

AGREEMENT BETWEEN THE COUNTY OF TEHAMA AND  
WASTE CONNECTIONS OF CALIFORNIA, INC. FOR  
RESIDENTIAL AND COMMERCIAL WASTE MANAGEMENT

July 1, 2007

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AGREEMENT BETWEEN THE COUNTY OF TEHAMA  
AND  
WASTE CONNECTIONS OF CALIFORNIA, INC.  
FOR RESIDENTIAL AND COMMERCIAL WASTE MANAGEMENT

This AGREEMENT BETWEEN THE COUNTY OF TEHAMA AND WASTE CONNECTIONS OF CALIFORNIA, INC. FOR RESIDENTIAL AND COMMERCIAL WASTE MANAGEMENT ("Agreement") dated June 5, 2007 for reference purposes and effective July 1, 2007, by and between the County of Tehama ("County") and Waste Connections of California, Inc., d/b/a Green Waste of Tehama ("GreenWaste"), a California corporation, for the collection and transportation to a recycling and disposal facility of Solid Waste, including Yard Waste and Recyclable Solid Waste.

**RECITALS**

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989, (the "Act" of "AB 939") established a solid waste management process which requires cities and other local jurisdictions 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, County is obligated to protect the public health and safety of the residents of the County of Tehama 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 County's police power for the protection of public health and safety; and

WHEREAS, County 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" or "Superfund"), 42 U.S.C. §§ 9601 *et seq.*; and

WHEREAS, County and *GreenWaste* desire to leave no doubts as to their respective roles and to make it clear that by entering into this Agreement, County 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 the County, and not County, which will arrange to collect from residential and commercial premises in the County of Tehama, collect and transport for the disposal of Solid Wastes (which may contain small amounts of household products with

one or more of the characteristics of Hazardous Wastes), collect and transport and compost Yard Waste, and collect and recycle Recyclable Solid Wastes in the County of Tehama; and

WHEREAS, County 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 the County shall be construed to place title to such waste in County; and

WHEREAS, *GreenWaste* represents and warrants to County that it has the experience and qualifications to conduct recycling programs, to provide County with information sufficient to meet the County's recycling requirements under AB 939, to meet County'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 the County against liability in accordance with this Agreement; and

WHEREAS, the Board of Supervisors of the County of Tehama determines and find, pursuant to California Public Resources Code § 40059(a)(1), 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 the County's Source Reduction and Recycling Element, and the protection of the County 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 the unincorporated County of Tehama.

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, County of Tehama ("County") and Waste Connections of California, Inc., d/b/a *GreenWaste* of Tehama ("*GreenWaste*"), a California corporation, agree to be bound by and comply with all of the requirements of this Agreement.

B. Grant of Franchise; Exclusions. This Agreement grants to *GreenWaste* 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, as defined in this Agreement, produced, generated and/or accumulated within the unincorporated County, except as otherwise provided below. Service to all Premises in the unincorporated County is covered by this Agreement. The collection and disposal of Construction and Demolition Waste from Commercial Premises and Residential Premises, though the use of Bins, is within the scope of this Agreement. *GreenWaste* has the exclusive franchise for all Solid Waste and Construction and Demolition Waste ("*Materials*") that are collected using Bins, 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 Bins and cans or carts is within the scope of this Agreement. As provided below, specialized single source-separated "niche" recycling services (e.g., collection of used hot water heaters) may be excluded by County from the franchise awarded by this Agreement. Disposal of Yard Waste produced as a result of County'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 the County of Tehama 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 County 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 primarily work as a landscaper or gardener.

E. Sale or Gift of Recyclable Materials. This Agreement shall not prohibit any 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 unsegregated 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 the County, 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. County 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 the County. As new subdivisions are developed in the unincorporated areas of Tehama County, County agrees to provide *GreenWaste* a copy of the proposed building plan prior to construction, to ensure proper accessibility.

G. Other Services; Niche Recycling Services. County reserves the right to enter into agreements with other entities for other solid waste and recycling services not provided for in this Agreement, including but limited to disposal of Yard Waste produced by County's landscape maintenance operations and "niche" recycling services which *GreenWaste* 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, *GreenWaste* 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 that 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. Use of Tehama County-City of Red Bluff Landfill. Notwithstanding any provision in this Agreement to the contrary, *GreenWaste* agrees that all solid waste collected by *GreenWaste* under the provisions and authority of said 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 ("JPA") and Waste Connections of California, Inc., a California Corporation, Madera Disposal Systems, Inc., an affiliate of Waste Connections of California, Inc., and Waste Connections, Inc., a Delaware Corporation (hereinafter collectively referred to as "Waste Connections"), dated August 27, 2003. This mutually agreed upon designation of the Tehama Cmnty/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 the County 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.

2. Flow Control-Reservation of Rights. In the event that County or JPA directs *GreenWaste* to cease disposing of solid waste at the Tehama County/Red Bluff Landfill, County reserves whatever right, if any, it may have or receive from Congress 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 County directs *GreenWaste* to transport Solid Waste to a particular disposal or other facility, County 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 County requires *GreenWaste* to utilize a landfill or other disposal facility not owned or operated by *GreenWaste* or an affiliate of *GreenWaste*, *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 County. 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 County's selection of a disposal facility. In the event that County selects a transfer or disposal facility, *GreenWaste* or County, as appropriate, shall be entitled to a rate adjustment to offset for any substantiated increase or decrease in expenses resulting from the County's exercise of flow control.

## SECTION 2. TERM

A. Commencement. The term of this agreement shall commence on July 1, 2007, and shall end at midnight on June 30, 2017, unless extended as provided in SECTION 2.B.

B. Extension of Term. The County 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 the County wishes to extend the Term, it shall deliver a written notice to *GreenWaste* at least twelve (12) months before the expiration of the then existing Term, specifying the County's desire to extend the Term. If *GreenWaste* 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 thirty (30) days after receiving the notice from the County. If *GreenWaste* does not deliver a written notice declining to extend the Term, it will be deemed to have consented, and the Term will be extended, on the same terms and conditions, for the next five (5) year period.

## SECTION 3. DEFINITIONS.

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

A. "AB 939" or "Act" 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 the County 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, County 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 Wastes" 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 Wastes" 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 materials , 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-containing materials or asbestos waste. Construction and Demolition Waste is within the scope of this Agreement if hauled using carts, Bins or roll-off containers.

G. "Yard Waste" means leaves, grass clippings, bmsb, branches, limbs and other forms of organic materials generated from landscapes or gardens. "Yard Waste" includes Holiday 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 County and *Green Waste* agree to discuss exclusions and alternate disposal methods as necessary.

H. "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.

I. "Gross Revenues" means any and all revenue or compensation in any form received by *GreenWaste* or subsidiaries, parent companies or other affiliates of *Green Waste*, for the collection and transportation of Solid Waste pursuant to this Agreement, in accordance with Generally Accepted Accounting Principles, including, but not limited to, monthly customer fees for collection of Solid Waste, without subtracting Franchise Fees or any other cost of doing business, but excluding revenues from the sale of Recyclable Materials and Recyclable Solid Waste.

J. "Hazardous Waste" means any substance, waste or mixture of wastes defined as a "Hazardous Substance" or "Hazardous Waste" pursuant to the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 *et seq.*, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 *et seq.*, 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 products with any of the characteristics of a Hazardous Substance. Where there is a conflict in the definitions employed by two or more agencies having jurisdiction over hazardous or solid

waste, the term "Hazardous Waste" shall be construed to have the broader, more encompassing definition.

**K. "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.

**L. "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 Bins, cans or carts for the temporary accumulation and collection of Solid Waste. Solid Waste accumulated or generated at Multi-Family Units is covered by this Agreement.

**M. "Recyclable Material"** 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 unsegregated 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 source-separated 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. Glass jars 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 S.F.);
14. Tires (if set out for collection as Bulky Goods to be collected under SECTION S.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, if placed in one (1) gallon (or smaller) containers with sealable top.

The foregoing list may be modified as County and *GreenWaste* shall agree, in writing.

O. "Recycling Container" means any container for the temporary accumulation and collection of Recyclable Solid Wastes, including *GreenWaste-provided* Bins or 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.

1. "Tub-Type Recycling Container" means an 18 (eighteen) gallon, rectangular, open-top recycling container.
2. "Roll-Out Recycling Container" means a 64 (sixty-four) gallon recycling container with wheels.

P. "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 carts, trash cans or Bins, for the temporary accumulation and collection of Solid Waste.

Q. "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).

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

S. "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.

#### 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, the County of Tehama, ordinances of the County, 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. Collection. In order to protect public health and safety, arrangements made by *GreenWaste* with its service recipients in the County of Tehama for the collection of Solid Waste shall provide for the curbside collection of all of such 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 and Residential Bins.

2. Carts/Bins.

a. Residential Premises. Unless previously provided, *GreenWaste* shall provide one or more Single Family Containers to service recipients on Residential Premises upon commencement of service at no additional expense to County or to service recipients. *GreenWaste* shall provide additional Single Family Containers to such service recipients upon request at the rates specified in Exhibit "A." *GreenWaste* shall repair or replace any Single Family Container that is damaged, destroyed, or lost; provided that *GreenWaste* may charge a service recipient for damage or loss due to service recipient negligence or intentional damage. *GreenWaste* shall retain ownership of Single Family Containers that it provides to service recipients on Residential Premises.

b. Commercial Premises. *GreenWaste* shall provide Commercial Bins to service recipients on Commercial Premises upon commencement of service. As provided in SECTIONS 6. D-E, such Bins shall be maintained free of Graffiti and shall bear conspicuous notices stating, in substance, that disposal of Hazardous Waste in Bins is dangerous and prohibited. Such containers shall be kept clean and well painted.

3. Compliance. 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 bins;
- 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 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;
- d. Solid Waste observed to be contaminated with Hazardous Waste; and
- 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 County, and to consider County's suggestions, as County'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 affected County and service recipients at least two (2) weeks in advance of the implementation of any schedule change.

B. Recycling Services.

1. Recyclable Solid Waste Collection. Unless previously provided, *GreenWaste* shall provide one or more Tub-type Recycling Containers, to be used exclusively for accumulation, separation and collection of Recyclable Solid Wastes to each Solid Waste service recipient in any area of the County who requests one, at no additional charge to the recipient or the County. *GreenWaste* shall collect and transport all Recyclable Solid Waste placed in Recycling Containers. *GreenWaste* agrees to use its best efforts to process Recyclable Solid Waste through a Material Recovery Facility in order to maximize the diversion of Solid Waste from landfilling.

2. Roll-Out Bin Recycling Service.

- a. In areas of the County other than those identified in Section 5.B.2.b, *GreenWaste* agrees to provide roll-out type recycling containers to service recipients who request them, in accordance with the rates provided in Exhibit A.
- b. *GreenWaste* agrees to provide roll-out type recycling containers to all service recipients in the following areas, under rates provided in Exhibit B:
  - i. The community of Lake California.
  - ii. The community of Bend, defined as all customers in the Bend area on the East side of the Bend Ferry Road bridge.
  - iii. Residences in "Wilcox Rd-Surrey Village" area, defined as all customers in the Wilcox Rd- Surrey Village area on the East side of the Interstate 5 and Wilcox Road or Adobe Road exits.

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

4. Purchase of Recyclable Materials. *GreenWaste* may offer services for the purchase of Recyclable Materials from its Residential and Commercial Solid Waste service recipients, but will not have any exclusive rights to so.



5. Scavenging – Discouragement. *GreenWaste* will take whatever actions, if any, which may be appropriate (e.g., actions seeking to enjoin organized scavengers) to discourage scavenging of Recyclable Solid Waste from the Solid Waste Stream.

C. Yard Waste Collection. *GreenWaste* shall collect and remove all Yard Waste placed in Yard Waste containers provided or designated by *GreenWaste*, on alternate collection days.

D. Service on Public and Private Roads

1. Service Requirements and Conditions. *GreenWaste* shall be required to provide collection services to all customers on public roads. *GreenWaste* shall further provide service to customers on all non-County maintained private roads, provided that said roads are kept in a safe and good traveling condition. At the request of *GreenWaste*, County may determine that any road is temporarily or permanently unsafe (due to climatic conditions or any other cause) or in such a state of disrepair that the road will either be hazardous or potentially cause injury to *GreenWaste's* vehicles, in which event *GreenWaste* shall not be required to provide service to customers on said road. In such event, *GreenWaste* and the affected customer(s) may agree upon an alternate collection point that is not unsafe, provided that any such collection point must be authorized by County in advance and in writing. The parties hereto specifically desire to avoid the occurrence of "Group Areas"-that is, a single location where several Solid Waste and/or Recyclable Materials containers are placed for collection by multiple residential generators. *GreenWaste* shall not provide collection services to Group Areas, except as expressly authorized in advance and in writing by County, and County will not unreasonably withhold approval. In the event that a suitable alternate collection point is not agreed to and approved by County, this Franchise shall not include the customer(s) located on the road or portion of the road that *GreenWaste* does not serve, and County may in its sole discretion franchise the provision of Solid Waste collection services to those customer(s) to a person or entity other than *GreenWaste*.

2.. Permission, Waiver, and Indemnification Agreement. In addition to the foregoing, *GreenWaste* may request that customers on non-County maintained private roads sign a Permission, Waiver, and Indemnification Agreement prior to receiving service from *GreenWaste*, and *GreenWaste* may refuse to provide service to any such customers that fail to sign such Permission, Waiver, and Indemnification Agreement, but *GreenWaste* shall provide service to those customers that do sign such a Permission, Waiver, and Indemnification Agreement. The form of this Permission, Waiver, and Indemnification Agreement shall be subject to the advance written approval of the County, which shall not be unreasonably withheld.

- E. Hours of Collection; Holidays. *GreenWaste* agrees that, in order to protect the peace and quiet of residents of the County of Tehama, *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 not audible in residential areas, shall not start

before 5 a.m. nor continue after 9 p.m. on any day. *GreenWaste* has informed County that if the regularly scheduled day of collection on any route in the County of Tehama 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 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 County may mutually agree to change the hours of collection, days of collection, or other observed holidays.

F. Bulky Goods Pick-Up. *GreenWaste* shall provide curbside Bulky Goods pick-ups 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. *GreenWaste* 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".

G. Customer Education Program. *GreenWaste* will develop and implement (at no additional cost to County 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* 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 the County's Christmas parade and a Red Bluff Round-Up parade, and operate an education booth at the Tehama County Fair.

H. Remote Transfer Stations. At the option of the County, *GreenWaste* shall operate either three (3) remote Transfer Stations in Manton, Mineral, and Paynes Creek or one (1) centrally located Transfer Station in Paynes Creek. Subject to the mutual agreement of County and *GreenWaste*, a new Transfer Station will be constructed on County-owned property or at the Paynes Creek site. Such new Transfer Station shall include a buy-back center, ABOP program and recycling facility.

Rates charged at the Transfer Stations to customers will be the current Tehama County/Red Bluff Landfill Tipping Fee plus ten percent (10%).

No franchise fee will be paid by *Green Waste* to the county for the operation of the Transfer Stations. *GreenWaste* shall be responsible to pay the standard disposal fees at the Landfill for solid waste hauled from the Transfer Stations. *GreenWaste* shall provide for the collection of Recyclable Household Hazardous Waste consisting only of the Following items:

- o Waste oil
- o Oil filters
- o Antifreeze
- o Water-based paint
- o Automotive batteries

County will provide snow removal at each of the Transfer Station sites, as necessary at no cost to *GreenWaste*.

In the event that the Transfer Stations are reduced to one (1) Transfer Station, *GreenWaste* shall offer one (1) Drop-Off event each year at Mineral and Manton to collect bulky items and yard waste.

Days, hours, and other conditions of operation for the Transfer stations shall be mutually agreed upon between *GreenWaste* and the County.

I. Household Hazardous Waste Program. *GreenWaste* will help County implement the County's Household Hazardous Waste Element, including necessary support for any County of Tehama Household Hazardous Waste Programs relevant to the County of Tehama on the County's behalf. Such support shall be limited to public outreach unless otherwise agreed to by *GreenWaste* and County.

J. 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 County and *GreenWaste*.

K. 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 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 on next available on-call collection day, not to exceed 30 days. Waste will be limited to normal household debris. The Residential Service Recipient may set out one of the following:

1. One (1) of the following Bulky items: TV, computer monitor, sofa, love seat, mattress, or box spring
2. Up to one (1) cubic yard (equivalent to six (6) x 32 gallon garbage cans or six (6) x 40 gallon garbage bags

Any single garbage bag or garbage can must not exceed 70 pounds and must be manageable by one person, and household debris must be contained in 32 gallon or smaller garbage cans, 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 Materials 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. *GreenWaste* will notify residents of program availability through billing inserts or other public education.

L. Courtesy Collection Service for County Facilities. *GreenWaste* agrees to provide service to County-operated facilities at no charge as a courtesy to County; provided, however, that service does not conflict with collection franchises granted to businesses other than *GreenWaste*. Collection of solid waste and recyclables at County facilities will include, at a minimum, the following:

Building/Dept	Location	Bin Size	Frequency_
Tehama County Courthouse	633 Washington St.	4cy (gar), 1cy (rec)	1x/wk
Tehama County Library	645 Madison St.	2*96 (gar), 4cy (rec)	1x/wk
Tehama County Sheriff Dept	502 Oak St.	8cy (rec)	1x/wk
Tehama County Animal Services	1830 Walnut St.	3cy1x/wk (gar)	1x/wk
Tehama County Ag Commission	1760 Walnut St.	1*96 (gar)	1x/wk
Tehama County Health Services	1860 Walnut St.	6cy (gar), 3cy (rec)	1x/wk
Tehama County Social Services	310 S Main St	4cy (gar), 2cy(rec)	1x/wk
Tehama County Development Services	22840 Antelope Blvd	6cy (gar), 2cy (rec)	1x/wk
Tehama County Parks and Rec	Cone Grove Park	4cy (gar)	1x/wk
Tehama County Parks and Rec	Ridgeway Park	3cy (gar)	1x/wk
Tehama County Parks and Rec	Mill Creek Park	6cy (gar)	1x/wk
Tehama County Parks and Rec	River Park	6cy (gar)	1x/wk
Tehama County Parks and Rec	Simpson Fitmell Park	1cy (gar)	1x/wk
Tehama County Road Dept	9380 San Benito Ave	3cy (gar), 4cy (rec)	1x/wk
Tehama County Sheriff	9340 San Benito Ave	1*64 (gar)	1x/wk
Los Molinos Veterans Hall	7980 Sherwood Blvd	2cy(gar)	1x/wk
City of Tehama	C St	2*96(gar)	1x/wk
City of Tehama	C St	40 yd (yard waste)	on call
City of Tehama	2500 Cavalier St	1*32(gar)	1x/wk
Gerber Park	520 Mariposa St	1cy	1x/wk
Tehama County Administration	727 Oak St.	4cy(gar), 4cy(rec)	1x/wk

Increases to courtesy collection locations or amount of service will be subject to negotiation by County 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 recyclables generated

from capital projects, construction and demolition projects, capital asset deletions, roadside litter and illegal dumping abatement, or other non-routine activities at County facilities.

M. COURTESY RECYCLING SERVICE FOR SCHOOLS IN UNINCORPORATED COUNTY. *GreenWaste* agrees to provide courtesy service to elementary schools, middle schools, and high schools in the unincorporated County for collection of Recyclable Materials. Courtesy service shall be limited to one (1), two (2) cubic yard bin collected weekly. Upon request of school, bin size or frequency of pickup can be increased, subject to payment of the difference in cost between requested service and regular cost of courtesy service.

N. Holiday Tree Collection. *GreenWaste* agrees to collect bare holiday trees at no additional charge to the residential customer during the first two full collection weeks of every January. Holiday trees with flocking, and trees collected after the first two full collection weeks in January shall be subject to collection in accordance with Sections *SF* and *SK*.

1. City Of Tehama.

2. Election to Participate. The City of Tehama may elect to participate in this Agreement as follows: In the event that the City Council of the City of Tehama approves this Agreement and consents to be bound by and comply with all of the requirements of this Agreement, then the franchise granted by Section 1.B of this Agreement shall include the incorporated area of the City of Tehama. Solid waste collection services shall be provided within the incorporated area of the City of Tehama in the same manner and subject to the same terms and conditions as collection services provided in the unincorporated County under this Agreement. County and *GreenWaste* shall administer the provisions of this Agreement with respect to collection services within the incorporated area of the City of Tehama in the same manner as if those collection services were provided in the unincorporated County. In consideration of the foregoing, the Gross Revenues upon which County's Franchise Fee is calculated under Section 12.H of this Agreement shall include Gross Revenues from the collection and transportation of Solid Waste within the incorporated area of the City of Tehama pursuant to this Agreement. No Franchise Fee shall be paid to the City of Tehama. With respect to any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding or suit, of any and every kind and description, arising out of or otherwise affecting the City of Tehama under this Agreement, *GreenWaste* shall protect, indemnify, defend and hold harmless the City of Tehama, its officers, employees, agents, contractors, consultants, professionals and volunteers, as well as the County Indemnitees, to the same extent as the County Indemnitees pursuant to Section 17 of this Agreement.

2. Termination of Participation. County and *GreenWaste* acknowledge the right of the City of Tehama to independently negotiate a franchise collection contract with *GreenWaste* or other haulers. Prior to exercising its right to terminate its participation in this Agreement and independently negotiate a franchise collection contract, City shall give reasonable notice, not less than six months in advance, to County and *GreenWaste*, which notice shall be consistent with *GreenWaste's* rights, if any, under Public Resources Code sections 49520 et seq.

## 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 (25) feet from the collection vehicle measured at an elevation of five (5) feet above ground level. *GreenWaste* shall submit to County, upon County's 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. *GreenWaste* shall post on all its Bins in the County 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. *Green Waste* 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. County 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 pther solid waste facility accepting these materials.

In consideration of this service, County represents that there exists at least one (1) solid waste joint powers authority (JPA) within Tehama County of which County is a member, which applies for grant funding relating to used motor oil and filter collection and recycling. County will request funding in the amount of Two Hundred Fifty Dollars (\$250) 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 twelve thousand (12,000) or greater, County will request funding in the amount of Four Hundred Dollars (\$400) 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. County 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. County 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. County 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 County that *GreenWaste* is in material compliance with regulations as of the effective date of this Agreement. *GreenWaste* waives any current and future claims for County or County service recipient reimbursement for expenses incurred as a result of regulatory compliance as of the effective date of this Agreement. Nothing in 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 *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 8 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 the County. In addition to other required notifications, if *GreenWaste* observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Wastes unlawfully disposed of or released on any County property, including storm drains, streets or other public rights of way, *GreenWaste* shall notify Tehama County Environmental Health.

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 the County, but diverted from land filling.

SECTION 9. CUSTOMER SERVICE.

A. Office Hours. *GreenWaste* has represented and warrants to County that *GreenWaste's* arrangements with its Solid Waste service recipients in the County of Tehama will include *GreenWaste's* agreement to maintain an office accessible by a local (Tehama County) 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 the County name. In addition, *GreenWaste's* employees are to be accessible by telephone under SECTION 10.B, Emergency 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. County 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 County 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 complaint was not received until after 10:00 a.m. Any such calls received via *GreenWaste's* answering service shall be recorded in the Service Complaints in the customer's account. All service complaints shall be available to the County representatives upon request.

#### SECTION 10. OWNERSHIP 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 the County obtain any right of ownership or possession of Solid Waste or Hazardous Waste placed for collection, and nothing in this Agreement shall be construed as giving rise to any inference that County has any such rights, provided, however, that *GreenWaste* shall not become the owner of Hazardous Waste.

#### SECTION 11. MARKETING OF RECYCLABLE SOLID WASTE.

*GreenWaste* agrees to not landfill dispose of Recyclable Solid Wastes 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. .

B. Rate Adjustments. The Rates to be paid to *GreenWaste* for Bins, commercial bins, yard waste containers, recycling containers, and single family containers set forth in EXHIBITS "A" and "B" shall be subject to an annual adjustment, beginning July 1, 2008, 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), 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. *GreenWaste* and the County agree that the annual adjustment will be not less than one percent (1%), nor greater than five percent (5%). Additionally, the total annual adjustment is further subject to a ceiling on total increases for the years 2007-2017 of thirty-two percent (32%). No less than thirty (30) days prior to July 1<sup>5</sup>, *GreenWaste* will submit a letter to County's Solid Waste Director for him/her to review detailing computations used in determining rate adjustments. In the event *GreenWaste*

and County's Solid Waste Director disagree with the computational methods, resolution of the rate adjustment dispute shall be in accordance with Section 12C.

The Rates, as specified in EXHIBIT "A" above, shall be adjusted every July 1st, beginning July 1, 2008, 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.

Example:

	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%			

Service Rates will be increased by 3.71%

**C. Resolution of Disputes Regarding Rate Adjustments.** Disputes regarding any decision by County's Solid Waste Director on a rate ceiling adjustment request shall be decided by the County Board of Supervisors in accordance with SECTION 20 of this Agreement. The rates in effect at the time a rate ceiling adjustment dispute is submitted to the County Board of Supervisors 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 shall be January 1st of the year in question. Decisions of the County Board of Supervisors with respect to rate adjustments are final and are not subject to appeal by *GreenWaste* to a referee, or to the provisions of SECTION 21 "REFERRAL TO REFEREE; HEARING PROCEDURES." Decisions of the County Board of Supervisors with respect to rate ceiling adjustments shall be final and conclusive. In the event County refuses to implement all or any part of a rate ceiling adjustment request, *GreenWaste's* sole remedy shall be to terminate this Agreement by providing written notice to the County within ten (10) days of receipt of County's notice of rejection of all or part of a rate adjustment request, such termination by *GreenWaste* to be effective upon the expiration of three (3) months following County's receipt of such notice.

**D. Billing and Payment.**

1. Billing by *GreenWaste*. Bills to service recipients shall be for all classifications of services showing the aggregate amount, unless otherwise agreed by *GreenWaste* and County. *GreenWaste* agrees to include all applicable fees imposed by action of the County Board of Supervisors, 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 County 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

County franchise, license or other fee as a separate item on service recipients' bills.

*GreenWaste's* Billings may be made monthly, bimonthly or quarterly, in advance, as *GreenWaste* shall decide, for all service recipients.

2. Billing by County. County, at County sole option, may elect to bill residents and may do so itself through a third party contractor or through other means, as the County Board of Supervisors may determine. In the event that County elects to bill residents, County shall pay *GreenWaste* for its services at the then-current rate per service recipient, less a component attributable for billing, as County and *GreenWaste* shall agree.

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 (or by electronic mail if the service recipient agrees) by *GreenWaste* 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. Upon receipt of the delinquent payment, *GreenWaste* shall resume collection on the next regularly scheduled collection day.

F. Reconnect Fee. Service to residential premises that has been discontinued in accordance with Section 12E, and restarted within five (5) business days will be subject to a reconnect fee as listed in Exhibit A.

G. Refunds. *GreenWaste* shall refund to each service recipient, on a pro rata basis, any advance service payments made by service recipient for service not provided when service is discontinued by the service recipient.

H. Franchise Fee; Payment. Except as provided in Section S.H of this Agreement, *GreenWaste* shall pay County a Franchise Fee of seven percent ( 7%) 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 monthly payment shall be an accounting of the Gross Revenues for the corresponding month.

### SECTION 13. GREENWASTE'S BOOKS AND RECORDS; AUDITS.

A. In addition to the record retention requirements of SECTIONS 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. The County 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 County, 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 County 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 County, at no charge to County.

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

In addition to its duties pursuant to SECTION 16, *GreenWaste* shall cooperate with County in Solid Waste Disposal Characterization Studies and waste stream audits and shall implement measures adequate to help County achieve the County'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 County for services provided under this Agreement, information and reports necessary for County 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 County's computers, at no additional charge, if requested by County.

This Agreement is part of County's efforts to comply with the provisions of the California Integrated Waste Management Act of 1989, ("AB 939") as it may be amended from time to time and as implemented by the regulations of the California Integrated Waste Management Board ("Regulations"), as they may be amended from time to time, and the County'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 increase *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 County informs *GreenWaste* that County desires to discontinue the service, County and *GreenWaste* shall negotiate a reduction in rates. In the case of an amendment to the laws, which increases the cost of *GreenWaste* 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.

Notwithstanding the foregoing, *GreenWaste's* obligations hereunder are subject to the County cooperating with *GreenWaste* to achieve the diversion requirements of AB 939, and County taking all action necessary to achieve AB 939 compliance, including, but not limited to, implementing all elements of the County'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 County residents at the Tehama County/Red Bluff Sanitary Landfill, and any other diversion, which County may count toward its AB 939 diversion requirement shall be considered.

## **SECTION 15. AB 2176 COMPLIANCE**

*GreenWaste* will work with County 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 County, *GreenWaste* will develop a proposal to meet requirements, for review by County. 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 the County such other information or reports in such forms and at such times as the County may reasonably request or require, including, but not limited to the following:

1. **Monthly Reports.** Monthly Reports shall be submitted to County, transmitted in a format acceptable to County, by disc or as an attachment to e-mail, at County's option.

The monthly report shall show the number of tons collected and the tonnage delivered to disposal if itemized by the disposal facility.

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

a. **Recyclable Solid Wastes:**

- (1) A statement showing, by type of material, tons received, by month, and tons marketed during the month.
- (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 *GreenWaste'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. Hazardous Waste Diversion Reports: A copy or summary of the records required by SECTION 9.B, above.
- c. Certification: *GreenWaste* will provide a certification statement, under penalty of perjury, by the responsible corporate official, that the report is true and correct.

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

I. General Information. 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* financial reports and those of each of its respective subsidiaries and affiliated corporations and other entities if any, performing services under this Agreement, as the County, following consultation with *GreenWaste*, may request.

2. Prior Year's Activities. A report of the previous year's activities in the County (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 County'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 the County'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 County two (2) copies (one to the County Solid Waste Director, one to the County Board of Supervisors) 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 County simultaneously with *GreenWaste's* filing or submission of such matters with said agencies.

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

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

County Board of Supervisors  
County of Tehama  
P.O. Box 250  
Red Bluff, CA 96080  
Telecopier Number (530) 529-0980

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

F. County's Review of *Green Waste's* Performance. Annually, within ninety (90) days of County's receipt of the Annual Report required by SECTION 16.B, above, County 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 County to review *GreenWaste's* performance. If any noncompliance with the Agreement is reported to have occurred, County 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 *Green Waste*.

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

I. CERCLA Defense Records. County views the ability to defend against CERCLA and related litigation as a matter of great importance. For this reason, the County regards the ability to prove where Solid Waste collected in the County of Tehama 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 the County 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" 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 County. *GreenWaste* agrees to notify County's Risk Manager and County Counsel, and to provide copies of such records to County, if



requested by County, 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.

A. Indemnification; General. *GreenWaste* shall protect, indemnify, defend and hold harmless County, their officers, employees, agents, contractors, consultants, professionals and volunteers, (collectively hereinafter referred to as the "County 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 actions, omissions, negligence or willful misconduct of *GreenWaste*, its officers, employees, agents, and subcontractors in performing services under this Agreement; (2) the 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 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 solely by the negligence or intentional misconduct of County, its officers, employees, or agents, but shall apply if the Claim is caused or alleged to be caused by the joint negligence of *GreenWaste*, County or other persons. In the event of any such Claim, *GreenWaste*, at *GreenWaste's* sole cost and expense, shall defend (with attorneys reasonably acceptable to County) the County Indemnitees. *GreenWaste's* duty to indemnify and defend shall survive the expiration or termination of this Agreement.

County shall protect, indemnify, defend and hold harmless *GreenWaste*, its officers, employees, agents, contractors, consultants, professionals, and volunteers, (collectively hereafter referred to as the "*GreenWaste* 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 solely out of, or occasioned in any way, directly or indirectly, by County's performance of, or its failure to perform, its obligations under this Agreement.

B. Third Party Claims. Without limiting the generality of Section 17.A, *GreenWaste* shall protect, indemnify, defend and hold harmless the "County Indemnitees" from and against any and all claims by government agencies or other third parties, whether judicial, administrative, or otherwise, including, but not limited to, claims over the definitions of "solid waste" or "recyclable material;" claims as to the limits of County'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, with respect to the provision of Solid Waste services or the rates to be charged for such services.

C. Hazardous Substances Indemnification. Without limiting the generality of Section 17.A, *GreenWaste* shall indemnify, defend, protect and hold harmless County, its elected officials, officers; employees, volunteers, agents, contractors, consultants, professionals, assigns and any successor or successors to County's interest from and against all claims, actual damages (including but not limited to special and consequential damages), natural resources damages, punitive damages, injuries, costs, response, remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses (including but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity), of any kind whatsoever paid incurred or suffered by, or asserted against, County or its elected officials, officers, employees, volunteers, contractors, consultants, professionals, or agents arising from or concerning any Hazardous Waste or Unacceptable Waste, other than hazardous Waste or Unacceptable Waste disposed of by County in violation of applicable law, regulation or permit.

This Section is intended to operate as an indemnity agreement pursuant to Section 107(e) of the Comprehensive Environmental Response and Liability Act ("CERCLA"),<sup>42</sup> U.S.C. Section 9607(e), and California Health and Safety Code Section 25364, to defend, protect and hold harmless and indemnify the County Indemnites from all forms of liability. This provision shall survive the termination of this Agreement between *GreenWaste* and County.

D. AB 939 Indemnification. Without limiting the generality of the foregoing, *GreenWaste* shall protect, defend with counsel reasonably acceptable to the County, indemnify and hold the County harmless from any and all fines, penalties and assessments levied against or threatened to be levied against the County for the County'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 the County with information or reports in order to comply with AB 939. However, *GreenWaste* shall not be obligated to indemnify County for fines or penalties caused by County's modifications of *GreenWaste's* information, or by County's own acts or omissions which result in County's failure to provide timely reports to the state.

E. Insurance.

1. Types and Amounts of Coverage. *GreenWaste*, at *GreenWaste's* sole cost and expense, shall procure from ari 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. **Workers' Compensation and Employer's Liability.** *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; provided, 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. **Commercial General Liability.** *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
  - (7) Broad Form Property Damage, including Completed Operations.

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 County 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 County and its legal counsel. In the event of termination of this Agreement before the full term hereof and any extensions, *Green Waste* shall promptly secure and tender to County 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, County may purchase same and deduct the cost from the performance security provided by *Green Waste* under this Agreement. 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 County 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 County under this Agreement
- d. Commercial Auto Liability. *GreenWaste* shall maintain Commercial Auto Liability insurance coverage of not less than \$1,000,000 per occurrence and \$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. The County 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 *Green Waste* with any combination of primary, umbrella, excess insurance or deductibles.

2. Required Endorsements.

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

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

County of Tehama  
Risk Manager  
P.O. Box 927  
Red Bluff, California 96080

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

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

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

County of Tehama  
Risk Manager  
P.O. Box 927  
Red Bluff, California 96080

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

3. Delivery of Proof of Coverage. No later than the Effective Date, *GreenWaste* shall furnish certificates of insurance, in standard Acord form, to County 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 Cotmty, in writing, copies of each policy, together with all endorsements, shall be delivered to County within fifteen (15) days of the receipt of any such policy by *GreenWaste*.

4. Other Insurance Requirements.

- a. In the event any services are delegated to a subcontractor, County 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 of this 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. If *GreenWaste* fails to procure and maintain any insurance required by this Agreement, County may take out and maintain, at *GreenWaste's* expense, such insurance as it may deem proper and deduct the cost thereof from any monies due *GreenWaste*.

**F. Letter of Credit or Performance Bond.** Prior to the effective date of this Agreement, *GreenWaste* shall provide an irrevocable Letter of Credit or Performance Bond (collectively referred to herein as the "Performance Security") from an institution satisfactory to County, on terms acceptable to the County and its legal counsel, evidencing an irrevocable commitment to County, in the amount of One Hundred Thousand Dollars (\$1 00,000), guaranteeing *GreenWaste's* faithful performance of the terms of this Agreement. Such Letter of Credit or Bond 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 the County any fees or other sums owed under this Agreement, the Letter of Credit or Bond may be assessed by the Cotmty, for purposes including, but not limited to:

1. Reimbursement of costs borne by the County to correct violations of the Agreement not corrected by *GreenWaste*, after County provides notice in accordance with SECTION 22A;
2. To provide monetary remedies or to satisfy damages (including liquidated damages) assessed against *Green Waste* due to a breach of this Agreement; or
3. To satisfy an order of the referee.

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

*GreenWaste* shall be relieved of the foregoing requirement to replenish the Letter of Credit or Bond during the pendency of an appeal from the County's decision to draw on the Letter of Credit or Bond. The amount of the Letter of Credit or Bond shall be adjusted annually on the anniversary of the execution of this Agreement. The annual adjustment shall be in the

annual percentage change in the Consumer Price Index, Urban West (CPI-W), produced by the U.S. Bureau of Labor Statistics, from April 1st of the prior year to the month ending with March.

In the event the County draws on the Letter of Credit or Bond, all of County's costs of collection and enforcement of the provisions relating to the Letter of Credit or Bond 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 County 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 County, on which County 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 County to such an extent, in such a manner, or for such a time that the County Manager in the reasonable exercise of the County Manager's discretion, should find that such accumulation endangers or menaces the public health, safety or welfare, then County 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. County 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* would otherwise collect and transport pursuant to this Agreement, for the duration of the inability of *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 County for all of its expenses for such substitute services.

B. Disaster Assistance. At County's request, *GreenWaste* will assist County 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 the County, and shall be reimbursed by County for the actual documented costs of providing such assistance, but shall receive no other compensation. *GreenWaste* shall cooperate with County, 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 County's Solid Waste Director determines that *GreenWaste* has, by its actions or omissions, breached or otherwise failed to perform any obligation or duty under this Agreement, the Solid Waste Director may advise *GreenWaste* in writing of any suspected deficiencies, specifying the deficiency in a reasonable manner. The Solid Waste Director 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 Solid Waste Director may grant *GreenWaste* a longer period, as is necessary to cure the failure, contingent upon *GreenWaste's* having expeditiously and diligently tried to cure within the thirty (30) day period and thereafter proceeding in good faith to effectuate a cure. The Solid Waste Director shall not unreasonably deny *GreenWaste* additional time, if requested.

2. 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 Tehama County Board of Supervisors, upon a written Request for Hearing being delivered to the County 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 County 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 determination of the Solid Waste Director shall be final and conclusive unless *GreenWaste* timely delivers a Request for Hearing and provides the above-described statement and supporting documents.

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 Board of Supervisors shall determine whether the decision of the Solid Waste Director should be upheld. A tie vote of the Board of Supervisors shall be regarded as upholding the decision of the Solid Waste Manager.



3. 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 Tehama County Board of Supervisors, *GreenWaste* has not cured the breach or failure under this Agreement, then County 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 County determines is reasonable to perform the obligation or cure the breach, with County's resources and/or through such independent contractors and/or consultants as County 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 County; and
- f. Terminate this Agreement, in which case a written notice of termination of this Agreement shall be immediately delivered to *GreenWaste*.

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

4. 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, County has not cured the breach or failure under this Agreement, then *GreenWaste* shall be entitled to a hearing before the Tehama County Board of Supervisors, upon a written Request for Hearing being delivered to the County 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 County 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 (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 Board of Supervisors shall determine whether the County has, by its actions or omissions, materially breached or otherwise failed to perform any obligation or duty

under this Agreement. The decision of the Board of Supervisors shall be final and conclusive unless *GreenWaste* timely files a Notice of Decision to Mediate and Appeal in accordance with Sections 20.B and 21 of this Agreement.

B. Appeal to Referee. Except as otherwise provided in this Agreement, *GreenWaste* may appeal any decision, order or action by the County Board of Supervisors under this SECTION, as provided in SECTION 21, below, by filing a Notice of Decision to Mediate and Appeal with the Tehama County Board of Supervisors, within ten (10) business days of receipt of the decision by the Tehama County Board of Supervisors, and following the procedures set forth in SECTION 21, below.

C. Reservation of Rights by County. County 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 the County or practiced any fraud or deceit or made any intentional misrepresentations in the negotiations which preceded the execution of this Agreement;

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

3. If *GreenWaste* fails to provide or maintain in full force, effect and amount, insurance and/or performance bond or Letter of Credit 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; provided, 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 the County for a period of two 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 County 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.

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

**E. Reservation of Rights by *GreenWaste*.** *GreenWaste* reserves the right to terminate this Agreement upon three (3) months written notice following a final refusal by County to approve a rate adjustment due to *GreenWaste*.

## **SECTION 21. MEDIATION; REFERRAL TO REFEREE; HEARING PROCEDURES.**

**A. Mediation.** Any dispute concerning a material breach of this Agreement shall, upon the request of either Party, first be mediated between the Parties, provided that *GreenWaste* may not request mediation or refer any matter to a referee 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 referee from the JAMS 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 the County or *GreenWaste* at any time after the exhaustion of administrative remedies and mediation, may refer a disputed matter for resolution under this SECTION in the following manner.

**C. Applicability.** If either the Tehama County Board of Supervisors or *GreenWaste* refers a matter to a referee, the provisions of this SECTION shall apply in order to obtain prompt and expeditious resolution of any and all disputes arising out of this Agreement.

**D. Reference of Dispute .** Any dispute seeking damages and any dispute seeking equitable relief; such as but not limited to specific enforcement of any provision hereof, shall be heard and determined by a referee pursuant to California Code of Civil Procedure §§ 638 *et seq.* The venue of any proceeding hereunder shall be in Tehama County, California.

1. Procedure for Appointment. The Party seeking to resolve the dispute shall file in court and serve on the other Party a complaint describing the matters in dispute. Service of the complaint shall be as prescribed by law. Within not more than fifteen (15) business days after the date of service, the Parties shall apply to the Judicial Arbitration and Mediation Service ("JAMS/Endispute") to nominate a minimum of five (5) prospective referees. If the Parties are unable to agree on a referee from the JAMS 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 referee at a time until only one (1) referee remains.

2. Ex Parte Communications Prohibited. Neither Party may communicate separately with the referee after the referee has been selected. All subsequent communications

between a Party and a referee shall be simultaneously delivered to the other Party. This provision shall not apply to communications made to schedule a hearing or request a continuance.

3. **Cooperation.** The Parties shall diligently cooperate with one another and the referee and shall perform such acts as may be necessary to obtain a prompt and expeditious resolution of the dispute. If either Party refuses to diligently cooperate, and the other Party, after first giving notice of its intent to rely on the provisions of this SECTION 21, incurs additional expenses or attorneys' fees solely as a result of such failure to diligently cooperate, or incurs expenses or attorneys fees and costs as a result of the other Party's violation of Code of Civil Procedure § 128.5, the referee may award such additional expenses and attorneys' fees to the Party giving such notice, even if such Party is not the prevailing Party in the dispute.

4. **Discovery.** Within sixty (60) days of appointment, the referee shall set a discovery schedule and shall schedule the matter for hearing, unless County and *GreenWaste* agree otherwise, or unless the referee shall determine otherwise. Any Party to the hearing may issue a request to compel reasonable document production from the other Party. Disputes concerning the scope of document production and enforcement of document requests shall be subject to agreement by the Parties, or if agreement is not reached within twenty (20) days of a document request, then by disposition by order of the referee. Any document request shall be subject to the proprietary rights and rights of privilege of the Parties, and the referee shall adopt procedures to protect such rights. Except as may be agreed by the Parties, or ordered by the referee, no other form of discovery shall be available to the Parties.

5. **Standards for Decision.** The provisions of California Code of Civil Procedure, §§ 640, 641, 642, 643, 644 and 645 shall be applicable to dispute resolution by a referee hereunder. In an effort to clarify and amplify the provisions of California Code of Civil Procedure, §§ 644 and 645, the Parties agree that the referee shall decide issues of fact and law submitted by the Parties for decision in the same manner as required for a trial by court as set forth in California Code of Civil Procedure, §§ 631.8 and 632, and California Rules of Court, Rule 3.1590. The referee shall try and decide the dispute according to all of the substantive and procedural laws of the State of California, unless the Parties stipulate to the contrary.

6. **Evidence and Findings.** The referee shall consider the administrative record, including the notice of deficiencies or notices of breach, *GreenWaste's* response to any such notices, the decision of the Director, the "Notice of Appeal," the decision of the County official, the "Notice of Appeal" to the Tehama County Board of Supervisors, and the decision of the Tehama County Board of Supervisors, in addition to other relevant evidence. Before issuing findings, the referee shall submit a proposed ruling, setting forth proposed findings of fact and conclusions of law, to counsel for the Parties, for comment. When the referee has decided the dispute, the referee shall also cause the preparation of a judgment based on said decision.

7. **Remedial Authority.** A referee to whom a matter is referred shall have the authority to : (i) order either Party to undertake remedial action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages and/or levy a penalty consistent with the terms of this Agreement; or (iii) find there has been no breach.

8. Stay Pending Entry of Final Judgment. Except as provided in SECTION 17 with respect to draws on the Letter of Credit or other performance security, until final judgment is entered from the referee proceeding under the foregoing provisions and the time for appeal or other post judgment petition has expired, the imposition or enforcement of any penalties or sanctions provided in this Agreement and related to the subject matter of the hearing shall be stayed. The referee may modify or cancel any proposed penalties or sanctions upon a finding that the Party subject thereto acted with substantial justification, or if the interests of justice so require.

9. Allocation of Referee's Costs. The referee's costs for the proceeding shall be apportioned by the referee. The costs of the proceeding shall be borne equally by the Parties to the dispute initially, but the prevailing Party in such proceeding shall be entitled to recover reasonable costs of the referee as apportioned by the referee. If either Party refuses to pay its share of the costs of the proceeding, at the time(s) required, the other Party may do so, in which event that Party will be entitled to recover (or offset) the amount advanced, with interest at the maximum rate permitted by law, even if that Party is not the prevailing Party. The referee shall include such costs in the judgment or award.

**E. Decision.** The decision of the referee may be excepted to in accordance with Code of Civil Procedure § 645.

## **SECTION 22. COUNTY'S ADDITIONAL REMEDIES.**

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

A. The right to contract with others to perform the services otherwise to be performed by *GreenWaste*, and to draw on the Cash Bond for reimbursement by *Green Waste* for the costs of such services; and

B. 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 *Green Waste*, County 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. The Parties agree that in the event *Green Waste* 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 the Agreement. Subject to procedures set forth herein, the Parties agree that *GreenWaste* may be subject to One Hundred Dollar (\$100) per day per occurrence liquidated damages for any of the following:

1. Substantial failure by *GreenWaste* to provide solid waste collection service within its service area without cause or reason reasonably acceptable to County.

2. Disposing of significant Recycling Materials as solid waste, without cause or reason reasonably acceptable to the County.

3. Charging or collecting rates not approved by the Board of Supervisors for any service subject to this Agreement.

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. County finds, 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 County within ten (10) days after they are assessed. If they are not paid within the ten-day period, County may withdraw them from the security fund established by the performance security required by this Agreement.

#### SECTION 23. FRANCHISE TRANSFER; COUNTY CONSENT; FEES.

A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, sublet or assigned (collectively "transfeued"), nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold or transfeued, 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 the County expressed by resolution. Any attempt to do any of the foregoing with respect to any of the rights herein without the consent of County 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 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. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by this Agreement. The County 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 the County's satisfaction that it has the operational and financial ability to carry out the obligations of the Agreement.

C. Any application for a franchise transfer shall be made in a manner prescribed by the County's Director. The application shall include a Franchise Transfer Application Fee in an amount to be set by County, by Resolution of the Board of Supervisors. The Franchise Transfer Application Fee is intended to offset the County's anticipated costs of all reasonable and customary direct and indirect administrative expenses including consultants and attorneys, necessary to analyze the application. *GreenWaste* shall reimburse the County for all reasonable consultants', attorneys' and staff costs directly related to the County's consideration of the application for transfer not offset by the Franchise Transfer Application Fee, whether or not the County approves the application for transfer of the franchise. County's request for reimbursement under this SECTION shall be supported with evidence of the expense or cost incurred. *GreenWaste* shall reimburse County within thirty (30) days of receipt of City's request for reimbursement.

D. 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 County consent to such transaction, subject to the following conditions:

1. Any consent so granted by County 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 the County.

2. Any consent so granted by County 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 the County expressed by resolution.

3. The pledge, encumbrance, or secured party shall have executed and delivered to County 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 national emergency declared by the President or Congress and affecting the County of Tehama; sabotage; 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 collection and transportation of Solid Waste, and/or disposal of Solid Waste by *GreenWaste* as required under this Agreement, County 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 County. *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 County 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 County employees.

C. Pavement/Property/Utility Damage. Normal wear and tear on public roads resulting from general vehicular traffic excepted, *GreenWaste* 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 the County. *GreenWaste* understands that the exercise of this franchise may involve operation of its collection vehicles over non-County 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 the County, 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 the County. Disputes between *GreenWaste* 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, or 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. *GreenWaste* and County waive their right to jury trial.

E. Fees and Gratuities. *GreenWaste* 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 County: County Solid Waste Director  
County of Tehama  
1995 Plymire Road  
Red Bluff, California 96080  
Telecopier Number (530) 528-9304

Copy to: Chief Administrator  
County of Tehama  
P.O. Box 250  
Red Bluff, California 96080-0250  
Telecopier Number (530) 529-0980

And to: County Counsel  
County of Tehama  
P.O. Box 8189



Red Bluff, California 96080-8189  
Telecopier Number (530) 529-0980

To *Green Waste*: Site Manager  
GREENWASTE OF TEHAMA  
1805 Airport Blvd.  
Red Bluff, California 96080  
Telecopier Number (530) 528-8415  
Copy to: Waste Connections District Manager  
1805 Airport Blvd.  
Red Bluff, California 96080  
Telecopier Number (530) 528-8415

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.

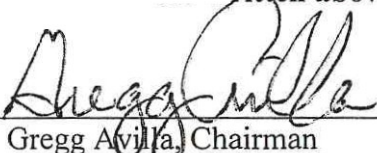
J. Incorporation By Reference. EXHIBITS "A" and "B" and the County's Source Reduction and Recycling Element, as it may be amended from time to time, are incorporated into this Agreement by this reference.

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.

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

Date: 6-5-01/

  
\_\_\_\_\_  
Gregg Avilla, Chairman  
Tehama County Board of Supervisors

Date: Le (5.C:Y)

Paul Nelson  
Waste Connections of California, Inc.

Approved as to Form

cc/B7

**EXHIBIT "A"**  
**(COUNTY OF TEHAMA)**  
**RATE CEILINGS AND RATE CEILING ADJUSTMENTS**

**I. RATES**

Initial Commercial & Residential Solid Waste maximum rates, effective:

July 1, 2007 -June 30, 2008, unless adjusted.

**Residential Collection of Garbage & Recyclables**

Weekly Residential Solid Waste Service

- 32 gallon cart	\$ 11.66	per month
- 64 gallon cart	\$ 16.73	per month
- 96 gallon cart	\$ 20.52	per month

Overage Collection

\$ 2.00	per bag
\$ 3.00	per can

Bulky Item Pick-up

Landfill  
rate+ 40% per item

Recycling Cart Rental

\$ 1.75 per month

Freon-containing Item

Landfill  
rate + 40% per item

Re-Installation Fee (Section 12F)

\$ 25.00

**COMMERCIAL BIN RATES**

Size	# of Pickups Per Week	Total Rate
1 Cubic yd	1	\$ 52.97
1 Cubic yd	2	\$ 91.33
1 Cubic yd	3	\$ 130.15
1 Cubic yd	4	\$ 180.18
1 Cubic yd	5	\$ 197.72
1 Cubic yd	6	\$ 216.97
2 Cubic yd	1	\$ 88.32
2 Cubic yd	2	\$ 175.34
2 Cubic yd	3	\$ 224.73
2 Cubic yd	4	\$ 268.74
2 Cubic yd	5	\$ 295.05
2 Cubic yd	6	\$ 353.01

3 Cubic yd		1	\$ 126.13
3 Cubic yd		2	\$ 223.04
3 Cubic yd		3	\$ 266.61
3 Cubic yd		4	\$ 313.67
3 Cubic yd		5	\$ 366.16
3 Cubic yd		6	\$ 420.35
4 Cubic yd		1	\$ 171.55
4 Cubic yd		2	\$ 263.13
4 Cubic yd		3	\$ 327.66
4 Cubic yd		4	\$ 376.02
4 Cubic yd		5	\$ 413.15
4 Cubic yd		6	\$ 453.97
6 Cubic yd		1	\$ 206.86
6 Cubic yd		2	\$ 317.87
6 Cubic yd		3	\$ 411.74
6 Cubic yd		4	\$ 493.06
6 Cubic yd		5	\$ 590.67
6 Cubic yd		6	\$ 707.78

Size	#of Pickups Per Week	total Rate
8 Cubic yd	1	\$ 314.34
8 Cubic yd	2	\$ 455.02
8 Cubic yd	3	\$ 596.58
8 Cubic yd	4	\$ 744.45
8 Cubic yd	5	\$ 840.79
8 Cubic yd	6	\$ 962.44

**MISCELLANEOUS COMMERCIAL SOLID WASTE RATES**

Extra Pick-up	\$ 63.06	Per Bin Per Pick Up
Locking Bin	\$ 5.05	Per Bin Per Pick Up
Overage (see note)	\$ 25.23	Per Yard Per Pick Up
Bulky Item Pick-up	Landfill rate+ 40%	Per Pick Up
Re-Installation Fee	\$ 25.00	Per container

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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

1x per wk

- 32 gallon cart	\$15.14
- 64 gallon cart	\$20.18
- 96 gallon cart	\$27.75

### Recycling Rates - Commercial

- 32 gallon cart	\$7.57	1x per week
- 64 gallon cart	\$10.09	1x per week
- 96 gallon cart	\$13.87	1x per week
1 cubic yard container	\$26.48	1x per week
2 cubic yard container	\$44.16	1x per week
3 cubic yard container	\$63.06	1x per week
4 cubic yard container	\$85.76	1x per week
6 cubic yard container	\$103.43	1x per week
8 cubic yard container	\$157.17	1x per week
20 yard container	\$175.66	1x per week
40 yard container	\$281.92	1x per week

## DROP OFF BOX RATES

Drop Off Box Rates	Service Rates per load	Weight Limits
10 Cubic yard Box	\$ 526.01	Concrete & Soils only (not to exceed 9 ton)
20 Cubic yard Box	\$ 351.32	Not to exceed 4.5 tons
40 Cubic yard Box	\$ 563.85	Not to exceed 9 tons

## OTHER ROLLOFF RATES

Tires	Current landfill rate + 40%	
Freon-containing Item	Landfill rate + 40%	Per Item
Bulky Goods	Landfill rate + 40%	Per Item
Overweight Box	\$ 100.00	+tonnage
Additional Rental Days	\$ 24.00	Per Day

## COMPACTOR RATES

<u>Compactor Rates</u>	Service Rates	
	Per Load	
20 Cubic Yard	\$ 515.41	Not to exceed 4.5 tons
40 Cubic Yard	\$ 563.85	Not to exceed 9 tons

All commercial containers for recycling will be serviced one (1) time per week.

If a commercial customer has a 32-, 64- or 96 -gallon bin for their refuse, GreenWaste will provide up to two (2) stackable recyclable containers to them at no additional charge.

Charges for special services will be based upon the cost of providing that service and the labor rate of One Dollar sixty-two cents (\$1.62) per minute .

This Section has been incorporated into the Main Agreement.

EXHIBIT "B"  
(COUNTY OF TEHAMA)  
RATE CEILINGS AND RATE CEILING ADJUSTMENTS, APPLICABLE TO SECTION  
5B2b

I. RATES

Initial Commercial & Residential Solid Waste maximum rates, effective July 1, 2007-  
June 30, 2008, unless adjusted. Includes roll-out blue recycling bin with service.

RESIDENTIAL RATES

Weekly Residential Solid Waste Service

32 Gallon Cart	\$13.41	Per Month
64 Gallon Cart	\$18.48	Per Month
96 Gallon Cart	\$22.17	Per Month

Services not identified above will be charged at the rates in Exhibit A.

MINUTE ORDER  
BOARD OF SUPERVISORS  
COUNTY OF TEHAMA, STATE OF CALIFORNIA

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**REGULAR AGENDA**

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**AGREEMENT / TEHAMA COUNTY SOLID WASTE-** With Waste Connections of California, Inc., dba GreenWaste of Tehama for Residential and Commercial Waste Management  
Chief Administrator Williams Goodwin thanked Solid Waste Director Alan Abbs, Assistant County Counsel Arthur Wylene, Administrative Analyst Julie Sisneros and Risk/Fiscal Manager Kathy Peters for all their work in bringing this contract together.

Solid Waste Director Alan Abbs stated that in years past, these were separate contracts and now the contracts have been combined into one, serving both residential and commercial residents. He further added that this contract provides for diesel retrofit costs and he gave additional information on a few other contract changes.

In response to Supervisor Willard, Mr. Abbs stated that there is at least one year of life remaining at the current landfill site and that Phase II will be able to hold 20 years of waste at the current flow.

A motion was made by Supervisor Warner, seconded by Supervisor Willard and carried by the unanimous vote of the Board to approve and authorize the Chairman to sign the agreement with Waste Connections of California, Inc., dba GreenWaste of Tehama for residential and commercial waste management in the unincorporated county, to commence 7/1/07 to end at midnight on 6/30/2017.  
(2007 Miscellaneous Agreement Book, #129-2007)

STATE OF CALIFORNIA    )  
  )   ss  
COUNTY OF TEHAMA    )

I, BEVERLY ROSS, County Clerk and ex-officio Clerk of the Board of Supervisors of the County of Tehama, State of California, hereby certify the above and foregoing to be a full, true and correct copy of an order adopted by said Board of Supervisors on the 5th day of June, 2007.

DATED: June 8, 2007

BEVERLY ROSS, County Clerk and  
ex-officio Clerk of the Board of Supervisors  
of the County of Tehama, State of California

by Stephanie SW

Deputy



