTION EQUIPMENT	
	A.	General.	
	B.	Noise	14
	C.	Graffiti	
	D.	Hazardous Waste Warnings	
	E.	Used Motor Oil/Filter Collection	
	F.	Antifreeze Collection	
	G.	Household Dry Cell/Rechargeable Batteries	
	H.	Solid Waste Collection Vehicle Diesel Retrofit Costs	
SECTION 7.	PRIVA	лСҮ	
	A.	General	
	B.	Mailing Lists	
	C.	Privacy Rights Cumulative	
SECTION 8.	SERV	ICE EXCEPTIONS; HAZARDOUS WASTE	
		FICATIONS	16
	А.	Failure to Collect	
	B.	Hazardous Waste Inspection and Reporting	
	C.	Hazardous Waste Diversion Records	
SECTION 9.	CUST	OMER SERVICE	
	A.	Office Hours	16
	В.	Emergency Telephone Number	
	C.	Service Complaints	
SECTION 10.		ERSHIP OF SOLID WASTE	
		ETING OF RECYCLABLE SOLID WASTE	
		S AND BILLING	
	,		,

	А.	Rates	17
	B.	Rate Adjustments	17
	C.	Resolution of Disputes Regarding Rate Adjustments	.18
	D.	Billing and Payment	
	E.	Delinquent Accounts	
	F.	Mandatory Service	
	G.	Existing Delinquent Accounts	
	H.	Franchise Fee; Payment	
SECTION 13	. GREE	WWASTE'S BOOKS AND RECORDS; AUDITS	
		9 REPORTING AND IMPLEMENTATION	-
	REOU	IREMENTS	. 20
SECTION 15		76 COMPLIANCE	
SECTION 16	. REPOF	RTS AND INFORMATION	22
	A.	Monthly and Quarterly Reports	
		1. Monthly Reports	
		2. Quarterly Reports	
		 Semi-Annual Complaint Report 	
	B.	Annual Report	
	2.	1. General Information	
		 Prior Year's Activities 	
		3. Recommendations	
	C.	Reporting Adverse Information	
	D.	Submission of Reports	
	E.	Failure to Report	
	F.	City's Review of Green Waste 's Performance	
	G.	Costs	
	О. Н.	City's Right to Request Information	
	I.	CERCLA Defense Records	
SECTION 17	i. 7 INDEI	MNITY, INSURANCE, LETTER OF CREDIT OR BOND	
SLCTION 17	A.	Indemnification; General	
	B.	Hazardous Substances Indemnification	
	C.	AB939 Indemnification	
	D.	Insurance	
	D.	1. Types and Amounts of Coverage	
		 Required Endorsements 	
		 Delivery of Proof of Coverage 	
		 Other Insurance Requirements	
	E.	Letter of Credit or Performance Bond	
SECTION 18		ESENTATIONS AND WARRANTIES OF GREENWASTE	
SECTION 10	A.	Corporate Status	
	B.	Corporate Authorization	
	D. C.	Statements and Information	
SECTION 10		RGENCY SERVIC£	
	A.	Failure to Collect	
	В.	Disaster Assistance	
SECTION 20		INISTRATIVE REMEDIES; TERMINATION	
~			

	RESIDEN	TIAL & COMMERCIAL WASTE	
	A.	Notice of Breach and Response	30
	B.	Reservation of Rights by City	
	C.	Cumulative Rights	
	D.	Reservation of Rights by GreenWaste	
SECTION 21.	MEDIA	ATION	.33
	A.	Mediation	.33
	В.	Post-Mediation	.33
SECTION 22.	CITY'S	S ADDITIONAL REMEDIES	.33
	Α.	Contract with Others; Performance Security	.33
	В.	Legal and Equitable Remedies	.33
	C.	Liquidated Damages	
SECTION 23.	FRAN	CHISE TRANSFER; CITY CONSENT; FEES	.34
	А.	Franchise Transfer	
	В.	City Consent	35
	C.	Reimbursement ofFees	35
	D.	Encumbrances Permitted	
SECTION 24.	GENE	RAL PROVISIONS	
	А.	Force Majeure	
	B.	Independent Status	
	C.	Pavement/Property/Utility Damage	
	D.	Law to Govern; Venue; Jury Waiver.	
	E.	Fees and Gratuities	
	F.	Amendments	
	G.	Notices	
	H.	Savings Clause and Entirety	
	I.	Joint Drafting	
	J.	Incorporation By Reference	
	K.	Entire Agreement	
	L.	Attorneys Fees	
	M.	Counterparts	38

111

{000154JO.DOC.}

RESIDENTIAL & COMMERCIAL WASTE MANAGEMENT AGREEMENT

AGREEMENT BETWEEN THE CITY OF RED BLUFF AND WASTE CONNECTIONS OF CALIFORNIA, INC. FOR RESIDENTIAL AND COMMERCIAL WASTE MANAGEMENT

This AGREEMENT BETWEEN THE CITY OF RED BLUFF AND WASTE CONNECTIONS OF CALIFORNIA, INC. FOR RESIDENTIAL AND COMMERCIAL WASTE MANAGEMENT (this "Agreement") dated January 6, 2009, for reference purposes and effective January 1, 2009, is made by and between the CITY OF RED BLUFF ("City") and WASTE CONNECTIONS OF CALIFORNIA, INC., a California corporation doing business as GREENWASTE OF TEHAMA ("GreenWaste"), for the collection and transportation to a recycling and disposal facility of Solid Waste, including Yard Waste and Recyclable Solid Waste.). City and GreenWaste are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989, ("AB 939") established a solid waste management process which requires cities and other local juri sdictions to implement plans for source reduction, reuse and recycling as integrated waste management practices; and

WHEREAS, the Public Resources Code, including §40059, provides that aspects of solid waste handling of local concern include but are not limited to frequency of collection, means of collection and transportation, level of services, charges and fees, and nature, location and extent of providing solid waste services, and whether the services are to be provided by means of nonexclusive , partially exclusive or wholly exclusive franchise, contract, license or otherwise which may be granted by local government under terms and conditions prescribed by the governing body of the local agency; and

WHEREAS, City is obligated to protect the public health and safety of the residents of City and arrangements made by solid waste enterprises and recyclers for the collections of Solid Waste should be made in a manner consistent with the exercise of City's police power for the protection of public health and safety; and

WHEREAS, City and *GreenWaste* 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"), 42 U.S.C. §6901 *et seq.*, and the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601 *et seq.*; and

WHEREAS, City and *GreenWaste* desire to leave no doubts as to their respective roles and to make it clear that by entering into this Agreement, City is not thereby becoming a "generator" or an "arranger" as those terms are used in the context of CERCLA §107(a)(3) and that it is *GreenWaste*, an entity independent of City, and not City, which will arrange to collect from residential and commercial premises in City, collect and transport for the disposal of Solid Waste (which may contain small amounts of household products with one (1) or more of the

RESIDENTIAL & COMMERCIAL WASTE MANAGEMENT AGREEMENT characteristics of Hazardous Waste), collect and transport and compost Yard Waste, and collect and recycle Recyclable Solid Waste in City; and

WHEREAS, City has not, and by this Agreement does not instruct *GreenWaste* on its collection methods nor supervise the collection of Solid Waste, and nothing in this Agreement or other action of City shall be construed to place title to such waste inCity; and

WHEREAS, *GreenWaste* represents and warrants to City that it has the experience and qualifications to conduct recycling programs, to provide City with information sufficient to meet City's reporting requirements under AB 939, to meet City's other requirements under AB 939, to arrange to collect and to collect, transport and dispose Solid Waste which may contain small amounts of consumer products with one or more of the characteristics of Hazardous Waste, in a safe manner which will minimize the adverse effects of collection vehicles on air quality and traffic and has the ability to indemnify City against liability in accordance with this Agreement; and

WHEREAS, the City Council of City determines and finds, pursuant to California Public Resources Code §40059(a)(l), that the public health, safety and well-being, including the minimization of adverse impacts on air quality and traffic from excessive numbers of collection vehicles, the implementation of measures consistent with City's Source Reduction and Recycling Element, and the protection of City against CERCLA and other potential liability, require that *GreenWaste* be awarded an exclusive contract for collection, recycling, and disposal of Solid Waste from Commercial and Residential Premises in City.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

SECTION 1. GRANT OF RIGHT AND PRIVILEGE TO ARRANGE FOR THE COLLECTION OF SOLID WASTE AND RECYCLABLE MATERIALS.

A. Binding Agreement. In consideration of the mutual promises contained herein, City and *GreenWaste* agree to be bound by and comply with all of the requirements of this Agreement.

B. Grant of Franchise; Exclusions. This Agreement grants to *Green Waste* for the period specified in SECTION 2 of this Agreement during which collection services are to be provided pursuant to this Agreement, the exclusive right and privilege to arrange for the collection and to collect, transport, process, recycle, compost, retain and dispose of all Solid Waste, Recyclable Solid Waste and Yard Waste, as defined in this Agreement, produced, generated and/or accumulated within the incorporated limits of City, except as otherwise provided below. Service to all Premises in City is covered by this Agreement. The collection and disposal of Construction and Demolition Waste from Commercial Premises and Residential Premises, through the use of Bins and Residential Containers, is within the scope of this Agreement. *GreenWaste* has the exclusive franchise for all Solid Waste, Recyclable Solid Waste, Yard Waste and Construction and Demolition Waste ("Materials") that are collected using Bins, Residential Containers, roll-off containers, bags and cans, unless the Materials are collected by youth, civic and charitable organizations, without payment or compensation of any type by the generator. Such Materials and the collection of such Materials by youth, civic and

charitable organizations must be comprised of at least ninety-nine percent (99%) of Materials that are recycled and not more than one percent (1%) of said Materials may be deposited in landfills for disposal. Materials hauled by the generator are excluded from this Agreement. Generators may not lease, sub-contract, or in any way pay a hauler any compensation for hauling or disposal services for said Materials. Collection of Solid Waste from Multi-Family Residences using Multi-Family Containers is within the scope of this Agreement. As provided below in SECTION 1.G, specialized single source-separated "niche" recycling services (e.g., collection of used hot water heaters) may be excluded by City from the franchise awarded by this Agreement. Disposal of Yard Waste produced as a result of City's landscape maintenance operations and contracts is not within the scope of this Agreement.

C. Waiver of Rights. GreenWaste waives any right it may have to challenge the terms of this Agreement under federal, state or local law, or administrative regulation, except as provided in the dispute resolution provisions described in SECTIONS 20 and 21 of this Agreement. GreenWaste waives any right or claim to serve premises in City as its boundaries exist as of the date of execution of this Agreement under any prior grant of franchise, contract, license or permit issued or granted by City relating to the waste stream covered by this Agreement and including whatever, if any, rights GreenWaste may have under the Public Resources Code or prior law. This Agreement supersedes all prior franchises, contracts, licenses or permits.

D. Gardeners and Landscapers. This Agreement shall not prohibit gardeners and landscapers from collecting, transporting, composting or disposing of Yard Waste which is incidental to their primary work as a landscaper or gardener.

Sale or Gift of Recyclable Materials. This Agreement shall not prohibit any E. person from selling Recyclable Materials or giving Recyclable Materials away to persons or entities other than *GreenWaste*. However, in either instance: (1) the Recyclable Materials must be one hundred percent (100%) recyclable and segregated from and not mixed with Solid Waste; and (2) the seller/donor may not pay the buyer/donee any consideration for collecting, processing or transporting such Recyclable Materials, or as a consulting fee for recycling services. A discount or reduction in price for collection, disposal and/or recycling services for any form of un-segregated or segregated Solid Waste is not a sale or donation of Recyclable Materials and such Solid Waste does not qualify for this exception.

F. Annexation and Rezoning. Territory annexed to City, which is zoned or rezoned, and which is not within the service area of another Solid Waste enterprise which qualifies under Public Resources Code §49521 to continue to provide Solid Waste services, shall be added to the franchise area covered by this Agreement. City and GreenWaste agree that this Agreement shall supersede any previous franchise agreement, permit or license granted by another public entity to GreenWaste with respect to the collection of Solid Waste within any area annexed to City. As new subdivisions are proposed for development within City, City agrees to provide GreenWaste a copy of the proposed tentative subdivision map prior to construction, to ensure proper accessibility.

G. Other Services; Niche Recycling Services. City reserves the right to enter into agreements with other entities for other Solid Waste and recycling services not provided for in

3

this Agreement, including but limited to disposal of Yard Waste produced by City's landscape maintenance operations and "niche" recycling services which *Green Waste* fails to provide. In the event another Solid Waste enterprise proposes to provide a single commodity "niche" recycling service (*e.g.*, collection of disused water heaters) within the service area, *Green Waste* shall have the exclusive right to provide the "niche" recycling service at the same price or at a price lower than the price proposed by such other Solid Waste enterprise. Such other Solid Waste enterprise may not commingle any materials in providing said "niche" recycling services.

H. Disposal Facility Destination.

1. <u>Use of Tehama County/City of Red Bluff Landfill.</u> Notwithstanding any provision in this Agreement to the contrary, *GreenWaste* agrees that all Solid Waste collected by *GreenWaste* under the provisions and authority of this Agreement shall be transported to and disposed of at the Tehama County/Red Bluff Landfill, which disposal shall be consistent with the terms of the Amended and Restated Agreement by and between the Tehama County/Red Bluff Landfill Management Agency ("Landfill JPA") and Waste Connections of California, Inc., a California Corporations, Madera Disposal Systems, Inc., an affiliate of Waste Connections of California, Inc., and Waste Connections, Inc., a Delaware Corporation, dated August 27, 2003. This mutually agreed upon designation of the Tehama County/Red Bluff Landfill as the disposal site for Solid Waste shall not impair or otherwise affect *GreenWaste's* obligations to protect, defend, indemnify, and otherwise hold City harmless under this Agreement, including without limitation SECTION 17, and said obligations shall continue in all respects as if *GreenWaste* solely was responsible for the selection of the location for the disposal of Solid Waste.

Flow Control-Reservation of Rights. In the event that City or Landfill 2. JPA directs GreenWaste to cease disposing of Solid Waste at the Tehama County/Red Bluff Landfill, City reserves whatever right, if any, it may then have to exercise "flow control" (i.e., the right to select disposal facilities to which the Solid Waste to be collected pursuant to this Agreement is to be taken). In the event City directs GreenWaste to transport Solid Waste to a particular disposal or other facility, City and GreenWaste agree to use their best efforts to obtain indemnification against CERCLA, RCRA and related claims from the operator of the landfill or other destination to which Solid Waste collected pursuant to this Agreement is taken for disposal. In the event City requires GreenWaste to utilize a landfill or other disposal facility other than the Tehama County/Red Bluff Landfill, GreenWaste shall be relieved of its liability with respect to the matters addressed in SECTION 17 of this Agreement with respect to the Solid Waste delivered to a disposal facility designated by City. In addition, GreenWaste shall be relieved of its duties under SECTION 17 to the extent that GreenWaste 's ability to meet the diversion goals is adversely affected by City's selection of a disposal facility. In the event that City selects a transfer or disposal facility other than the Tehama County/Red Bluff Landfill, GreenWaste and City shall meet and confer in good faith regarding a rate adjustment to offset for any substantiated increase or decrease in expenses resulting from City's exercise of flow control. In the event City refuses a rate increase requested by GreenWaste pursuant to this provision, Green Waste shall have the option to terminate set forth in SECTION 12.C.

I. Use of City Streets. *GreenWaste* shall have the right and privilege, until written notice revoking permission to pass is delivered to *GreenWaste*, to operate its collection vehicles and equipment on any and all streets, public ways, rights-of-way, or easements of City.

J. Enforcement of Exclusivity of Franchise. City may, in its sole discretion, enforce the exclusivity provisions of this Agreement against third-party violators. *GreenWaste* may independently enforce the exclusivity provisions of this Agreement against third-party violators, including but not limited to seeking injunctive relief and/or damages, and City shall use good-faith efforts to cooperate in such enforcement actions brought by *GreenWaste*. *GreenWaste* shall reimburse, within thirty (30) days of presentation, all reasonable expenses incurred by City as a result of any such enforcement action, whether initiated by City or by *Green Waste*.

SECTION 2. TERM.

A. Commencement. The term of this Agreement shall commence on January 1, 2009, and shall end at midnight on June 30, 2013, unless extended as provided in SECTION 2.B.

B. Extension of Term. City and *GreenWaste* may mutually agree to extend the Term of this Agreement for a maximum of two (2) periods of five (5) years each, on the same terms and condition herein. If *GreenWaste* wishes to extend the Term, it shall deliver a written notice to City at least twelve (12) months before the expiration of the then existing Term, specifying *GreenWaste's* desire to extend the Term. If City does not wish to extend the Term on the same terms and conditions, it shall deliver a written notice stating that it declines to extend the Term. This notice shall be delivered within ninety (90) days after receiving the notice from *GreenWaste*.

SECTION 3. DEFINITIONS.

Whenever any term used in this Agreement has been defined by the City Code or Division 30, Part **1**, Chapter 2 of the California Public Resources Code, the definitions in the City Code or Public Resources Code shall apply unless the term is otherwise defined in this Agreement.

A. "AB 939" means the California Integrated Waste Management Act of 1989, codified in part at Public Resources Code §40000 *et seq.*, as it may be amended from time to time and as implemented by the regulations of the California Integrated Waste Management Board, or its successor.

B. "**Bins**" or "**Commercial Bins**" means those containers provided by *GreenWaste* for temporary accumulation and collection of Commercial Solid Waste from Commercial Premises. Bins include Solid Waste containers with nominal capacities of one (1), two (2), three (3), four (4) or six (6) cubic yards, or larger, compactor bins, compactor boxes and roll-off boxes.

C. "Bulky Goods" means large and small household appliances, furniture, carpets, mattresses, white goods, oversized yard waste such as tree trunks and branches if no larger than two feet (2') in diameter and four feet (4') in length, and similar large items discarded by residential service recipients, except that Yard Waste may not be bundled and placed for collection as Bulky Goods. Bulky Goods also include auto tires and Freon containing items to be collected and disposed of at an additional charge to the normal Bulky Goods rate.

D. "Commercial Premises" means all premises in City other than those Residential Premises at which bags, cans, carts, or Bins are used for the temporary accumulation of Solid Waste. The term "Commercial Premises" includes, but is not limited to, federal, state, City and local governmental facilities, including, but not limited, to schools, school district offices, special districts and water districts, to the extent authorized by law, stores, offices, restaurants, rooming houses, hotels, motels, manufacturing, processing or assembly shops or plants, hospitals, clinics; and convalescent centers and nursing homes (non-medical waste only), but does not include Residential Premises or Multi-Family Premises.

E. "Commercial Solid Waste" means all types of Solid Waste, including Yard Waste and Recyclable Solid Waste, but not Hazardous Waste or medical waste, generated or accumulated at Commercial Premises. "Commercial Solid Waste" does not include Residential Solid Waste from Single Family Residences or Multi-Family Residences. "Commercial Solid Waste" includes Solid Waste generated or accumulated at hotels, motels, nursing homes or convalescent centers, barracks, dormitories, campgrounds, and other similar places or institutions, and any other waste stream which is collected through the use of Bins, except as otherwise provided in this Agreement.

F. "Construction and Demolition Waste" means discarded building material s, recyclable construction and demolition materials, wood, packaging, plaster, rock or brick, drywall, cement and rubble resulting from construction, remodeling, repair and demolition operations. "Construction and Demolition Waste" does not include asbestos-conta ining material s or asbestos waste. Construction and Demolition Waste is within the scope of this Agreement if hauled using carts, Bins or roll-off containers.

G. "Gross Revenues" means any and all revenue received from payment s for services provided and actually received by *GreenWaste* for the collection and transportation of Solid Waste pursuant to this Agreement, in accordance with Generally Accepted Accounting Principles, but excluding revenues from the sale of Recyclable Materials and Recyclable Solid Waste.

H. "Hazardous Waste" means any substance, waste or mixture of wastes defined as a "Hazardous Substance", "Hazardous Waste" or "Hazardous Material" pursuant to RCRA, CERCLA, and all future amendments to either of them, or as defined by the California Integrated Waste Management Board or California Department of Toxic Substances Control, and any consumer product s with any of the characteristics of a Hazardous Substance. Where there is a conflict in the definitions employed by two or more agencies having juri sdiction over hazardous or Solid Waste, the term "Hazardous Waste" shall be construed to have the broader, more encompassing definition.

I. 'Landfill JPA'' means the Tehama County Sanitary Landfill Agency, a j oint powers authority representing the cities of Red Bluff, Coming, and Tehama, and the County of Tehama.

J. "Multi-Family Containers" means bins or containers provided by *GreenWaste* and intended to be utilized for the temporary accumulation and collection of Solid Waste from Multi-Family Units where cans or carts are not used.

K. 'Multi-Family Premises'' or ''Multi-Family Units'' means dwelling units such as apartments, condominiums and town homes, each with separate cooking and bathing facilities, other than Single Family Dwellings, which utilize Multi-Family Containers for the temporary accumulation and collection of Solid Waste. Solid Waste accumulated or generated at Multi-Family Units is covered by this Agreement.

L. "Premises" means, collectively, Commercial Premises, Multi-Family Premises and Residential Premises.

M. "Recyclable Materials" means a commodity with value, which may be sold or given away. In either instance: (1) the Recyclable Materials must be segregated from and not mixed with other Solid Waste; and (2) the seller/donor may not pay the buyer/donee any consideration for collecting, processing or transporting such Recyclable Materials, or as a consulting fee for recycling services. A discount or reduction in price for collection, disposal and/or recycling services for any form of un-segregated or segregated Solid Waste is not a sale or donation of Recyclable Materials and such Solid Waste does not qualify for this exception. A Recyclable Material which is discarded into the waste stream loses its character as a Recyclable Material and becomes Solid Waste subject to this Agreement.

N. "**Recyclable Solid Waste**" means recyclable items which have been sourceseparated by a Solid Waste service recipient before having been discarded into the Solid Waste stream. As of the date of execution of this Agreement, Recyclable Solid Waste includes, but is not limited to, the following:

- 1. Newspaper, including newspaper, coupons and inserts;
- 2. Glassjars and bottles;
- 3. Cans (aluminum, bi-metal and tin cans);

4. Mixed paper (brown bags, cereal boxes, colored paper, computer paper, construction paper, cracker boxes, envelopes, junk mail, legal pad backings, paper egg cartons, shoeboxes, and white paper;

- 5. Telephone Books;
- 6. Magazines and catalogs;
- 7. Corrugated cardboard;
- 8. Chipboard;
- 9. Aluminum foil and trays;
- 10. Aerosol cans (if empty);
- **11.** Scrap metal;

12. Plastic containers (1-7);

13. Chlorofluorocarbons (contained in Bulky Goods set out for collection to be collected under SECTION 5.F);

14. Tires (if set out for collection as Bulky Goods to be collected under SECTION 5.F);

15. Used motor oil, if placed in one (1) gallon (or smaller) containers with sealable top;

16. Oil filters, if placed in a sealable plastic bag; and/or

17. Antifreeze, ifplaced in one (1) gallon (or smaller) containers with sealable

top.

The foregoing list may be modified as City and GreenWaste shall agree, m writing.

0. '**Recycling Container**'' means a sixty-four (64)-gallon recycling container with wheels for the temporary accumulation and collection of Recyclable Solid Waste, including *GreenWaste-provided* containers, or any other container designed by *GreenWaste* for use at the Premises covered by this Agreement. *GreenWaste* shall retain ownership of all Recycling Containers which it provides to service recipients.

P. '**Residential Containers**'' means Single Family Containers and Multi-Family Containers.

Q. "Residential Premises " or "Single-Family Dwelling" or "Single Family Unit" generally means a detached building, or each unit of multi-family dwelling, with separate kitchen and bathing facilities, in which the residents utilize one or more Single Family Containers for the temporary accumulation and collection of Solid Waste.

R. "**Residential Solid Waste**" means all types of Solid Waste, placed for collection by residential service recipients (*i.e.*, Solid Waste generated or accumulated at Residential Premises and Multi-Family Premises).

S. "Scavenging" means the unauthorized removal of Recyclable Solid Waste. Scavenging is prohibited by Public Resources Code §41950.

T. ''Single Family Containers'' means any container for the temporary accumulation and collection of Solid Waste from Single Family Units. *GreenWaste* shall retain ownership of all single-family containers which it provides to service recipients.

U. "Solid Waste" means all putre scible and non-putre scible refuse, garbage, rubbish, including without limitation Recyclable Solid Waste and Yard Waste, and as otherwise defined in Public Resources Code §40191.

V. 'Yard Waste'' means leaves, grass clippings, brush, branches, limbs and other forms of organic materials generated from landscapes or gardens. "Yard Waste'' includes Christmas trees but does not include stumps or branches exceeding four inches (4") in diameter or four feet (4') in length. The opening of a permitted Compost Facility at the Tehama County/Red Bluff Sanitary Landfill may require redefinition of Yard Waste based on compostability, and City and *GreenWaste* agree to discuss exclusions and alternate disposal methods as necessary.

W. "Yard Waste Containers" means containers provided by or designated by *GreenWaste* for the temporary accumulation of Yard Waste. When containers are loaded for pick-up, said containers shall not weigh more than fifty (50) pounds.

SECTION 4. COMPLIANCE WITH LAWS AND REGULATIONS.

GreenWaste warrants that it will comply with all applicable laws and implementing regulations, as they, from time to time, may be amended, specifically including, but not limited to RCRA, CERCLA, AB 939 and all other applicable laws and regulations of the United States, the State of California, City, ordinances of City, and the requirements of local enforcement agencies and all other agencies with jurisdiction.

SECTION 5. TYPES AND FREQUENCY OF SERVICE.

A. Public Health and Safety - General; Solid Waste Collection. Solid Waste collection shall be provided below by *GreenWaste*.

1. <u>Collection</u>. In order to protect public health and safety, arrangements made by *Green Waste* with its service recipients in City for the collection of Solid Waste (not including Recyclable Solid Waste or Yard Waste) shall provide for the curbside collection of all of such Solid Waste generated or accumulated at Commercial and Residential Premises at least once per week, or more frequently as *GreenWaste* and its customers may agree, and more often as necessary to prevent overflows and spillage from Commercial Bins and Residential Containers.

2. Carts/Bins.

a. <u>Residential Premises.</u> *GreenWaste* shall provide one (1) or more Single Family Containers to service recipients on Residential Premises upon commencement of service at no additional expense to City or charge to service recipients. *GreenWaste* shall repair or replace any Single Family Container that is damaged, destroyed, or lost; <u>provided</u> that *GreenWaste* may charge a service recipient reasonable repair or replacement costs for damage or loss due to service recipient negligence or intentional damage. *Green Waste* shall retain ownership of Single Family and Multi-Family Containers that it provides to service recipients on Residential Premises.

b. <u>Commercial Premises.</u> *GreenWaste* shall provide Commercial Bins to service recipients on Commercial Premises upon commencement of service at no additional expense to City or charge to service recipients. Such Bins shall be maintained by *GreenWaste* and appear free of graffiti and shall bear conspicuous notices stating, in substance, that disposal of Hazardous Waste in Bins is dangerous and prohibited. *GreenWaste* shall keep said Bins reasonably clean and well painted.

3. <u>Compliance.</u> Under no circumstances shall *GreenWaste* be required to pick up and collect any Solid Waste which does not comply with the following standards and limitations:

a. All Commercial Solid Waste shall be placed in Commercial Bins, and all Residential Solid Waste shall be placed in Residential Containers;

b. Oil drums, grease drums and similar metal containers and containers with sharp, rough, or jagged edges which may hamper or injure the handler are not acceptable as Solid Waste containers and will not be picked up or emptied;

c. Large, heavy items not broken down, including, without limitation, water heaters, couches, refrigerators, stoves, large pieces of furniture or household equipment will not be considered Solid Waste, but shall be considered Bulky Goods which may be collected by *GreenWaste* only under the provisions of SUBSECTION E, below;

and

d. Solid Waste observed to be contaminated with Hazardous Waste;

e. *GreenWaste* is not required to collect any other material or matter which is not Solid Waste as defined in this Agreement.

4. Route Maps and Schedules. *GreenWaste* agrees to provide route maps and schedules to City, and to consider City's suggestions, as City's air quality, traffic and street sweeping may be affected by routes and scheduling. *GreenWaste* acknowledges that minimization of adverse effects on air quality, traffic and street sweeping may be affected by routes and scheduling. Should *GreenWaste* change a collection schedule, *GreenWaste* shall notify City and affected service recipients at least two (2) weeks in advance of the implementation of any schedule change.

B. Recycling Services.

1. <u>Recyclable Solid Waste Collection.</u> *GreenWaste* shall provide one or more Recycling Containers, to be used exclusively for accumulation, separation and collection of Recyclable Solid Waste to each Solid Waste service recipient in any area of City who requests one, at no additional charge to the recipient or City. *GreenWaste* shall collect and transport all Recyclable Solid Waste placed in Recycling Containers. *GreenWaste* agrees to use its commercially reasonable efforts to process Recyclable Solid Waste through a material recovery facility in order to maximize the diversion of Solid Waste from landfilling.

2. Planning Review Services. *GreenWaste*, upon City's request, and at no charge to City or applicant, shall assist City's Planning Department in reviewing applicants' plans for commercial and residential project s to provide for effective and economical accumulation and collection of Recyclable Materials and Solid Waste, including Recyclable Solid Waste.

3. <u>Scavenging – Discouragement.</u> *GreenWaste* may take all commercially reasonable legal actions (including, without limitation, actions seeking to enjoin organized scavengers) to discourage scavenging of Recyclable Solid Waste from the Solid Waste Stream, and City shall use good-faith efforts to cooperate in such actions taken by *GreenWaste*.

C. Yard Waste/Recycling Collection. *GreenWaste* shall collect and remove all Yard Waste and Recyclable Solid Waste placed in Yard Waste Containers and Recycling Containers, respectively, provided or designated by *GreenWaste*, on alternate collection days.

D. Hours of Collection; Holidays. GreenWaste agrees that, in order to protect the peace and quiet of residents of City, GreenWaste will provide that collections which are audible in single family residential areas shall not start before 6:00 a.m. or continue after 6:00 p.m. Monday through Friday, nor before 7 a.m. nor after 6 p.m. for collections on Saturdays. Collections on Multi-Family residential routes shall not start before 6 a.m. or continue after 6 p.m. Monday through Friday, nor before 7 a.m. nor after 6 p.m. for collections on Saturdays. Commercial collections, which are audible in residential areas, shall not start before 5 a.m. nor continue after 9 p.m. on any day. *GreenWaste* has informed City that if the regularly scheduled day of collection on any route in City falls on a day on which a legal holiday is observed by the Tehama County/Red Bluff Landfill, or other Solid Waste disposal facility, transformation or materials recovery facility destination of the Solid Waste to be collected by GreenWaste (presently New Year's Day, Thanksgiving Day, Christmas Day, and Easter), GreenWaste shall not provide collection service for such route on the day the holiday is observed, but on the day following the day on which the holiday is observed. Regular collection days falling later in the same week shall be delayed one (1) day, except that routes scheduled to be collected on a Friday or Saturday following the observation of a holiday shall be collected on Saturday. Regular collection schedules shall be resumed the following week. GreenWaste and City may mutually agree to change the hours of collection, days of collection, or other observed holidays.

E. Bulky Goods Pick-Up. *GreenWaste* shall provide curbside Bulky Goods pickups on regular collection days as part of regular collection service, at the additional charges shown on EXHIBIT "A". *GreenWaste* shall not be required to remove automobile bodies, or any other items, which may not be handled safely by two (2) persons. *Green Waste* shall comply with all applicable regulations governing the recovery of ozone-depleting refrigerants during the disposal of air conditioning or refrigeration equipment, including, but not limited to 40 C.F.R. Part 82. Additional Bulky Goods items will be picked up at rates set forth in EXHIBIT "A".

F. Customer Education Program. *GreenWaste* will develop and implement (at no additional cost to City or service recipients) an Education Program for the Solid Waste program, including information with respect to AB 939 diversion goals, Bulky Goods pick-ups, backyard composting, Yard Waste programs and the importance of the safe disposal of Household Hazardous Waste. A bulk mail newsletter to all service recipients will be developed and mailed no less than two (2) times per year. *GreenWaste* agrees to work with staff of the Tehama County Sanitary Landfill Agency in developing the newsletter.

GreenWaste agrees to educate City residents on Household Hazardous Waste Elements, including necessary support for any Landfill JPA Household Hazardous Waste Programs. Such support shall be limited to public outreach unless otherwise agreed to by *GreenWaste* and City.

GreenWaste may provide and distribute information on television, literature in the form of flyers, cards, stickers, or otherwise as *GreenWaste* determines to be most effective. *GreenWaste* may also utilize other promotional activities to achieve the goals of this Agreement, including participation in school assemblies and demonstrations, Chamber of Commerce and other local activities, parades and other civic events. *GreenWaste* shall make an appearance at City's Christmas parade and a Red Bluff Round-Up parade, and operate an education booth at the Tehama County Fair.

G. Disabled Program . *GreenWaste* will collect Solid Waste and Recycling Containers from the premises of qualified disabled service recipients at no additional charge. Qualified disabled service recipients shall be mutually determined by City and *GreenWaste*.

H. On Call Service. *GreenWaste* will provide residential service recipients with the opportunity to request and use one (1) cleanup event per calendar year on an on-call basis at no additional cost; provided that *GreenWaste* has received payment for service to date from residential service recipient. Residential service recipients will be required to call *GreenWaste* to schedule pick-up. *GreenWaste* will schedule the pick-up on the next available on-call collection day, not to exceed thirty (30) days. Waste will be limited to normal household debris. The residential service recipient may set out the following:

1. One (1) of the following Bulky Goods: TV, computer monitor, sofa, love seat, mattress, or box spring; and

2. Up to four (4) cubic yards (equivalent to twenty-four (24) x thirty (32)-gallon garbage cans or nineteen (19) x forty (40)-gallon garbage bags).

Any single garbage bag or garbage can must not exceed seventy (70) pounds and must be manageable by one (1) person, and household debris must be contained in thirty-two (32)-gallon or smaller garbage cans, forty (40)-gallon or smaller garbage bags, equivalent sized cardboard boxes, or tied in equivalent sized bundles. Dirt, rocks, concrete, appliances, paint or other Household Hazardous Waste or Hazardous Waste will not be collected. On-call cleanups that are not used by the residential service recipient during the calendar year will not be accumulated, and therefore, will be lost if not used during the calendar year. *Green Waste* will notify residents of program availability through billing inserts or other public education.

I. Courtesy Collection Service for City Facilities. *GreenWaste* agrees to provide service to City-operated facilities at no charge as a courtesy to City; <u>provided</u>, however, that service does not conflict with collection franchises granted to businesses other than *GreenWaste*. Collection of Solid Waste and Recyclable Solid Waste at City facilities will include, at a minimum, the following:

Building/Department	Location	Size	Frequency
City Hall	SSS Washington St	4cy(gar), 4cy(rec)	lx/wk
Community Center	ISOO S Jackson St	2*4cy(gar), 4cy(rec)	lx/wk
Waste Water Treatment	700 Messer Dr	2cy(gar), 1-96, 3-64	lx/wk
Plant			
Red Bluff Corp Yard	lOSS Kimball Rd	2cy(gar)	lx/wk

Building/Department	Location	Size	Frequency
Red Bluff Corp Yard	1055 Kimball Rd	40cy (garbage)	1x/month
Dog_Island Park	Main St	6cy(gar)w/lock	1x/wk
River Park	Main St	6cy(gar) w/lock	3x/wk
Forward Park	1600 Monroe St	6cy(gar) w/lock	1x/wk
Trainor Park	Trainor St	6cy(gar)w/lock	1x/wk
Diamond Park	Diamond Ave	6cy(gar) w/lock	2x/wk

Increases to courtesy collection locations or amount of service will be subject to negotiation by City and *GreenWaste*, with consideration given to the operational or financial impact to *GreenWaste* and the increases in other revenue generating service due to population and/or subscriber growth. Courtesy service does not include Solid Waste or Recyclable Solid Waste generated from capital projects, construction and demolition projects, capital asset deletions, roadside litter and illegal dumping abatement, or other non-routine activities at City facilities.

J. Christmas Tree Collection. *GreenWaste* agrees to collect bare Christmas trees at no additional charge to the residential service recipients during the first (1^{51}) two (2) full collection weeks of every January. Christmas trees with flocking and trees collected after the first (1^{51}) two (2) full collection weeks in January shall be subject to collection in accordance with SECTIONS 5.E and 5.H.

K. Street Sweeping. *GreenWaste* shall provide monthly street sweeping services in all areas within the incorporated limits of City, during the period beginning in mid-April and continuing through mid-November each calendar year. *GreenWaste* will conduct a public outreach program within City to notify residents and businesses on the day street sweeping will occur. Additional streets that are installed into City will be swept at no additional cost to City. *GreenWaste* will provide to the City route maps depicting the areas and days of the week that will be serviced. City and *GreenWaste* will work together to reach an agreed-upon sweeping schedule.

L. Leaf Collection. *GreenWaste* will provide leaf collection services during one (1) six (6)-week period per year to residential service recipients of City, at no additional cost; provided that *GreenWaste* has received payment for service to date from such residential service recipients. Each residential service recipient will be required to containerize his or her leaves in their own thirty-two (32)-gallon container(s). The leaves will be collected during a six (6)-week period only; from Mid-November through December, unless a different time period is mutually agreed upon the City and *GreenWaste*. *GreenWaste* will notify residents of program details through billing inserts or other public education.

M. Main Street, Walnut Street and Washington Street Collections. *GreenWaste* will collect, at no cost to City, refuse from the forty-five (45), thirty-two (32)-gallon City-owned and maintained trash cans along Main Street, Walnut Street and Washington Street weekly.

N. Special Events. *GreenWaste,* on occasion, provides free or discounted services for the following special occasions, but may not be limited to only these events: Chamber

Events for Round-Up, Round-Up parade sweepiJ?.g, Fourth of July at River Park, Boat Drags Show and Shine event, as well as periodic Hospice, Salvation Army and Hope Chest clean-ups.

SECTION 6. COLLECTION EQUIPMENT.

A. General. *GreenWaste* warrants that it shall provide, on a continuing basis, an adequate number of vehicles and equipment for the collection, disposal and transportation services for which it is responsible under this Agreement.

B. Noise. To protect peace and quiet in residential areas, the noise level generated by compaction vehicles using compaction mechanisms during the stationary compaction process shall not exceed a single-event noise level of seventy-five (75) decibels (dB) at a distance of twenty-five feet (25') from the collection vehicle measured at an elevation of five feet (5') above ground level. *GreenWaste* shall submit to City, upon City's reasonable request, a certificate of vehicle noise level testing of any collection vehicle, which has been the subject of more than one (1) noise complaint in a twelve (12) month period. *GreenWaste* warrants that it will comply with all measures and procedures promulgated by all agencies with jurisdiction over the safe, sanitary operation of all its equipment.

C. Graffiti. *GreenWaste* shall maintain its equipment free of "tagging" and graffiti.

D. Hazardous Waste Warnings. *Green Waste* shall post on all its Bins in City with conspicuous warning notices to the effect that the disposal of Hazardous Waste in Bins is dangerous and is prohibited.

E. Used Motor Oil/Filter Collection . Collection of used motor oil and filters are included in this Agreement, for Residential Premises only. Used motor oil will be required to be placed in sealable containers of one (1) gallon or less, clearly labeled as containing motor oil, to be eligible for pick -up. Oil filters will be required to be in sealable plastic bags to be eligible for pick -up. *GreenWaste* will not be required to pick up more than five (5) one (1) gallon containers of motor oil, or more than five (5) oil filters at any single household at any one time. Brake fluid, transmission fluid, hydraulic fluid, gasoline, diesel and any other petroleum-based liquid or mixtures of different liquids is not covered by this Agreement. City and *GreenWaste* acknowledge that costs associated with recycling used motor oil and filters will be the responsibility of the Tehama County/Red Bluff Sanitary Landfill, or any other Solid Waste facility accepting these materials.

In consideration of this service, City represents that there exists at least one (1) Solid Waste joint powers authority (JPA) within Tehama County of which City is a member, which applies for grant funding relating to used motor oil and filter collection and recycling. City will request funding from the JPA in the amount of One Hundred Fifty Dollars (\$150) per quarter be paid to *GreenWaste* from any available used oil grant funding, but makes no representation regarding any approvals required by grantors or grantees to distribute funds. In the event that total residential accounts serviced by *GreenWaste* increase to four thousand (4,000) or greater, City will request funding in the amount of Two Hundred Fifty Dollars (\$250) per quarter from available grant funding.

F. Antifreeze Collection. Collection of antifreeze and mixtures of antifreeze diluted with water are included in this Agreement for Residential Premises only. Antifreeze must be placed in sealable containers of one (1) gallon or less clearly labeled as containing antifreeze to be eligible for pick -up. Mixtures containing antifreeze and other liquids that are not water are not covered by this Agreement. City and *GreenWaste* understand that further costs of recycling and/or disposal will be the responsibility of the Tehama County/Red Bluff Sanitary Landfill, or any other Solid Waste facility accepting these materials.

G. Household Dry Cell/Rechargeable Batteries. Dry cell and rechargeable batteries are included in this Agreement for Residential Premises only. Batteries must be placed in a sealable plastic bag and weigh no more than two (2) pounds per battery, to be eligible for pick-up. City and *GreenWaste* understand that further costs associated with disposal and/or recycling will be the responsibility of the Tehama County/Red Bluff Sanitary Landfill, or any other Solid Waste facility accepting these materials.

H. Solid Waste Collection Vehicle Diesel Retrofit Costs. City and *GreenWaste* understand that the California Air Resources Board has enacted regulations relating to reduction in diesel emissions for Solid Waste collection vehicles, and *GreenWaste* represents to City that *GreenWaste* is in material compliance with regulations as of the effective date of this Agreement. *GreenWaste* waives any current and future claims for City or City service recipient reimbursement for expenses incurred as a result of regulatory compliance as of the effective date of this Agreement. Nothing is this SECTION shall prevent *GreenWaste* from requesting or negotiating, or obtaining such reimbursement as part of a separate franchise agreement between *GreenWaste* and any other public entity. If required by regulation, future diesel retrofit costs borne by *GreenWaste* will be subject to negotiation, but shall not apply to retrofit costs accomplished through routine equipment replacement.

SECTION 7. PRIVACY.

A. General. *GreenWaste* shall observe and protect the rights of privacy of service recipients. Information identifying individual service recipients, or the composition or contents of a service recipient's Solid Waste, 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 service recipient. This provision shall not be construed to preclude enforcement of City's ordinance regarding Mandatory Service, or *GreenWaste* from preparing, participating in, or assisting in the preparation of waste characterization studies or waste stream analyses which may be required by AB 939, or preparing and distributing public awareness materials to service recipients.

B. Mailing Lists. *GreenWaste* shall not market or distribute mailing lists with the names and addresses of service recipients.

C. Privacy Rights Cumulative. The rights accorded service recipients pursuant to this SECTION 7 shall be in addition to any other privacy rights accorded service recipients pursuant to federal or state law.

SECTION 8. SERVICE EXCEPTIONS; HAZARDOUS WASTE NOTIFICATIONS.

A. Failure to Collect. When Solid Waste set out for collection is not collected from a Solid Waste service recipient, *GreenWaste* shall notify that service recipient, in writing, at the time collection is not made, through the use of a "tag" or otherwise, of the reasons why the collection was not made.

B. Hazardous Waste Inspection and Reporting. *GreenWaste* 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. *GreenWaste* shall notify all agencies with jurisdiction, including the California Department of Toxic Substances Control, local emergency response providers and the National Response Center, if appropriate, of reportable quantities of Hazardous Waste found or observed in Solid Waste anywhere within City. In addition to other required notifications, if *GreenWaste* observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Waste unlawfully disposed of or released on any City property, including storm drains, streets or other public rights of way, *GreenWaste* shall notify the Tehama County Environmental Health Department.

C. Hazardous Waste Diversion Records. *GreenWaste* shall maintain records showing the types and quantities, if any, of Hazardous Waste found in Solid Waste and which was inadvertently collected from Solid Waste service recipients within City, but diverted from landfilling.

SECTION 9. CUSTOMER SERVICE.

A. Office Hours. *GreenWaste* represents and warrants to City that *GreenWaste's* arrangements with its Solid Waste service recipients in City will include *GreenWaste's* agreement to maintain an office accessible by a local (City of Red Bluff) phone number. *GreenWaste's* office hours are to be from 8:00a.m. to 5:00p.m. Monday through Friday except for days on which holidays are observed. At *GreenWaste's* expense, its regular and emergency telephone numbers shall be listed in Tehama County-area telephone directories under both *GreenWaste's* name and City's name. In addition, *GreenWaste's* employees are to be accessible by telephone number, below. *GreenWaste* shall have at least one (1) employee capable of responding to service recipients in English and Spanish.

B. Emergency Telephone Number. *GreenWaste* will maintain an Emergency Telephone Number for use outside normal business hours. *GreenWaste* shall have a representative, or an answering or call-forwarding service to contact such representative, available at the Emergency Telephone Number during all hours other than normal office hours. *GreenWaste* shall be able to respond to inquiries in English and Spanish necessary for communication between *GreenWaste* and its service recipients.

C. Service Complaints. City and *GreenWaste* agree that the protection of public health, safety and well being require that service complaints be acted on promptly and that a record be maintained in order to permit City and *GreenWaste* to identify potential public health

and safety problems. Accordingly, all Solid Waste service recipients' complaints shall be directed to *GreenWaste*. During office hours, *GreenWaste* shall maintain a complaint log and a telephone answering system. *GreenWaste* shall record all complaints, including date, time, complainant name and address if the complainant is willing to give this information, and date and manner of resolution of complaint. *GreenWaste* shall maintain this information in a computerized daily Service Complaint Log. In the case of a complaint for a missed collection, *GreenWaste* shall make the collection not later than 6 p.m. that day if it has been notified by 10:00 a.m., or on the first collection day after the complaint is received, if the compliant was not received until after 10:00 a.m. Any such calls received via *GreenWaste's* answering service shall be recorded in the comment section in the customer's account. All service complaints shall be available to City representatives upon reasonable request. Additionally, *GreenWaste* will provide a copy of the complaint log semi-annually to the City Manager or as may more frequently be reasonably requested by the City Manager or his/her designee.

SECTION 10. OWNERSIDP OF SOLID WASTE.

Ownership and the right to possession of Solid Waste, including Yard Waste and Recyclable Solid Waste, placed for collection shall transfer directly from the service recipient to *GreenWaste* by operation of law and not by virtue of this Agreement, upon collection by *GreenWaste*. At no time shall City obtain any right of ownership or possession of Solid Waste, including Yard Waste and Recyclable Solid Waste, or Hazardous Waste placed for collection, and nothing in this Agreement shall be construed as giving rise to any inference that City has any such rights; provided, however, that *GreenWaste* shall not become the owner of Hazardous Waste.

SECTION 11. MARKETING OF RECYCLABLE SOLID WASTE.

Green Waste agrees to not landfill dispose of Recyclable Solid Waste collected pursuant to this Agreement.

SECTION 12. RATES AND BILLING.

A. Rates. The rate ceilings for all Solid Waste collection, transportation, recycling and disposal services are set forth in EXHIBIT "A" to this Agreement. The rate ceilings will be adjusted at the times and using the example set forth in SECTION 12.B. *GreenWaste* rates for Solid Waste collection, transportation, recycling and disposal services may not exceed the rate ceilings set forth herein, as such may be adjusted from time to time pursuant to Section 12.B.

B. Rate Adjustments. The rate ceilings for Bins, Commercial Bins, Yard Waste Containers, Recycling Containers, and Residential Containers set forth in EXHIBIT "A" shall be subject to an annual adjustment, beginning July 1, 2009, of seventy-five percent (75%) of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-W) [Series ID CUUR0400SAO] for the West (1982-1984 = 100) as published by the Bureau of Labor Statistics of the U.S. Department of Labor. Beginning July 1, 2010, and continuing thereafter for the of this Agreement, the annual adjustment shall be seventy-five percent (75%) of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-W) [Series ID CUUR0400SAO] for the West (1982-1984 = 100), plus five percent (5%) of the percentage change in the Consumer Price Index for All Urban Consumers (CPI-W) [Series ID CUUR0400SAO] for the West (1982-1984 = 100), plus five percent (5%) of the percentage

change of the #2 Diesel Fuel Index (Series ID WPU057303), both published by the Bureau of Labor Statistics of the U.S. Department of Labor. *Green Waste* and City agree that the foregoing annual adjustment will be not less than one percent (1%), nor greater than five percent (5%). No less than thirty (30) days prior to July $1^5 Green Waste$ will submit a letter to the City Manager or his/her designee for him/her to review detailing computations used in determining the rate ceiling adjustments pursuant to this SECTION 12.B. In the event *GreenWaste* and the City Manager, or his/her designee, disagree with the computational methods, resolution of the rate ceiling adjustment dispute shall be referred to the City Council for resolution.

As described above, rate ceilings shall be adjusted every July 1st, beginning July 1, 2009, to reflect changes in the Consumer Price Index and #2 Diesel Fuel Index. For purposes of computation, April to April changes will be used for the Consumer Price Index, and February to February changes will be used for the #2 Diesel Fuel Index.

	April, Year 1	April, Year 2	75% of change
CPI-W	192.3	198.6	2.46%
	Feb. Year 1	Feb, Year 2	5% of change
#2 Diesel	120	150	1.25%
2.46%+ 1.25%=3.71%			

Example:

Accordingly, per the foregoing example, rate ceilings would be increased by three and 71/100 percent (3.71%).

C. Resolution of Disputes Regarding Rate Adjustments. Disputes regarding any decision by the City Manager on a rate ceiling adjustment shall be decided by the City Council in accordance with SECTION 20(A)(2) of this Agreement. The rate ceilings in effect at the time a rate ceiling adjustment dispute is submitted to the City Council shall remain in effect pending resolution of that dispute. The effective date of a rate ceiling determined through the dispute resolution procedures provided in SECTION 20(A)(2) shall be January 1st of the year in question. Decisions of the City Council with respect to rate ceiling adjustments are fmal and are not subject to the provisions of SECTION 21. Decisions of the City Council with respect to rate ceiling adjustment all or any part of a rate ceiling adjustment, *GreenWaste's* sole remedy shall be to terminate this Agreement by providing written notice to City within ten (10) days of receipt of City's notice of rejection of all or part of a rate adjustment, such termination by *GreenWaste* to be effective upon the expiration of three (3) months following City's receipt of such notice.

D. Billing and Payment. Bills to service recipients shall be for all classifications of services showing the aggregate amount, unless otherwise agreed by *GreenWaste* and City. *GreenWaste* agrees to include all applicable fees imposed by action of the City Council, including, but not limited to fees for planning and compliance with AB 939 and Household Hazardous Waste program fees in its bills submitted to residents, and shall remit to City such funds collected within thirty (30) days of receipt. *GreenWaste's* bills to Solid Waste service

recipients shall be itemized showing charges for each classification of services, but shall not designate that portion of a service recipient's bill attributable to any City franchise, license or other fee as a separate item on service recipients' bills. *GreenWaste 's* billings may be made monthly, bi-monthly or quarterly, in advance, as *GreenWaste* shall decide, for all service recipients.

E. **Delinquent Accounts.** GreenWaste may discontinue service as set forth in this SECTION. Service recipients who have not remitted required payments within thirty (30) days after the date of billing shall be notified in writing by Green Waste that service may be terminated for non-payment. The service termination notification shall contain a statement that services may be discontinued fifteen (15) days from the date of receipt of the service termination notice if payment is not made before that time. For services to be recommenced, delinquent service recipients shall pay to GreenWaste an amount equal to all delinquent amounts then owed by such delinquent service recipient plus a reinstallation fee of Twenty-Five Dollars (\$25.00) (the "Reinstallation Fee"). Upon receipt of the delinquent payment and the Reinstallation Fee, GreenWaste shall resume collection on the next regularly scheduled collection day. The fees levied for service by GreenWaste for Solid Waste collection shall constitute a civil debt and liability owning to GreenWaste from the person using or chargeable for such services and shall be collectible in any manner provided by law, including, without limitation, the commencement of litigation against delinquent payers and the reporting of delinquent payers to collection agencies or bureaus. GreenWaste shall notify the City, in writing, at the time service is discontinued as provided in this SECTION. Said notice shall include the identity of the service recipient, the affected address, and the period of delinquency.

F. Mandatory Service. Failure of service recipients to maintain service by *GreenWaste* for Solid Waste collection shall, at the City's discretion, be enforced as a code violation. *GreenWaste* will be obligated at the time new service is established to notify the property owner, in writing, of the requirement in the City Code that all occupied parcels subscribe to refuse collection service. Said notice shall be in a form approved by the City Manager and shall include notice of the City Code provisions related to requesting exemption from mandatory trash collection requirements for property uses which generate little or no trash or Solid Waste. City shall use good faith and reasonable efforts to enforce the City Code's mandatory trash requirement.

G. Existing Delinquent Accounts. *GreenWaste* may pursue all legal remedies available to it in order to collect existing delinquent accounts from the service recipients. Notwithstanding the provisions of Red Bluff City Ordinance No. 954, the parties agree that the City shall have no obligation to place liens on the subject properties. Furthermore, the parties agree that the City of Red Bluff has no obligation to compensate *GreenWaste* for any delinquent accounts.

H. Franchise Fee; Payment. *GreenWaste* shall pay City a franchise fee of six percent (6%) of Gross Revenues, in accordance with Generally Accepted Accounting Principles, on a quarterly basis and in the month following the end of a quarter; however, no later than the fifteenth (15th) day of the month it is due. Accompanying each quarter payment shall be an accounting of the Gross Revenues for the corresponding quarter. Franchise fee payment s will not be itemized on customer billings.

SECTION 13. GREENWASTE, S BOOKS AND RECORDS; AUDITS.

In addition to the record retention requirements of SECTION 16.I, *GreenWaste* shall maintain all records relating to the services provided hereunder, including, but not limited to, route maps, customer lists, billing records, weight tickets, maps, AB 939 records, and customer complaints, for the full term of this Agreement, and an additional period of not less than three (3) years, or any longer period required by law. City shall have the right, upon reasonable advance notice, to inspect, audit and copy all records relating to this Agreement, including, but not limited to, route maps, customer lists, billing records, weight tickets, AB 939 records and service recipient complaints, *GreenWaste's* payment of fees to City, and records which may be relevant in the event of an action under CERCLA or related claims. In the absence of extraordinary circumstances, three (3) business days' notice shall be considered reasonable. Such records shall be made available to City at *GreenWaste's* regular place of business. Prior to destruction of records relating to the services provided pursuant to this Agreement, *GreenWaste* shall provide copies or originals of such records to City, at no charge to City.

Should any examination or audit of *Green Waste's* records reveal an underpayment of any fee paid to City by *GreenWaste* under this Agreement, the amount of such underpayment, plus interest at ten percent (10%) per annum, shall become due and payable to City not later than thirty (30) days after written notice of such underpayment is provided to *GreenWaste* by City. Should an underpayment of more than one percent (1%) of revenue of franchise fees due, but less than three percent (3%), be discovered, *GreenWaste* shall bear fifty percent (50%) of the cost to City of the examination or audit. Should an underpayment of three percent (3%) or more be discovered, *GreenWaste* shall bear the entire cost of the examination or audit.

SECTION 14. AB 939 REPORTING AND IMPLEMENTATION REQIDREMENTS.

In addition to its duties pursuant to SECTION 16, *GreenWaste* shall cooperate with City in Solid Waste Disposal Characterization Studies and waste stream audits and shall implement measures adequate to help City achieve City's source reduction, recycling and waste stream diversion goals for the Solid Waste stream covered by this Agreement. During the period during which collection services are provided pursuant to this Agreement, *GreenWaste*, at *GreenWaste's* sole expense, shall submit to City for services provided under this Agreement, information and reports necessary for City to meet its reporting obligations imposed by AB 939, and the regulations implementing AB 939. *GreenWaste* agrees to submit such reports and information on computer discs, or by modem, in format compatible with City's computers, at no additional charge, if requested by City.

This Agreement is part of City's efforts to comply with the provisions of AB 939 as it may be amended from time to time and as implemented by the regulations of the California Integrated Waste Management Board (the "Regulations"), as they may be amended from time to time, and City's Source Reduction and Recycling Element, as it may be amended from time to time. In the event that AB 939 or any other state or federal laws or regulations enacted or amended after this Agreement has been executed, prevents or precludes compliance with one (1) or more provisions of this Agreement, or significantly increases *GreenWaste's* costs, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such state or federal laws or regulations. In the case of an amendment to the laws which has

the effect of eliminating or reducing the need for a service provided for in this Agreement and City informs *GreenWaste* that City desires to discontinue the service, City and *GreenWaste* shall negotiate a reduction in rates. In the case of an amendment to the laws, which increases the cost of *GreenWaste*'s service, *GreenWaste* shall receive a rate increase to offset the costs directly attributable to the amended or newly enacted provision of law or regulations.

Any failure to attain AB 939 compliance or meet the performance standards shall be a material breach of this Agreement if said failure results from *GreenWaste's* failure to comply with this Agreement and/or *GreenWaste's* failure to comply with any laws, rules or regulations binding on *GreenWaste*, including but not limited to failing to timely supply City with information or reports in order to comply with AB 939.

Notwithstanding the foregoing, *GreenWaste's* obligations hereunder are subject to City cooperating with *GreenWaste* to achieve the diversion requirements of AB 939, and City taking all action necessary to achieve AB 939 compliance, including, but not limited to, implementing all elements of City's Source Reduction and Recycling Element. In determining whether the diversion requirement of AB 939 has been met, any diversion pursuant to this Agreement, any diversion by City residents at the Tehama County/Red Bluff Sanitary Landfill, and any other diversion, which City may count toward its AB 939 diversion requirement shall be considered.

SECTION 15. AB 2176 COMPLIANCE

Green Waste will work with City or its designee, to meet legislative requirements of AB 2176, relating to promotion of recycling services at large public events and venues, and multi-family housing. In the event that AB 2176 or subsequent legislation requires mandatory recycling at public events or venues within the jurisdiction of City, *GreenWaste* will develop a proposal to meet requirements, for review by City. Costs of program implementation will be subject to future negotiation, depending on scope of any legislation/regulation.

SECTION 16. REPORTS AND INFORMATION.

A. Monthly and Quarterly Reports. *GreenWaste*, at no additional expense, shall submit to City such other information or reports in such forms and at such times as City may reasonably request or require, including, but not limited to the following:

1. <u>Monthly Reports.</u> Monthly reports shall be submitted to City, transmitted in a format acceptable to City, by disc or as an attachment to e-mail, at City's option. The monthly report shall show the number of tons collected and the tonnage delivered to disposal if itemized by the disposal facility, collected from both City and Tehama County areas.

2. <u>Quarterly Reports.</u> In addition to providing a quarterly summary of the monthly reports, quarterly reports shall include the following:

- a. <u>Recyclable Solid Waste.</u>
 - (1) A statement showing, by type of material, tons received, by month, and tons marketed during the month, both City and Tehama County collection areas.

- (2) A narrative description of problems encountered and actions taken, including efforts to deter and prevent Scavenging. This is to include a description of tons rejected for sale after processing (type of material, tonnage), reason for rejection and *Green Waste's* disposal method for the rejected materials.
- (3) A report of recycling program promotional activities, including materials distributed by *GreenWaste* to its service recipients.
- b. <u>Hazardous Waste Diversion Reports.</u> A copy or summary of the records required by SECTION 8.B, above.
- c. <u>Certification</u>. *GreenWaste* will provide a certification statement, under penalty of perjury, by the responsible corporate official, that the report is true and correct.

3. Semi-Annual Complaint Report. Twice per year, *GreenWaste* will provide to the City Manager a list of complaints received in each such semi-annual period.

B. Annual Report. By March 15 each year that collection services are provided pursuant to this Agreement, *GreenWaste* shall submit to City a written year-end Annual Report, in a form approved by City, including the following information:

1. <u>General Information</u>. General information about *GreenWaste*, including a list of *GreenWaste's* joint venture firms' officers and members of boards of directors. A copy of *GreenWaste 's* fmancial reports and those of each of its respective subsidiaries and affiliated corporations and other entities if any, performing services under this Agreement, as City, following consultation with *GreenWaste*, may reasonably request.

2. Prior Year's Activit<u>ies</u>. A report of the previous year's activities in City (or, in the case of the initial report year, the initial partial year's), including a cumulative summary of the quarterly reports, and information and statistics with respect to City's compliance with AB 939.

3. Recommendations. Changes in integrated waste management, including projections and proposed implementation dates and costs, recommended by *GreenWaste* and recommended amendments to City's Source Reduction and Recycling Element or this Agreement, based on developments in the law or technology. *GreenWaste's* recommendations with respect to compliance with AB 939 shall state the specific requirement of AB 939 that the implementation of the recommendation is intended to satisfy.

C. Reporting Adverse Information. *GreenWaste* shall provide City two (2) copies (one to the City Manager, one to the City Council) of all reports, pleadings, applications, notifications, Notices of Violation, communications or other material relating specifically to *GreenWaste's* performance of services pursuant to this Agreement, submitted by *GreenWaste* to, or received by *GreenWaste* from, the United States or California Environmental Protection Agency, the California Integrated Waste Management Board, 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 simultaneously with *GreenWaste's* filing or submission of such matters with said agencies.

D. Submission of Reports. Reports shall be submitted to:

Solid Waste Director County of Tehama 19995 Plymire Road Red Bluff, California 96080 Telecopier Number (530) 528-9304

City Manager City of Red Bluff 555 Washington Street Red Bluff, California 96080 Telecopier Number (530) 529-6878

E. Failure to Report. The refusal or failure of *GreenWaste* to file any required reports, or to provide required information to City, or the inclusion of any materially false or misleading statement or representation by *GreenWaste* in such report, shall be deemed a material breach of this Agreement and shall subject *GreenWaste* to all remedies which are available to City under this Agreement or otherwise; provided, however, that City must follow the procedures for dispute resolution found in SECTION 20 of this Agreement before declaring any such material breach.

F. City's Review of *GreenWaste*'s Performance. Annually, within ninety (90) days of City's receipt of the annual report required by SECTION 16.B, above, City shall review the annual report and other available information and may hold a public hearing to determine whether *GreenWaste's* performance for the year reported on was satisfactory and whether to implement any changes recommended by *GreenWaste*. The reports required by this Agreement shall be utilized as the primary basis for review. In addition, any customer comments or complaints and any other relevant information may be considered. A *GreenWaste* representative shall be entitled to be present and may participate at any public hearing held by City to review *GreenWaste's* performance. If any noncompliance with this Agreement is reported to have occurred, City shall offer *GreenWaste* the opportunity to comment and offer information in rebuttal and to correct any deficiencies.

G. Costs. All reports and records required under this Agreement shall be furnished at the sole expense of *GreenWaste*.

H. City's Right to Request Information. City believes and *GreenWaste* agrees that cooperation between City and *GreenWaste* is critical to the success of this program. City reserves the right to request, and *GreenWaste* agrees to provide, at no charge to City, additional information reasonably and directly pertaining to services under this Agreement.

I. CERCLA Defense Record s. City views the ability to defend against CERCLA and related litigation as a matter of great importance. For this reason, City regards the ability to prove where Solid Waste collected in City was taken for disposal, as well as where it was not taken, to be matters of concern. *GreenWaste* shall maintain data retention and preservation systems which can establish where Solid Waste collected in City was landfilled (and therefore establish where it was not landfilled) and a copy or summary of the reports required by SECTIONS 8.B, "Hazardous Waste Inspection and Reporting," 8.C, "Hazardous Waste Diversion Report s" and 16.A.2 "Quarterly Reports," above, for five (5) years after the term during which collection services are to be provided pursuant to this Agreement, or to provide copies of such records to City. *GreenWaste* agrees to notify City's Risk Manager and City Attorney, and to provide copies of such records to City, if requested by City, before destroying such records. This provision shall survive the expiration of the period during which collection services are to be provided not service by City before destroying such records. This provision shall survive the expiration of the period during which collection services are to be provided under this Agreement.

SECTION 17. INDEMNITY, INSURANCE, LETTER OF CREDIT OR BOND.

Indemnification; General. GreenWaste shall protect, indemnify, defend and Α. hold harmless City, their officers, employees, agents, contractors, consultants, professionals and volunteers, (collectively hereinafter referred to as the "City Indemnitees") from and against any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding or suit, of any and every kind and description, whether judicial, quasi-judicial or administrative in nature 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 (collectively, the "Claims"), arising out of or occasioned in any way by: (1) the actual or alleged actions, omissions, negligence or willful misconduct of GreenWaste, its officers, employees, agents, and subcontractors in performing services under this Agreement; (2) the actual or alleged failure of *GreenWaste*, its officers, employees, agents, and subcontractors to comply in any and/or 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 actual or alleged acts of *GreenWaste*, its officers, employees, agents, and subcontractors in performing services under this Agreement for which strict liability is imposed by law (including without limitation, the Environmental Laws); (4) otherwise arising out of or resulting in any way from the awarding or execution of or GreenWaste's exercise of the franchise granted by this Agreement, including the provision of services under this Agreement. The foregoing indemnification shall not apply to the extent that the Claim is caused by the negligence or intentional misconduct of City, its officers, employees, or agents, but shall apply if the Claim is caused or alleged to be caused by the joint negligence of Green Waste, City or other persons (but only to the extent of Green Waste's negligence.) In the event of any such Claim, Green Waste, at Green Waste's sole cost and expense, shall defend (with attorneys reasonably acceptable to City) the City Indemnitees. Green Waste's duty to indemnify and defend shall survive the expiration or termination of this Agreement. This defense and indemnification requirement shall apply, without limitation, to any and all claims or actions resulting from, or related to, the City's efforts to collect delinquent accounts.

B. Third Party Claims. Without limiting the generality of SECTION 17.A, Claims (as defined in SECTION 17.A) shall include, but not be limited to, claims over the definitions of "Solid Waste" or "Recyclable Material;" claims as to the limits of City's authority with respect to the grant of licenses, franchises, or agreements, exclusive or otherwise; claims under the

Dormant Commerce Clause, anti-trust laws, or any other federal or state law or local ordinance; claims under Article XIII C or XIII D of the California Constitution ("Proposition 218" or the "Right to Vote on Taxes Act") or related provisions of state law, but in all such cases only with respect to (1) the provision of Solid Waste services by *GreenWaste* pursuant to this Agreement, (2) the rates to be charged by *GreenWaste* pursuant to this Agreement for such services, or (3) the City's efforts to collect delinquent accounts owed to *GreenWaste* for the provision of such services.

C. Hazardous Substances Indemnification. Without limiting the generality of SECTION 17.A, GreenWaste shall indemnify, defend, protect and hold harmless City, its elected officials, officers; employees, volunteers, agents, contractors, consultants, professionals, assigns and any successor or successors to City's interest from and against all claims, actual damages (including but not limited to special and consequential damages), natural resources damages, punitive damages, injuries, costs, response, remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fmes, charges, penalties and expenses (including but not limited to reasonable attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity), of any kind whatsoever paid incurred or suffered by, or asserted against, City or its elected officials, officers, employees, volunteers, contractors, consultants, professionals, or agents arising from or concerning any Hazardous Waste, other than Hazardous Waste disposed of by City in violation of applicable law, regulation or permit, but in all cases only with respect to (1) Solid Waste that has been collected by GreenWaste pursuant to this Agreement which is or has been transported, transferred, processed, stored, disposed or which otherwise has come to be located by GreenWaste and (2) the provision of Solid Waste services by GreenWaste pursuant to this Agreement.

This SECTION is intended to operate as an indemnity agreement pursuant to Section 107(e) of the CERCLA, and California Health and Safety Code Section 25364, to defend, protect and hold harmless and indemnify the City Indemnitees from all forms of liability. This provision shall survive the termination of this Agreement between *Green Waste* and City.

D. AB 939 Indemnification. Without limiting the generality of the foregoing, *GreenWaste* shall protect, defend with counsel reasonably acceptable to City, indemnify and hold City harmless from any and all fines, penalties and assessments levied against or threatened to be levied against City for City's failure to meet the requirements of AB 939, its amendments or any successor legislation and/or all rules and regulations promulgated thereunder if said failure results from *GreenWaste's* failure to comply with this Agreement and/or *GreenWaste 's* failure to comply with said laws, rules or regulations binding on *GreenWaste*, including but not limited to failing to timely supply City with information or reports in order to comply with AB 939. However, *GreenWaste* shall not be obligated to indemnify City for fines or penalties caused by City's modifications of *GreenWaste's* information, or by City's own acts or omissions which result in City's failure to provide timely reports to the state or otherwise meet the requirements of AB 939.

E. Insurance.

1. <u>Types and Amounts of Coverage</u>. *GreenWaste*, at *GreenWaste's* sole cost and expense, shall procure from an insurance company or companies licensed to do business in the State of California and maintain in force at all times during the Term, the following types and amounts of insurance:

a. <u>Workers' Compensation and Employer's Liability.</u> *GreenWaste* shall maintain workers' compensation insurance covering its employees in statutory amounts and otherwise in compliance with the laws of the State of California. *GreenWaste* shall maintain employer's liability insurance in an amount not less than One Million Dollars (\$1,000,000) per accident or disease; <u>provided</u>, however, that *GreenWaste* shall not be obligated to carry such insurance if : (i) it qualifies under California law and continuously complies with its permit obligations to self insure against such risks; (ii) provides a certified copy of its state-issued permit evidencing such qualification; and (iii) provides a certified copy of the permit renewing authorization for such self-insurance at least ten (10) days before expiration of the old permit.

b. <u>Commercial General Liability.</u> *GreenWaste* shall maintain Commercial General Liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate, plus Seven Million Dollars (\$7,000,000) of Umbrella Coverage, covering all claims and all legal liability for personal injury, bodily injury, death, and property damage, including the loss of use thereof, arising out of, or occasioned in any way by, directly or indirectly, *GreenWaste's* performance of, or its failure to perform, services under this Agreement. The insurance required by this SUBSECTION shall include:

- (1) Premises operations;
- (2) Independent contractors;

(3) Products and Completed Operations, protecting against possible liability resulting from use of Recyclable Materials by another person;

(4) Personal Injury Liability with Employment Exclusion deleted:

(5) Broad Form Blanket Contractual with no exclusion for bodily injury, personal injury or property damage; and

Operations.

(6) Broad Form Property Damage, including Completed

The Commercial General Liability insurance required under this Agreement shall be written on an "occurrence," rather than a "claims made" basis, if such coverage is obtainable. If it is not obtainable, no later than six (6) months prior to the termination of this Agreement, *GreenWaste* must arrange for "tail coverage" to protect City from claims filed after the expiration or termination of this Agreement relating to incidents that occurred prior to such expiration or termination. Any excess or umbrella policies shall be on a "following form" basis and shall be subject to the acceptance of City and its legal counsel. In the event of termination of this Agreement before the full term hereof and any extensions, *GreenWaste* shall promptly secure and tender to City the policy of "tail coverage" described above, and in the event that a policy is not obtained within sixty (60) days of any such termination, City may purchase same and deduct the cost from the Performance Security. To the extent that for any reason the Performance Security does not cover the cost of any such policy of "tail coverage," *GreenWaste* shall be liable to City for any such additional costs.

c. Physical Damage. *GreenWaste* shall maintain comprehensive (fire, theft and collision) physical damage insurance covering the facilities and equipment used in providing service to City under this Agreement.

d. Commercial Auto Liability. *GreenWaste* shall maintain Commercial Auto Liability insurance coverage of not less than One Million Dollars (\$1,000,000) per occurrence and Five Million Dollars (\$5,000,000) aggregate.

The insurance required by this Agreement shall be with insurers licensed to conduct business in 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. City shall be included as an additional insured on each of the policies and policy endorsements, except the workers' compensation policy. The insurance required by this Agreement is in addition to, and not in lieu or limitation of, the indemnification provisions above. Regardless of the foregoing, the insurance limits and coverage required by this Agreement and as outlined above may be met by *GreenWaste* with any combination of primary, umbrella, excess insurance *or* deductibles.

2. <u>Required Endorsements.</u>

a. The Workers' Compensation policy shall contain endorsements in substantially the following form:

"Thirty (30) days prior written notice shall be given to City in the event of cancellation, reduction in coverage, or non-renewal of this policy. Such notice shall be sent to:

City Manager City of Red Bluff 555 Washington Street Red Bluff, California 96080

Insurer waives all rights of subrogation against City and its officers and employees arising from work performed for City."

b. The General Liability policy shall contain endorsements m substantially the following form:

(1) Thirty (30) days prior written notice shall be given to City in the event of cancellation, reduction of coverage, or non-renewal of this policy. Such notice shall be sent to:

City Manager City of Red Bluff 555 Washington Street Red Bluff, California 96080

(2) This policy shall be considered primary insurance as respects any other valid and collectible insurance maintained by City, including any self-insured retention or program of self-insurance, and any other such insurance shall be considered excess insurance only.

3. <u>Delivery of Proof of Coverage.</u> No later than the Effective Date, *GreenWaste* shall furnish certificates of insurance, in standard Accord form, to City for each policy of insurance required hereunder. Such evidence shall show the type and amount of coverage, effective dates and dates of expiration of policies and shall have all required endorsements. If requested by City, in writing, copies of each policy, together with all endorsements, shall be delivered to City within fifteen (15) days of the receipt of any such policy by *GreenWaste*.

4. <u>Other Insurance Requirements.</u>

a. In the event any services are delegated to a subcontractor, City shall require such subcontractor to provide statutory workers' compensation insurance and employer's liability insurance for all of the subcontractor's employees engaged in the work. The liability insurance required by this SECTION 17 shall cover all subcontractors or the subcontractor must furnish evidence of insurance provided by it meeting all of the requirements ofthis SECTION 17.

b. *GreenWaste* shall comply with all requirements of the insurers issuing policies. The carrying of insurance shall not relieve *GreenWaste* from any obligation under this Agreement, including those imposed by SECTION 17.

F. Letter of Credit or Performance Bond. Prior to the effective date of this Agreement, *Green Waste* shall provide an irrevocable letter of credit or performance bond (collectively referred to herein as the "Performance Security") from an institution satisfactory to City, on terms acceptable to City and its legal counsel, evidencing an irrevocable commitment to City, in the amount of One Hundred Thousand Dollars (\$100,000), guaranteeing *GreenWaste* 's faithful performance of the terms of this Agreement. Such Performance Security shall be maintained in effect throughout the period during which Solid Waste collection services are to be provided pursuant to this Agreement.

Upon *GreenWaste's* failure to timely perform any of its obligations under this Agreement or to pay City any fees or other sums owed under this Agreement, the Performance Security may be assessed by City, for purposes including, but not limited to:

1. Reimbursement of costs borne by City to correct violations of this Agreement not corrected by *Green Waste*, after City provides notice in accordance with SECTION 22A; or

2. To provide monetary remedies or to satisfy damages (including liquidated damages) assessed against *GreenWaste* due to a breach of this Agreement.

In the event that City assesses any sum against the Performance Security, *GreenWaste* shall deposit a replacement instrument sufficient to restore the Performance Security amount to the original amount within thirty (30) days after notice from City that any amount has been levied against the Performance Security.

GreenWaste shall be relieved of the foregoing requirement to replenish the Performance Security during the pendency of an appeal from City's decision to draw on the Performance Security.

In the event City draws on the Performance Security, all of City's costs of collection and enforcement of the provisions relating to the Performance Security called for by this SECTION, including reasonable attorneys' fees and costs, shall be paid by *GreenWaste* and/or may be assessed against the Performance Security.

Any decision or order of City under this SECTION may be appealed by *GreenWaste* through the dispute resolution procedures provided in this Agreement.

Upon termination of this Agreement, the Performance Security shall be released and returned to *GreenWaste* ninety (90) days following the satisfactory completion of all *GreenWaste's* obligations under this Agreement.

SECTION 18. REPRESENTATION AND WARRANTIES OF GREENWASTE.

A. Corporate Status. *GreenWaste* is a subsidiary of Waste Connections, Inc., which is a Delaware corporation. *GreenWaste* is duly organized, validly existing and in good standing under the laws of the State of California. It has the power to own its properties and to carry on its business as now owned and operated and as required by this Agreement.

B. Corporate Authorization. *GreenWaste* has the authority to enter into and perform its obligations under this Agreement. The person signing this Agreement on behalf of *GreenWaste* has authority to do so, and by doing so, has the power to bind Waste Connections of California, Inc., a California corporation.

C. Statements and Information. The statements and information submitted to City, on which City has relied in entering into this Agreement, do not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in light of the circumstances in which they were made, not misleading.

SECTION 19. EMERGENCY SERVICE

A. Failure to Collect. Should *GreenWaste*, for any reason whatsoever, except the occurrence or existence of any of the events or conditions set forth in SECTION 24.A, "Force Majeure," below, refuse or be unable for a period of more than seventy-two (72) hours, to collect a material portion or all of the Solid Waste which it is obligated under this Agreement to collect, and as a result, Solid Waste should accumulate in City to such an extent, in such a manner, or for

RESIDENTIAL & COMMERCIAL WASTE

such a time that the City Manager in the reasonable exercise of the City Manager's discretion, should find that such accumulation endangers or menaces the public health, safety or welfare, then City shall have the right to contract with another Solid Waste enterprise to collect and transport any or all Solid Waste which *GreenWaste* is obligated to collect and transport pursuant to this Agreement, but which *GreenWaste* is unable to collect and transport. City shall provide twenty-four (24) hours prior written notice to *GreenWaste* during the period of such emergency, before contracting with another Solid Waste enterprise to collect and transport any or all Solid Waste which *GreenWaste* to provide such services. In such event, *GreenWaste* shall identify sources from which such substitute Solid Waste services are immediately available, and shall reimburse City for all of its reasonable expenses for such substitute services.

B. Disaster Assistance. At City's request, *GreenWaste* will assist City in the event of major disaster, such as an earthquake, fire, storm, flood, riot or civil disturbance, by providing collection vehicles and drivers normally assigned to City, and shall be reimbursed by City for the actual documented costs of providing such assistance, but shall receive no other compensation. *GreenWaste* shall cooperate with City, state and federal officials in filing information related to a regional, state or federally-declared state of emergency or disaster as to which *GreenWaste* has provided equipment and drivers pursuant to this Agreement.

SECTION 20. ADMINISTRATIVE REMEDIES; TERMINATION.

A. Notice of Breach and Response.

1. Notice of *GreenWaste* Breach: Response. If the City Manager determines that *GreenWaste* has, by its actions or omissions, breached or otherwise failed to perform any obligation or duty under this Agreement, the City Manager may advise *GreenWaste* in writing of any suspected deficiencies, specifying the deficiency in a reasonable manner. The City Manager shall issue a written notification of deficiencies or a notice of breach. Unless the circumstances necessitate response within a shorter period of time, *GreenWaste* shall respond to any such notice in writing within seven (7) business days and shall cure any such deficiency within thirty (30) days from the receipt by *GreenWaste* of such written notice. If however, by the nature of the failure it cannot be cured within such thirty (30) day period, the City Manager, in his/her reasonable discretion, may grant *GreenWaste* a longer period, as is reasonably necessary to cure the failure, contingent upon *Green Waste* 's having expeditiously and diligently tried to cure within the thirty (30) day period and thereafter proceeding in good faith to effectuate a cure. Denial of requests for a longer period to cure may be appealed to the City Council.

2. Right to Hearing – Alleged Breach by *GreenWaste*. In the event that *GreenWaste* disagrees with statements set forth in the notification of deficiencies or notice of breach, *GreenWaste* shall be entitled to a hearing before the City Council, upon a written Request for Hearing being delivered to City within thirty (30) days of receipt of the notification of deficiencies or notice of breach. Within seven (7) days of the submission of its Request for Hearing, *GreenWaste* shall deliver to City a detailed written statement together with all of the documentary or other evidence that it has to contest the notice of deficiencies. Failure to submit said statement and supporting documents shall result in a denial of the Request for Hearing.

The hearing shall be set not less than ten (10) days, nor more than thirty (30) days after delivery of the Request for Hearing Notice, and may be continued from time to time. At the hearing, the City Council shall determine whether the decision of the City Manager should be upheld.

3. <u>City's Remedies.</u> In the event that at the end of the thirty (30) day cure period or such other period as is necessary to effectuate a cure, or following the exhaustion of any hearing with the City Council, *GreenWaste* has not cured the breach of or failure under this Agreement, then City may take any one or combination of the following actions:

- a. Provide additional time to effect a cure of the breach or obligation;
- b. Take such action as City determines is reasonable to perform the obligation or cure the breach, with City's resources and/or through such independent contractors and/or consultants as City may elect to retain;
- c. Assess liquidated damages;
- d. Initiate proceedings to recover compensatory or liquidated damages, or for injunctive relief;
- e. Make a demand on or assessment against *GreenWaste's* Performance Security funds owed to City; and
- f. Terminate this Agreement, in which case a written notice of termination of this Agreement shall be immediately delivered to *GreenWaste*.

4. Notice of City Breach; Response. If *GreenWaste* determines that City has, by its actions or omissions, materially breached or otherwise failed to perform any obligation or duty under this Agreement, *GreenWaste* may advise City in writing of any such determination within seven (7) business days and City may elect to cure any such deficiency within thirty (30) days from the receipt by City of such written notice. If however, by the nature of the failure it cannot be cured within such thirty (30)-day period, City may have a longer period as is necessary to cure the failure contingent upon City's commencing to cure within the thirty (30)-day period and thereafter proceeding in good faith to effectuate a cure.

5. <u>Right to Hearing- Alleged Breach by City.</u> In the event that at the end of the thirty (30)-day cure period or such other period as is necessary to effectuate a cure, City has not cured the breach of or failure under this Agreement, then *GreenWaste* shall be entitled to a hearing before the City Council, upon a written Request for Hearing being delivered to City within thirty (30) days of the end of the cure period. Within seven (7) days of the submission of its Request for Hearing, *GreenWaste* shall deliver to City a detailed written statement together with all of the documentary or other evidence that it has to contest the notice of deficiencies. Failure to submit said statement and

supporting documents shall result in a denial of the Request for Hearing, and shall constitute a failure by *GreenWaste* to exhaust its administrative remedies.

The hearing shall be set not less than ten **(1**0) days, nor more than thirty (30) days after delivery of the Request for Hearing Notice, and may be continued from time to time. At the hearing, the City Council shall determine whether City has, by its actions or omissions, materially breached or otherwise failed to perform any obligation or duty under this Agreement.

B. Reservation of Rights by City. City further reserves the right to terminate this Agreement in the event of any occurrence of any of the following:

1. If *GreenWaste* practices, or attempts to practice, any fraud or deceit upon City or practiced any fraud or deceit or made any intentional misrepresentations in the negotiations which preceded the execution of this Agreement;

2. If *Green Waste* becomes insolvent, unable or unwilling to pay its debts, or upon listing of an order for relief in favor of *Green Waste* in a bankruptcy proceeding;

3. If *Green Waste* fails to provide or maintain in full force, effect and amount, the insurance and/or Performance Security as required by this Agreement;

4. If *GreenWaste* violates any orders or rulings of any regulatory body having jurisdiction over *GreenWaste* relative to this Agreement, in any material manner; <u>provided</u>, however, that *GreenWaste* may contest any such orders or rulings by appropriate proceedings conducted in good faith, in which case no breach of this Agreement shall be deemed to have occurred until a final decision adverse to *GreenWaste* is entered;

5. If *GreenWaste* ceases to provide collection service as required under this Agreement over all or a substantial portion of City for a period of two (2) calendar days or more, for any reason within the control of *GreenWaste*;

6. If *GreenWaste* fails to make any payments required under this Agreement or refuses to provide City with required information, reports or test results as to a material matter in a timely manner as provided in this Agreement;

7. If *GreenWaste* is the subject of labor unrest, including work stoppage or slowdown, sick out, picketing or other concerted job action which materially interferes with *GreenWaste's* operations under this Agreement;

8. If *GreenWaste* "persistently" suffers the imposition of liquidated damages under SECTION 22.C; and

9. Any other act or omission by *GreenWaste* which materially violates the terms, conditions or requirements of this Agreement and which is not corrected or remedied within the time set forth in the written notification of breach.

C. Cumulative Rights. City's rights of termination are in addition to any other rights of City upon a failure of *GreenWaste* to perform its obligations under this Agreement.

D. Reservation of Rights by *GreenWaste*. *GreenWaste* reserves the right to terminate this Agreement upon three (3) months written notice following a fmal refusal by City to approve a rate adjustment requested by *GreenWaste*.

SECTION 21. MEDIATION.

A. Mediation. Any dispute concerning a material breach of this Agreement shall, upon the request of either Party, first be mediated between the Parties; <u>provided</u> that *GreenWaste* may not request mediation under this SECTION unless it has first exhausted its administrative remedies under SECTION 20 of this Agreement. Within thirty (30) days of receiving notice from the other Party of a request to mediate a dispute, the Parties shall mutually agree on a mediator and shall thereafter promptly meet with the mediator in an effort to resolve any such dispute. In the event that the Parties cannot agree on a mediator within thirty (30) days, the Parties shall promptly apply to the Judicial Arbitration and Mediation Service ("JAMS/Endispute") to nominate a minimum of five (5) prospective mediators. If the Parties are unable to agree on a mediator from the JAMS/Endispute panel within ten (10) business days after written request to do so by either Party then the Parties, starting with *GreenWaste*, shall alternate in striking one (1) prospective mediator at a time until only one (1) mediator remains. Unless otherwise agreed at mediation, the costs of mediation shall be borne equally between the Parties.

B. Post-Mediation. Either City or *GreenWaste*, at any time after the exhaustion of administrative remedies and mediation, may pursue all other remedies available at law or in equity.

SECTION 22. CITY'S ADDITIONAL REMEDIES.

In addition to the remedies set forth above, City shall have the following rights:

A. Contract with Others; Performance Security. The right to contract with others to perform the services otherwise to be performed by *GreenWaste*, and to draw on the Performance Security for reimbursement by *GreenWaste* for the costs of such services; and

B. Legal ad Equitable Remedies. The right to obtain damages and/or injunctive relief. Both Parties recognize and agree that in the event of a breach under the terms of this Agreement by *GreenWaste*, City may suffer irreparable injury and incalculable damages sufficient to support injunctive relief to enforce the provisions of this Agreement and to enjoin the breach thereof.

C. Liquidated Damages. The Parties agree that in the event *GreenWaste* violates provisions of this Agreement, or any other applicable law, the resulting damages will be impracticable or extremely difficult to determine that such violation may not warrant termination of this Agreement. Subject to procedures set forth herein, the Parties agree that *GreenWaste* may be subject to additional fees for any of the following:

1. For each failure to deliver container and commence service to a new customer account within seven (7) days after order, which exceed twenty-four (24) such failures annually:	\$100.00
2. For each failure to collect Solid Waste, Recyclable Solid Waste or Yard Waste, which has been properly set out for collection,	
from an established customer account on the scheduled collection day, and not collected within a forty-eight (48)-hour period from the time of the complaint, which exceeds ten (10) such failures quarterly:	\$100.00
3. For each failure to perform collection outside authorized operating hours described in SECTION 5.D, without prior approval from City, which exceeds ten (10) such failures quarterly:	\$100.00
4. For each failure to report semi-annual customer complaints to City:	\$100.00

These liquidated damages are intended to protect the service recipients of City in the event of a major service failure. Notwithstanding anything to the contrary in this Agreement, complaints from service recipients whose service has been suspended or whose containers or bins were not set out for collection in a proper or timely manner shall not be considered 'failures" pursuant to this SECTION 22.C. and, accordingly, no liquidated damages shall be imposed on *GreenWaste* in connection therewith. The determination as to whether a service recipient's service has been suspended or a service recipient's containers or bins were not set out for collection in a proper or timely manner shall be made by *GreenWaste*; provided that *GreenWaste* shall act reasonably and in good faith when making any such determination

The liquidated damages set forth above shall be in addition to any other penalties or remedies otherwise provided by law or in accordance with this Agreement. City fmds, and *GreenWaste* acknowledges and agrees that the above-described liquidated damages provisions represent a reasonable sum in light of all of the circumstances. *GreenWaste* shall pay any liquidated damages assessed by City within ten (10) days after they are assessed. If they are not paid within the ten (10)-day period, City may withdraw them from the security fund established by the Performance Security.

SECTION 23. FRANCIDSE TRANSFER; CITY CONSENT; FEES.

A. Franchise Transfer. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, sublet or assigned (collectively "transferred"), nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold or transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest or property therein, pass to or vest in any person, either by act of *GreenWaste* or by operation of law, without the prior written consent of City expressed by resolution. Any attempt to do any of the foregoing with respect to any of the rights herein without the consent of City shall be void. For purposes of this Agreement, any dissolution, merger, consolidation, sale of at least a majority of

the voting securities, other than a merger with an entity in which the majority of the voting securities are held by Waste Connections, Inc, or other reorganization of *GreenWaste* shall be deemed an assignment of this Agreement. For purposes of this SECTION 23, a change of corporate name shall not be deemed to be a franchise transfer.

B. City Consent. City shall not unreasonably withhold its consent to a transfer of the franchise granted by this Agreement. City may impose reasonable conditions of approval on a transfer, including full compliance with all provisions of this Agreement. The applicant for the transfer shall demonstrate to City's satisfaction that it has the operational and financial ability to carry out the obligations of this Agreement.

C. Reimbursement of Fees. Any application for a franchise transfer shall be made in a manner prescribed by the City Manager. *Green Waste* shall reimburse City for all reasonable consultants', attorneys' and staff costs directly related to City's consideration of the application for transfer, whether or not City approves the application for transfer of the franchise. City's request for reimbursement under this SECTION shall be supported with evidence of the expense or cost incurred, but shall not include matters protected by the attorney-client privilege or any other applicable privilege. *GreenWaste* shall reimburse City within thirty (30) days of receipt of City's request for reimbursement.

D. Encumbrances Permitted. Notwithstanding the above, *GreenWaste* shall be entitled to pledge, encumber, or grant any security interest in the franchise provided that *GreenWaste* shall first notify and obtain City consent to such transaction, subject to the following conditions:

1. Any consent so granted by City shall not be deemed a consent to the exercise by such pledge, encumbrance or secured party of any rights of the holder under the franchise, permit, license or other authorization unless so noted by City.

2. Any consent so granted by City shall not be deemed consent to any subsequent transfer or assignment as referred to herein. Any such subsequent transfer or assignment shall be deemed an assignment of the franchise, permit, license or other authorization within the meaning of this SECTION 23, and shall be void without the prior written consent of City expressed by resolution.

3. The pledge, encumbrance, or secured party shall have executed and delivered to City an instrument in writing agreeing to be bound by the provisions of the franchise, permit, license or other authorization.

SECTION 24. GENERAL PROVISIONS.

A. Force Majeure. *GreenWaste* shall not be in default under this Agreement in the event that the collection, transportation and/or disposal services of *GreenWaste* are temporarily or permanently interrupted for any of the following reasons: riots; war or emergency declared by the President, Congress or the Governor of California and affecting City; sabotage; acts of terrorism; civil disturbance; insurrection; explosion; natural disasters such as floods, earthquakes, landslides and fires; strikes, lockouts and other labor disturbances; or other catastrophic events

which are beyond the reasonable control of *GreenWaste*. *GreenWaste* shall resume its services as soon as it is able to do so and shall collect Solid Waste not collected during the period of interrupted service. "Other catastrophic events" does not include the financial inability of *GreenWaste* to perform or failure of *GreenWaste* to obtain any necessary permits or licenses from other governmental agencies or the right to use the facilities of any public entity where such failure occurs where *GreenWaste* has failed to exercise reasonable diligence. In the event a labor disturbance interrupts for a period in excess of one (1) week the collection and transportation of Solid Waste, and/or disposal of Solid Waste by *GreenWaste* as required under this Agreement, City may elect to exercise its rights under SECTION 22 of this Agreement.

B. Independent Status. *GreenWaste* is an independent entity and not an officer, agent, servant or employee of City. *GreenWaste* is solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any. Nothing in this Agreement shall be construed as creating a partnership or joint venture between City and *GreenWaste*, nor an arrangement for the disposal of hazardous substances. Neither *GreenWaste* nor its officers, employees, agents or subcontractors shall obtain any rights to retirement or other benefits which accrue to City employees.

C. Pavement/Property/Utility Damage. Normal wear and tear on public roads resulting from general vehicular traffic excepted, Green Waste shall be responsible for damage to public road driving surfaces, whether or not paved, or other public property resulting from the operation of GreenWaste's vehicles providing Solid Waste collection services within City. Green Waste understands that the exercise of this franchise may involve operation of its collection vehicles over non-City maintained private roads, as set forth in SECTION 5.D of this Agreement. Normal wear and tear excepted, *GreenWaste* shall be responsible for damage to private road driving surfaces, whether or not paved, or other private property resulting from the operation of *GreenWaste's* vehicles providing Solid Waste collection services within City, unless the affected Customer has executed a Permission, Waiver, and Indemnification Agreement as set forth in SECTION 5.D of this Agreement. GreenWaste is responsible for damage to public and private utilities, whether located on public roads or property or on private property, resulting from the operation of GreenWaste's vehicles providing Solid Waste collection services within City. Disputes between Green Waste and third parties, including but not limited to Customers, as to damage to private pavement or other private property, or to public or private utilities, are private civil matters, and complaints of damage will be referred to GreenWaste as a matter within its sole responsibility and as a matter within the scope of SECTION 17.A, above.

D. Law to Govern; Venue; Jury Waiver. The law of the State of California shall govern this Agreement without regard to any otherwise governing principles of conflicts of laws. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Tehama. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Eastern District of California.

E. Fees and Gratuities. *Green Waste* shall not, nor shall it permit any officer, agent or employee to request, solicit, demand or accept, either directly or indirectly, any gratuity for the collection of Solid Waste required to be collected under this Agreement, other than customer holiday gifts to route drivers.

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

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

To City:	City Manager City of Red Bluff 555 Washington Street Red Bluff, California 96080 Telecopier Number: (530) 529-6878
Copy to:	County Solid Waste Director Tehama County 19995 Plymire Rd Red Bluff, California 96080 Telecopier Number: (530) 528-9304
And to:	City Attorney Richard Crabtree 1395 Ridgewood Drive, Suite 300 Chico, California 95973 Telecopier Number : (530) 566-9203
To GreenWaste:	Site Manager Greenwaste of Tehama 1805 Airport Blvd. Red Bluff, California 96080 Telecopier Number: (530) 528-8415
Copy to:	District Manager Waste Connections of California, Inc. 1805 Airport Blvd. Red Bluff, California 96080 Telecopier Number: (530) 528-8415
And to:	General Counsel Waste Connections, Inc. 35 Iron Point Circle, Suite 200 Folsom, California 95630 TelecopierNumber: (916) 351-5607

or to such other address as either Party from time to time may designate by notice to the other given in accordance with this SECTION. Notice shall be deemed effective on the date

personally served or sent by Telecopier or, if mailed, three (3) business days from the date such notice is deposited in the United States mail.

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

I. Joint Drafting. This Agreement was drafted jointly by the Parties to this Agreement.

J. Incorporation by Reference. EXHIBIT "A" and the Tehama County Source Reduction and Recycling Element, as it may be amended from time to time, are incorporated into this Agreement by this reference.

K. Entire Agreement. This Agreement constitutes the entire agreement between the Parties hereto relative to the matters set forth herein. Any prior agreements, promises, negotiations or representations not expressly set forth in this Agreement, or expressly incorporated by reference into this Agreement, are of no force and effect.

L. Attorneys Fees. If any legal action or arbitration is necessary to enforce or interpret the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees, costs, and necessary reimbursement in addition to any other relief to which the Party may be entitled.

M. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of Page Left Intentionally Blank; Signature Page Immediately Follows]

IN WITNESS THEREOF, City and *GreenWaste* have executed this Agreement on the day and year first written above.

CITYOFREDBLUF

By:

RICHARD CRABTREE City Attorney

WASTE CONNECTIONS OF CALIFORNIA, INC., a California corporation doing b ess as GREENWA T Т..."' ""'. By: RONALD J. MITTELSTAEDT Chief Executive Officer

4

EXIITBIT "A"

(CITY OF RED BLUFF)

RATE CEILINGS

Residential Collection of Garbage & Recyclables

Weekly Residential Solid Waste Service		
- 32 gallon cart (Senior Rate, age 62+)	\$ 9.14	per month
- 32 gallon cart	\$ 12.19	per month
- 64 gallon cart	\$ 17.56	per month
- 96 gallon cart	\$ 20.23	per month
Overage Collection	\$ 2.01	per bag
	\$ 2.68	per can
Bulky Item Pick-up- 1 Item	\$ 20.17	per item
Reinstallation Fee	\$ 25.00	per occurrence
Recycling Cart Rental	\$ 1.35	per month
Car Tires	\$ 6.71	per tire
Truck Tires	\$ 20.71	per tire
Freon-containing Item	\$ 40.29	per item

COMMERCIAL BIN RATES

Size	#of Pickups Per Week	Total	Rate
1 Cubic yd	1	\$	55.02
1 Cubic yd	2	\$	95.84
1 Cubic yd	3	\$	137.14
I Cubic yd	4	\$	190.39
1 Cubic yd	5	\$	209.05
1 Cubic yd	6	\$	229.53
2 Cubic yd	1	\$	92.63
2 Cubic yd	2	\$	185.24
2 Cubic yd	3	\$	237.78
2 Cubic yd	4	\$	284.54
2 Cubic yd	5	\$	312.59
2 Cubic yd	6	\$	374.30
3 Cubic yd	Ι	\$	132.88
3 Cubic yd	2	\$	235.98
3 Cubic yd	3	\$	282.35
3 Cubic yd	4	\$	332.47
3 Cubic yd	5	\$	388.30
3 Cubic yd	6	\$	445.92
4 Cubic yd	1	\$	181.22
4 Cubic yd	2	\$	278.65
4 Cubic yd	3	\$	347.34
4 Cubic yd	4	\$	457.77
4 Cubic yd	5	\$	438.29
4 Cubic yd	6	\$	481.75
6 Cubic yd	1	\$	218.80
6 Cubic yd	2	\$	336.39
6 Cubic yd	3	\$	436.77

COMMERCIAL RATES CONTINUED

6Cubicyd	4	\$ 523.32
6 Cubic yd	5	\$ 627.20
6 Cubic yd	6	\$ 751.84
8 Cubic yd	1	\$ 328.60
8 Cubic yd	2	\$ 464.41
8 Cubic yd	3	\$ 601.35
8 Cubic yd	4	\$ 786.01
8 Cubic yd	5	\$ 888.52
8 Cubic yd	6	\$ 1,018.01

MISCELLANEOUS COMMERCIAL SOLID WASTE RATES

Reinstallation Fee	\$ 25.00	Per occurrence
Extra Pick-up	\$ 67.16	Per Bin Per Pick Up
Locking Bin	\$ 5.36	Per Bin Per Pick Up
Overage (see note)	\$ 26.85	Per Yard Per Pick Up
Bulky Item Pick-up - 1 Item	\$ 20.17	Per Pick Up

NOTE: Overage charge is applied when waste exceeds capacity of bin and prevents bin from being picked up safely or when waste is stacked and surrounding bin requiring bin to be re-loaded.

OTHER COMMERCIAL RATES

Refuse Containers - Commercial	1x11er	wk	
- 32 gallon cart	\$	16.10	
- 64 gallon cart	\$	21.46	
- 96 gallon cart	\$	30.30	
Recycling Rates - Commercial			
- 32 gallon cart	\$	8.07	1x per week
- 64 gallon cart	\$	10.73	1x per week
- 96 gallon cart	\$	14.72	1xper week
1 cubic yard container	\$	27.51	1x per week
2 cubic yard container	\$	46.32	lx per week
3 cubic yard container	\$	66.42	lx per week
4 cubic yard container	\$	90.59	lx per week
6 cubic yard container	\$	109.39	lx per week
8 cubic yard container	\$	129.54	1x per week
20 yard container	\$	186.91	lx per week
40 yard container	\$	300.01	lx per week

DROP OFF BOX RATES

DROP OFF BOX RA	TES	ī.		
Drop Off		Service Rates		
BoxRates		per load		Wei2ht Limits
				Concrete & Soils only(not to
10 Cubic yard Box			\$560.27	exceed 9 ton)
20 Cubic yard Box			\$374.18	Not to exceed 4.5 tons
40 Cubic yard Box			\$600.55	Not to exceed 9 tons