
SOLID WASTE SERVICES AGREEMENT

BETWEEN

TOWN OF MAMMOTH LAKES

AND

MAMMOTH DISPOSAL COMPANY

Effective date: October 1, 2020

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THIS SOLID WASTE SERVICES AGREEMENT (this “Agreement”) is entered into, effective October 1, 2020 (the “Effective Date”), between the TOWN OF MAMMOTH LAKES, a municipal corporation of the state of California (the “Town”), and MAMMOTH DISPOSAL COMPANY, a California corporation (“Contractor”) for the Collection, transportation, Processing, and Disposal of Solid Waste and Recyclable Materials. The Town and Contractor may be collectively referred to herein as the “Parties” and individually as a “Party”, unless specifically identified otherwise.

RECITALS

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (“AB 939”), has declared that it is within the public interest to authorize and require local agencies to make adequate provisions for Solid Waste handling within their jurisdictions;

WHEREAS, the Town Council of the Town of Mammoth Lakes (the “Town Council”) determines and finds that the public health, safety, and well-being require an exclusive franchise be awarded to a qualified Solid Waste enterprise for the Collection and recovery of Solid Waste from certain residential, industrial, and commercial areas in the Town of Mammoth Lakes (the “Town”);

WHEREAS, the Town and Contractor are mindful of the provisions of the laws governing the safe Collection, transport, Recycling, and Disposal of Solid Waste, including the Resource Conservation and Recovery Act (“RCRA”), and the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”);

WHEREAS, the Town has not and, by this Agreement does not, instruct Contractor on its Collection methods, nor supervise the Collection of Solid Waste;

WHEREAS, Contractor has represented and warranted to the Town that it has the experience, responsibility, and qualifications to arrange with residents, commercial, industrial and institutional businesses and other entities in the Franchise Area for the Collection and safe transport to a Material Recovery Facility (“MRF”) and/or Transfer Station and/or Disposal facilities of Municipal Solid Waste (“MSW”) and Recyclable Materials;

WHEREAS, the Town Council determines and finds that the public health, safety, and well-being would be best served if Contractor were to make arrangements with residents and other entities to perform these services;

WHEREAS, the Town is willing to grant Contractor a new Solid Waste Services Agreement in view of Contractor’s prior satisfactory service in the Franchise Area and to enable the Town to reach its State mandated Recycling goals; and

WHEREAS, the Town Council declares its intention of maintaining reasonable rates for Collection, transportation, Processing, and Disposal of Solid Waste within the area covered by this grant of franchise.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

SECTION 1 – DEFINITIONS

Whenever any term used in this Agreement has been defined by the Mammoth Lakes Municipal Code Section 8.12.010 (the “Municipal Code”) or Division 30, Part 1, Chapter 2 of the California Public Resources Code, the definitions in the Municipal Code or Public Resources Code shall apply unless the term is otherwise defined in this Agreement.

A. AB 32

“AB 32” means the California Global Warming Solutions Act of 2006, California Health & Safety Code Section 38500, et seq., as it may be amended from time to time.

B. AB 341

“AB 341” means the Mandatory Commercial Recycling Regulation approved by the Office of Administrative Law in May 2012, Title 14, California Code of Regulations, Chapter 9.1, commencing with Section 18835. Includes SB 1018 signed by the Governor in June 2012.

C. AB 939

“AB 939” means the California Integrated Waste Management Act of 1989, Public Resources Code Section 40000, et seq., as it may be amended from time to time.

D. AB 1826

“AB 1826” means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014 modifying Division 30 of the California Public Resources Code), also commonly referred to as “AB 1826,” as amended, supplemented, superseded, and replaced from time to time.

E. AFFILIATE

“Affiliate” means Contractor, its officers, directors, shareholders, employees, and any corporation, partnership, joint venture, or other entity directly or indirectly controlling Contractor, or directly or indirectly owned or controlled by Contractor or its principals. As of the Commencement Date, Contractor’s Affiliates consist of those entities set forth on Schedule 21.1 to the Form 10-K for the period ended December 31, 2019, filed by Waste Connections, Inc. on February 13, 2020, which schedule can be accessed at:

<https://www.sec.gov/Archives/edgar/data/1318220/000155837020000746/ex-21d1.htm>.

F. ALTERNATIVE DAILY COVER

“Alternative Daily Cover” means cover material other than earthen material placed on the surface of the active face of a MSW landfill at the end of each operating day to control vectors, fires, odors, blowing litter, and scavenging.

G. ASSIGNMENT

“Assignment” means any dissolution, merger, consolidation, or other reorganization of Contractor, which results in change of control of Contractor, or the sale or other transfer of a controlling percentage of Contractor’s capital stock to a person not a shareholder, immediate family member, management employee, or principal of Contractor or an Affiliate on the date of the execution of this Agreement.

H. BIN

“Bin” means a bear-proof container, with a capacity of at least one cubic yard designed or intended to be mechanically dumped into a loader packer type truck.

I. BULKY WASTE / BULKY ITEMS

“Bulky waste” or “Bulky Items” means large items of Solid Waste such as appliances, furniture, large electronic waste, large auto parts, and other similar waste, materials with weights and volumes greater than those allowed in waste collection bins, carts or other containers.

J. CALRECYCLE

“CalRecycle” means the California Department of Resources Recycling and Recovery.

K. CART

“Cart” means a bear-proof, heavy plastic receptacle with a rated capacity of at least 20-gallons and not more than 95-gallons, having a hinged tight-fitting lid, and two (2) wheels, that is approved by the Town and is colored and labeled as designated by the Town.

L. CHANGE IN CONTROL

“Change in Control” means any sale, transfer, or acquisition of Contractor by an unaffiliated third party.

M. COLLECT / COLLECTION

“Collect” or “Collection” means the act of removing discarded materials from the place of generation or designated point of collection within the Town and all operations of gathering together and transporting to the point of disposal or processing any garbage, refuse, rubbish, Solid Waste, Recyclable, transformable, or compostable waste materials.

N. COMMERCIAL SOLID WASTE

“Commercial Solid Waste” includes all types of Solid Wastes generated by commercial, industrial, governmental, Multi-Family Units, and other non-residential sources, which have been placed in an authorized solid waste container used for the temporary storage of solid waste awaiting pickup. The term “Commercial Solid Waste” does not include Hazardous Wastes, Medical Wastes, and Special Wastes.

O. COMMENCEMENT DATE

“Commencement Date” means the date when this Agreement is approved by the Town Council.

P. COMPACTOR

“Compactor” means any container which has compaction mechanisms whether stationary or mobile, used or unused, operable or inoperable, all inclusive.

Q. COMPOSTABLE MATERIAL

“Compostable Material” means plant material (e.g., leaves, grass clippings, branches, brush, flowers, pine needles, pine cones, wood waste, etc.), debris commonly thrown away in the course of maintaining yards and gardens, and biodegradable waste otherwise approved for the Yard Waste program by Contractor and the Town. It also includes pre-or post-consumer Food Waste and related compostable materials to include paper, cardboard, compostable single use containers and utensils provided that the technology used to process this waste stream allows for such material when Contractor or Town begins a Food Waste Collection program within the Franchise area, or at some point thereafter.

R. CONDITIONALLY EXEMPT SMALL QUANTITY GENERATORS

“Conditionally Exempt Small Quantity Generator” or “CESQG” means a Generator who generates one hundred (100) kilograms or less per month of Hazardous Waste or one (1) kilogram or less per month of acutely Hazardous Waste.

Requirements for CESQGs include:

CESQGs must identify all the Hazardous Waste generated, may not accumulate more than 1,000 kilograms of Hazardous Waste at any time, and must ensure that Hazardous Waste is delivered to a person or facility that is authorized to manage it (Reference: Title 40 Code of Federal Regulations Section 261.5).

S. CONSTRUCTION AND DEMOLITION DEBRIS

“Construction and Demolition Debris” or “C&D” means Solid Waste Generated by or resulting from Projects within the Town of Mammoth Lakes that require a building permit (Reference: Municipal Code 8.13.020).

C&D Debris includes components of the building or structure that is the subject of the construction work including, but not limited to: untreated lumber and untreated wood, gypsum wallboard, glass, metal, roofing material, tile, carpeting and floor coverings, window coverings, plastic pipe, concrete, fully cured asphalt, heating, ventilating, and air conditioning systems and their components, lighting fixtures, appliances, equipment, furnishings and other fixtures; tools and building material consumed or partially consumed in the course of the construction work including material generated at construction trailers, such as blueprints, plans, and other similar wastes; cardboard and other packaging material derived from materials installed in or applied to the

building or structure or from tools and equipment used in the course of the construction work. Construction refers to Standard Industrial Classification (SIC) Code Sections 1500 through 1794, 1796, and 1799. Demolition refers to Standard Industrial Classification Code Section 1795. (Reference: Title 14, California Code of Regulations, Section 18720(a)(14).) The term “C&D Debris” also includes Recyclables generated by construction and demolition activities.

T. CONTRACT ADMINISTRATOR

The “Contract Administrator” for this Agreement means the Town of Mammoth Lakes Town Manager or designee.

U. CONTRACTOR

“Contractor” means Mammoth Disposal Company, a California corporation. Contractor shall also mean any Town-approved assignee, transferee, or successor in interest of Contractor.

V. CUSTOMER

“Residential Customer” means the person who subscribes for services (owner or tenant) with Contractor and pays the transfer station fee or has curbside service. A curbside customer has transfer station privileges included in their fee.

“Commercial Customer” means a Multi-Family complex, commercial business, or entity who subscribes for service with Contractor. Individual residents of a Multi-Family complex are considered to be Commercial Customers

W. DISPOSAL

“Disposal” means the final Processing and disposition of material Collected by Contractor under the terms of this Agreement.

X. DIVERT / DIVERSION

“Divert” or “Diversion” means to make use of discarded material for any purpose and; therefore, to avoid Disposal of such material at a Landfill.

Y. ELECTRONIC WASTE / E-WASTE

“Electronic Waste” or “E-Waste” means discarded electronic equipment such as stereos, radios, speakers, televisions, computers, monitors, VCRs, printers, copiers, facsimile machines, DVD players, microwaves, telephones, and similar items (including cathode ray tubes (CRTs) and other Universal Waste which may require special handling). Notwithstanding the foregoing, if CalRecycle adopts a definition of “Electronic Waste” or “E-Waste” subsequent to the effective date of this Agreement, such definition shall become the operative definition for purposes of this Agreement.

The Department of Toxic Substances Control (DTSC) has adopted regulations designating E-Wastes as Universal Wastes (Reference: Title 22, California Code of Regulations, Chapter 23).

Z. FOOD WASTE

“Food Waste” means all animal and vegetable Solid Wastes generated by food facilities, as defined in California Health & Safety Code Section 27521, or from residences, that result from the storage, preparation, cooking, or handling of food (Reference: Title 14, California Code of Regulations Section 18720).

AA. FRANCHISE AREA

“Franchise Area” is defined in **Exhibit A**. The current boundaries of the Franchise Area are also shown by maps incorporated herein by reference.

BB. FRANCHISE FEE

“Franchise Fee” means the fee paid by Contractor to the Town for the privilege to hold the rights granted by this Agreement.

CC. GENERATOR

A “Generator” is a person, commercial business, or any other entity that produces materials that may include, but are not limited to, Solid Waste, Recyclables, Green Waste, Bulky Items, Christmas trees, Universal Waste, E-Waste, Used Oil, Used Oil Filters, and/or C&D Debris.

DD. GREEN WASTE / YARD WASTE

“Green Waste” or “Yard Waste” means any wastes generated from the maintenance or alteration of public, commercial, or residential landscapes including, but not limited to, yard clippings, leaves, tree trimmings, prunings, brush, and weeds (Reference: Title 14, California Code of Regulations, Section 18720).

EE. HAZARDOUS WASTE OR MATERIALS

“Hazardous Waste” or “Hazardous Materials” means any and all of the following:

- Wastes, materials, or substances defined or characterized as Hazardous Waste by the Federal Solid Waste Disposal Act, as amended, including the Resource Conservation and Recovery Act of 1976 (Title 42 U.S. Code Section 6901 et seq.) as amended from time to time, or regulations promulgated there under;
- Wastes, materials, or substances defined or characterized from time to time as Hazardous Waste by the principal agencies of the State of California (including, without limitation, the DTSC, CalRecycle, and EPA) having jurisdiction over Hazardous Waste generated by facilities within the State, and pursuant to any other applicable governmental regulations;
- Wastes, materials, or substances, the storage, treatment, transportation or Disposal of which is subject to regulation under the Toxic Substances Control Act; Title 15 U.S.

Code Sections 2601-2654, as amended from time to time, or regulations promulgated there under;

- Radioactive wastes, materials, substances, or items, the storage, treatment, transportation, or Disposal of which is subject to governmental regulations; or
- Wastes, materials, substances or items which contain polychlorinated biphenyls.

The terms Hazardous Waste and Hazardous Materials will be construed to have the broader, more encompassing definition where a conflict exists in the definitions employed by two (2) or more governmental entities having concurrent or overlapping jurisdiction over Hazardous Waste.

FF. HOUSEHOLD HAZARDOUS WASTE / HHW

“Household Hazardous Waste” or “HHW” means Hazardous Waste generated at private residences or Multi-Family Units.

GG. INDUSTRIAL SOLID WASTE

“Industrial Solid Waste” means all Solid Waste and semi-Solid Waste which results from industrial processes and manufacturing operations, except for Hazardous Wastes or Special Wastes.

HH. LANDFILL / SOLID WASTE LANDFILL

“Landfill” or “Solid Waste Landfill” means a Disposal facility that accepts Solid Waste for land Disposal, but does not include a facility which receives only wastes generated by the facility owner or operator in the extraction, beneficiation, or Processing of ores and minerals, or a cemetery which disposes onsite only the grass clippings, floral wastes, or soil resulting from activities on the grounds of that cemetery (Reference: Public Records Code § 40195.1).

II. LARGE VENUE/LARGE EVENT COLLECTION SERVICES

“Large Venue Collection Services” means Collection of Solid Waste, Recyclables, and other materials as appropriate at a large venue as determined by the Town pursuant to Public Resources Code Section 42648 et seq. “Large Event Collection Services” means Collection of Solid Waste, Recyclables, and other materials as appropriate at a large event as determined by the Town pursuant to Public Resources Code Section 42648 et seq.

JJ. MATERIAL RECOVERY FACILITY / MRF

“Material Recovery Facility” or “MRF” means an intermediate Processing facility designed to remove Recyclables and other reusable or Transformable materials from the Wastestream. A “dirty MRF” removes reusable materials from trash. A “clean MRF” separates materials from commingled Recyclables, typically Collected from Residential or Commercial Solid Waste curbside programs.

KK. MATERIAL RECOVERY SERVICES

“Material Recovery Services” means the Processing of Solid Waste and Recyclable Material at permitted Material Recovery Facilities, and the subsequent recovery, reuse, Recycling, Repurposing, or other Diversion of such materials from Landfilling in such a manner that the Town receives Diversion credit for such materials and activities by CalRecycle.

LL. MEDICAL WASTE / INFECTIOUS WASTE

“Medical waste” or “Infectious Waste” means Solid Waste or other materials, substances or items which may be reasonably considered infectious, pathological or bio hazardous, originating from hospitals, public or private medical clinics, departments of research laboratories, pharmaceutical industries, blood banks, forensic medical departments, medical offices, mortuaries, veterinary facilities and other similar facilities, and includes, without limitation, equipment, instruments, utensils, fomites, laboratory waste (including pathological specimens and fomites attendant thereto), surgical facilities, equipment, bedding and utensils (including pathological specimens and disposal fomites attendant thereto), sharps (hypodermic needles, syringes, etc.), dialysis unit waste, chemotherapeutic waste, animal carcasses, offal and body parts, biological materials (vaccines, medicines, etc.), and other similar materials, but excluding any such waste which is determined by evidence reasonably satisfactory to the town to have been rendered non-infectious, non-pathological and non-bio hazardous.

MM. MULTI-FAMILY UNIT

“Multi-Family Unit” means each individual living unit within a Multi-Family complex composed of five (5) or more individual residential units which receive communal refuse and/or Recycling services.

NN. NON-FRANCHISE SOLID WASTE

“Non-Franchise Solid Waste” means any and all Solid Waste delivered to the Transfer Station other than Solid Waste Collected by Contractor’s vehicles in the Franchise Area pursuant to this Agreement.

OO. OPERATING YEAR

“Operating Year” means the twelve (12)-month period from July 1 to June 30 or any portion thereof, during the term of this Agreement. Contractor’s rates for services shall be adjusted annually for each new Operating Year as described in Section 22 of this Agreement.

PP. PRIOR AGREEMENTS

“Prior Agreements” means: (a) the Waste Collection Franchise Agreement between Contractor and the Town, dated January 1, 2010; and (b) any other agreements with Contractor; and all subsequent modifications or amendments to any such agreements.

QQ. PROCESS

“Process” or “Processing” means the separation, sorting, handling, and/or baling of Solid Waste and/or Recyclable Material by automated or manual means at a Material Recovery Facility, for the purpose of Recycling a portion of these materials. Material that is received at a Material Recovery Facility and is directly loaded into a transfer vehicle for delivery to a Landfill for Disposal without the Recyclable Material being sorted, separated, handled, and/or baled; therefore, has not been “Processed” within the meaning of this definition.

RR. PROCESSING RESIDUES

“Processing Residues” means all material remaining after the Processing of solid waste, Recyclables, Green Waste, Bulky Items, and C&D Debris, which cannot be Diverted from the Landfill.

SS. RECOVERED MATERIAL

“Recovered Material” means all Recyclable Material that is removed for Recycling by Contractor from the total tonnage of all Solid Waste Collected by Contractor in the Franchise Area, whether these materials are source separated or commingled upon Collection, and Recyclable Material recovered from Solid Waste generated within the Franchise Area as a result of Contractor’s Material Recovery Services. Recovered Material shall also include Recyclable Material received by Contractor at any buy-back center, or by means of any other Recycling program operated by Contractor. All such Recyclable Material must be Recycled by Contractor to be considered “Recovered Material.”

TT. RECYCLABLE MATERIAL

“Recyclables” or “Recyclable Material” means used residential or business materials which may be returned to the economic mainstream as commodities for reuse, or for reprocessing to create new or reconstituted products, which, if not segregated from Solid Waste, would otherwise become Solid Waste consistent with the requirements of AB 939. These materials include but are not limited to glass, metal, paper, cardboard, plastic or other materials which have been segregated from garbage and rubbish for the purpose of depositing at a designated Collection location, including a curbside location, for Collection and transportation to Recycling or Transfer Station facilities.

UU. RECYCLE

“Recycle” means the Recovery, Repurposing, reuse, Transformation, or other Diversion of Recyclable Material from Landfilling in such a manner that the Town receives Diversion credit for such materials and activities by CalRecycle.

VV. REPURPOSE

“Repurposing” refers to the use of something for a purpose other than its original intended use. Repurposing an item can be done by modifying it to fit a new use, or by using the item as is in a new way with the intention of Diverting the item from a Landfill.

WW. RESIDENTIAL SOLID WASTE

“Residential Solid Waste” means all types of Solid Waste that originates from Single-Family Units.

XX. RESIDUAL

“Residual” means the Solid Waste destined for Disposal, further transfer/Processing as defined in Title 14, California Code of Regulations §17402(a)(30) or (31), or Transformation which remains after processing has taken place and is calculated in percent as the weight of residual divided by the total incoming weight of materials.

YY. ROLL-OFF CONTAINERS

“Roll-Off Containers” means a container with a capacity of at least ten cubic yards designed or intended to be mechanically hoisted onto a truck.

ZZ. SB 1383

“SB 1383” means the Short-Lived Climate Pollutants Act of 2016 (an act to add Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and to add Chapter 13.1 [commencing with Section 42652] to Part 3 of Division 30 of the Public Resources Code, relating to methane emissions), also commonly referred to as "SB 1383," as amended, supplemented, superseded, and replaced from time to time.

AAA. SELF-HAUL CUSTOMER

“Self-Haul Customer” means a generator of Solid Waste, Recyclables, Green Waste, Bulky Items, E-Waste, Universal Waste, Christmas trees, Used Oil (residential only, including condominium and apartment residents who have commercial bin service), Used Oil Filters (residential only, including condominium and apartment residents who have commercial bin service), C&D Debris and all other accepted types of Solid Waste within the Town’s jurisdiction who delivers materials to a facility permitted to accept the material rather than by Collection by Contractor.

BBB. SINGLE-FAMILY UNIT

“Single-Family Unit” means a single-family dwelling, a two-unit dwelling, a three-unit dwelling or a four-unit dwelling.

CCC. SOLID WASTE / MUNICIPAL SOLID WASTE / MSW

“Solid Waste”, also known as “Municipal Solid Waste” or “MSW”, means all “Solid Waste” as defined in Section 40191 of the California Public Resources Code, as that section may be amended from time to time, which is generated within the town. Solid Waste means all putrescible and non-putrescible solid, semisolid and liquid wastes, including residential, industrial, commercial and municipal garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, recyclable materials, discarded “home and industrial appliances”, manure, vegetable or animal Solid and semi-Solid Wastes, and other discarded solid and semi-solid wastes, but does not include Hazardous Wastes, Special Wastes, and Medical Wastes.

DDD. SPECIAL WASTES

“Special Waste” means any Hazardous Waste listed in Title 22, California Code of Regulations, Section 66261.120 or any waste which has been classified as a Special Waste pursuant to Title 22, California Code of Regulations, Section 66261.122 or which has been granted a variance for the purpose of storage, transportation, treatment, or Disposal by the Department of Health Services pursuant to Title 22, California Code of Regulations, Section 66261.126. Special Waste also includes any Solid Waste that, because of its source of generation, physical, chemical, or biological characteristics or unique Disposal practices, is specifically conditioned in a Solid Waste facilities permit for handling and/or Disposal (Reference: Title 14, California Code of Regulation, Section 18720(a)(73)).

Some examples of Special Waste include but are not limited to ash, sewage sludge, industrial sludge, asbestos, auto shredder waste, auto bodies, and other special wastes like dead animals.

EEE. TOWN

“Town” means the entity Town of Mammoth Lakes.

FFF. TOWN COUNCIL

“Town Council” means the Town of Mammoth Lakes Town Council. The Town of Mammoth Lakes Town Council is the Town’s governing body, consisting of five (5) elected councilmembers.

GGG. TOWN FACILITIES

“Town Facilities” means any building, structure, yard, park, or any other facility owned, leased, or operated by the Town, within the Franchise Area.

HHH. TRANSFORMATION

“Transformation” means incineration, pyrolysis, distillation, or biological conversion other than composting. The statutory definition of Transformation does not include composting, gasification, or biomass conversion (Reference: California Public Resources Code Section 40201).

III. TRANSFER STATION

“Transfer Station” means that certain transfer station owned and operated by Contractor and located at 59 Commerce Drive, Mammoth Lakes, CA 93546.

JJJ. UNIVERSAL WASTE

“Universal Waste” means Hazardous Wastes that are widely produced by households and many different types of businesses. Universal Wastes include Electronic Waste such as televisions, computers and other electronic devices as well as batteries, fluorescent lamps, mercury thermostats, and other mercury containing equipment, among others. The Hazardous Waste regulations (Title 22, California Code of Regulations Section 66261.9) identify seven (7) categories of Hazardous Wastes that can be managed as Universal Wastes. Any unwanted item that falls within one of these Wastestreams can be handled, transported, and Recycled following the simple requirements set forth in the Universal Waste regulations (UWR) (Title 22, California Code of Regulations, Chapter 23).

KKK. USED OIL

“Used Oil” means any oil that has been refined from crude oil or has been synthetically produced and is no longer useful to the customer because of extended storage, spillage, or contamination with non-hazardous impurities such as dirt or water, or has been used and, as a result of such use, has been contaminated with physical or chemical impurities.

LLL. USED OIL CONTAINER (RESIDENTIAL ONLY)

“Used Oil Container” means a plain plastic container for the accumulation of Used Oil that is a maximum of one (1)-gallon in capacity, leak-proof, has a screw-on lid, and has a label designating it for use as a Used Oil Container.

MMM. USED OIL FILTER (RESIDENTIAL ONLY)

“Used Oil Filter” means any oil filter that is no longer useful to the customer because of extended storage, spillage, or contamination with non-hazardous impurities such as dirt or water, or has been used and as a result of such use has been contaminated with physical or chemical impurities.

NNN. USED OIL FILTER CONTAINER (RESIDENTIAL ONLY)

“Used Oil Filter Container” means a container approved by Contractor and authorized by the Town for the accumulation of Used Oil Filters that has a label designating it for use as a Used Oil Filter Container.

OOO. WASTESTREAM

“Wastestream” means all Solid Waste and Recyclable Materials Collected by Contractor pursuant to this Agreement or delivered by any person to the Transfer Station/Material Recovery Facility.

PPP. WHITE GOODS

“White Goods” means discarded household appliances such as washers, dryers, refrigerators, stoves, water heaters, freezers, small air conditioning units, and other similar items.

SECTION 2 – PRIOR AGREEMENTS

The Prior Agreements shall remain in effect, and Contractor shall continue to Collect, transfer, Process, Recycle, and Dispose of Solid Waste in the Franchise Area pursuant to the Prior Agreements, until the Commencement Date. Notwithstanding any other provision of this Agreement or of the Prior Agreements, upon the Commencement Date, the Prior Agreements shall expire and be of no further force or effect, except that: (a) any provisions of the Prior Agreements which provide for either Party to defend and/or indemnify the other Party for acts, omissions or occurrences prior to the Commencement Date, or which provide for insurance or record-keeping duties, shall survive termination; (b) any provisions of the Prior Agreements which expressly state that they shall survive expiration of the term or termination of the Prior Agreements shall survive; and (c) any amounts owed by Contractor to the Town, or by the Town to Contractor pursuant to the Prior Agreements shall remain due and payable in accordance with the terms of the Prior Agreements. Notwithstanding the foregoing, the Prior Agreements shall not be terminated by this Section if this Agreement is terminated as a result of litigation challenging the award of this Agreement.

SECTION 3 – GRANT AND ACCEPTANCE OF EXCLUSIVE RESIDENTIAL AND COMMERCIAL FRANCHISE

A. GRANT OF FRANCHISE

The Town grants to Contractor, for the term of and in accordance with this Agreement (including all extensions or renewals), and subject to the exceptions set forth herein, the exclusive privilege and contractual duty to make and enter into independent arrangements with residents of Single-Family Units, residents and/or owners of Multi-Family Units, and persons in charge of commercial, industrial, institutional, and other entities in the Franchise Area for the Collection, transportation, and removal to Solid Waste Processing and/or Disposal facilities, of all Residential, and Commercial Solid Waste (including Recyclable Material), which has been generated within the Franchise Area covered by this Agreement and placed for Collection. This grant of franchise is subject to all limitations imposed by applicable laws and regulations, and is subject to all limitations set forth in this Agreement. In addition, Contractor shall have an exclusive franchise to Collect C&D Debris except as provided in Section 3(C)(4) below.

B. ACCEPTANCE OF FRANCHISE

Contractor agrees to be bound by and comply with all the requirements of this Agreement.

C. EXCEPTIONS TO EXCLUSIVITY

The exclusive franchise granted by this Agreement shall not apply where:

1. A person including employees (excluding a person who hires a third party for a fee) handles, hauls, or transports Solid Waste or Recyclables generated by or from his/her own residence or business operation for purposes of disposal at an authorized Processing or Disposal facility or Transfer Station, notwithstanding anything herein to the contrary, this provision shall not in any way modify any mandatory Solid Waste ordinance or requirements; or
2. A person or entity contracts for landscaping, gardening, or similar work and where the contractor engaged therefor removes and Recycles or otherwise Disposes of garden and other Compostable Material resulting therefrom, provided that such removal and Recycling or Disposal is incidental to the landscaping or gardening work performed by the contractor performing those services and not as a hauler or Recycler; or
3. A person or entity who or which has been given an exemption by the Town from any mandatory Collection ordinance that the Town may adopt in the future; or
4. A person or entity licensed to engage in construction and/or demolition work that is performing construction and/or demolition work on a premises pursuant to a valid construction permit that hauls away Construction & Demolition Debris to a licensed Recycling or Disposal facility using its own employees and its own trucks. The above exception to this exclusive franchise agreement does not permit or allow a person or entity to hire or contract with another person or entity, whether as an agent or independent contractor, to pick-up, remove, haul, dispose of, or transport Solid Waste. Likewise, the rental of equipment to remove Solid Waste wherein a driver/operator is furnished is not permitted and would be a violation of the exclusivity provision of this Agreement. The use of rented equipment with hired equipment operators to pick-up, remove, haul, dispose of or transport solid waste is not permitted.
5. Nothing in this Agreement shall require that Collection services be accepted by the State of California; any school district; or other state agency, or any other entity that is excluded by law from the obligation to subscribe to the Collection services set forth herein.
6. A person or entity handles, hauls, transports, hires, or contracts with another person or entity to handle, haul, or transport, Forest Biomass generated in forested land for purposes of disposing same at an authorized Biomass Conversion Facility. “Forest Biomass” means vegetation from trees, brush, and other plants grown in forested areas. “Forested land” means areas in the Town that require a Smoke Management Plan for agricultural and prescribed burning pursuant to the requirements of the California Air Resources Board and the Great Basin Unified Air Pollution Control District. “Biomass Conversion Facility” means any facility, including any intermediate staging area, processing biomass waste into energy, fuel, and other products. This Agreement does not confer any exclusive rights to Contractor to handle, haul or transport Forest Biomass or operate a Biomass Conversion Facility and/or conduct biomass conversion operations.

D. SALE OR DONATION OF RECYCLABLES

This Agreement is not intended to and does not affect or limit the right of any person to sell or donate any Recyclable Material to any person or entity, provided that all such Recyclable Material is substantially separated from non-Recyclable Solid Waste by the Generator. Recyclables shall not be considered to have been sold or donated where the Generator of such materials incurs a net expense in connection with the removal of those materials from the Generator's premises.

E. FRANCHISE AREA

The Franchise Area covered by this Agreement shall be all areas, including, but not limited to, residential, commercial, and industrial areas within the boundaries of the Town as they exist on the effective date of this Agreement, as identified in **Exhibit A** (the "Franchise Area"), to this Agreement, and as they may hereafter be changed by reason of annexation or de-annexation.

F. RIGHTS RESERVED AS TO HAZARDOUS WASTES, MEDICAL WASTES, SPECIAL WASTES, AND FOREST BIOMASS

The Town reserves the right to contract with other parties to have Hazardous, Medical, and Special Wastes, Organics, and Forest Biomass, Collected, transported, Disposed of, Processed and/or Diverted.

G. ENFORCEMENT OF EXCLUSIVITY OF FRANCHISE

Contractor may independently enforce the exclusivity provision of this Agreement against third party violators, including but not limited to seeking injunctive relief, and the Town shall use good faith efforts to cooperate, at Contractor's expense, in such enforcement actions brought by Contractor. The Town shall not be liable to Contractor in any manner, including any costs or damages such as lost revenues or lost profits, should any person or entity refuse to use Contractor's Solid Waste Collection services and/or perform Collection services in competition with Contractor, and in doing so violates the exclusive grant of franchise given to Contractor in this Agreement. In such event, Contractor's sole and exclusive remedy shall be to seek an injunction, damages, or other available judicial relief against any such third person or entity that engages in any conduct or activity which violates Contractor's exclusive franchise rights under this Agreement.

SECTION 4 – FRANCHISE FEES / OTHER COMPENSATION

A. FRANCHISE FEES

Contractor shall pay to the Town a Franchise Fee, which shall be a percentage of the gross revenues derived by Contractor from operations pursuant to this Agreement, provided that revenues derived from collection of Recyclable Material directly from customer premises shall be excluded from the gross revenues which are subject to the Franchise Fee. The Franchise Fee is initially set at seven percent (7%) of the gross revenues actually collected by Contractor, and from time to time may be adjusted by Resolution of the Town Council. Contractor acknowledges that the initial 7% Franchise Fee is based on the value of the franchise granted hereunder, and bears a reasonable

relationship to the value of such franchise. The Franchise Fee shall be due and payable monthly within forty-five (45) days following the end of each month for gross revenues received during that month.

If payment is not received within said forty-five (45) day period, interest shall accrue thereon at the rate of eighteen percent (18%) per annum or at the maximum interest rate permitted under California law, whichever is lesser. Any increase in the Franchise Fee may result in a corresponding rate adjustment to Contractor's rates and/or be passed through to Contractor's customers.

The Town reserves the right to increase the Franchise Fee for any lawful purpose. The Town Manager shall provide Contractor with at least sixty (60) days prior written notice of any planned increase in the Franchise Fee, which notice shall specify which State-mandated programs necessitate the Franchise Fee increase, if any.

Thereafter, the Town shall have the right to receive the increased Franchise Fee so long as the Town conducts a Proposition 218 hearing approving any corresponding increase to Contractor's rates and/or that rates be passed through to Contractor's customers to allow Contractor to recover such increase in the Franchise Fees. The Town shall not increase Franchise Fees pursuant to this Section without first obtaining approval for commensurate increase to Contractor's rates in compliance with the Proposition 218.

B. AB 939 FEE

Contractor shall also pay to the Town two and one-half percent (2.5%) of the gross revenues actually collected by Contractor, in order to fund the Town Solid Waste management activities, AB 939 implementation programs, and new regulatory requirements, provided that revenues derived from collection of Recyclable Material directly from customer premises shall be excluded from the gross revenues which are subject to the AB 939 fee. This fee shall be treated for rate-setting purposes as a pass-through cost in the same manner as the Franchise Fee. This fee may be adjusted from time to time by Resolution of the Town Council.

The fee shall be due and payable monthly within forty-five (45) days following the end of each month for gross revenues received during that month. If payment is not received within said forty-five (45) day period, interest shall accrue thereon at the rate of eighteen percent (18%) per annum or at the maximum interest rate permitted under California law, whichever is lesser. The Town shall give Contractor a minimum of sixty (60) days prior written notice of any planned changes to the surcharge. Any increase in the surcharge shall result in a corresponding rate adjustment to Contractor's rates and/or be passed through to Contractor's customers.

The Town shall not increase this fee without first obtaining approval for a commensurate increase to Contractor's rates in compliance with Article XIID of the California Constitution.

SECTION 5 – COMPLIANCE WITH LAWS AND REGULATIONS

A. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS

Contractor warrants that it will comply with all applicable federal and state laws legally binding on Contractor in effect during the term of this Agreement, including implementing regulations, as they may, from time to time, be amended, specifically including, but not limited to CERCLA; Title 42 U.S. Code Section 9601 et seq.; AB 393, and all other applicable laws of the State of California. Moreover, Contractor shall comply with all local laws and regulations applicable to Contractor to the extent they are not inconsistent with the terms of this Agreement. Contractor shall comply with all final and binding judgments entered against Contractor regarding its services performed under this Agreement.

B. NONDISCRIMINATION

Contractor hereby agrees to abide by all federal, state, and local laws and regulations pertaining to discrimination in employment including that no person shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, political affiliations or any other non-merit based factors, be subject to discrimination under this Agreement.

SECTION 6 – SOLID WASTE AND RECYCLABLE COLLECTION SERVICES

A. TOWN TO APPROVE ALL SERVICES

- (1) The nature of the services Contractor offers and provides to customers residing or doing business in the Franchise Area shall be determined by the Town Council. The Town Council may require Contractor to change the level of such services from time to time on reasonable notice to Contractor. The Town Council shall adjust Contractor's rates to reflect Contractor's documented reasonable change in costs caused by the change in service levels. The services that Contractor offers and provides to its customers affected by this Agreement, and the rates Contractor charges therefor, shall be subject to the prior approval of the Town Council or its designee. Nothing in this Agreement, however, shall be construed or interpreted as authorizing the Town to reduce or adversely affect Contractor's exclusive franchise rights as specified in Section 3 of this Agreement.
- (2) Before initiating new Recycling or Biomass Conversion programs or activities ("programs") within the Franchise Area, Contractor shall seek and obtain the express approval of the Town. In seeking the Town's approval for such new programs, Contractor shall provide the Town with a detailed description of the proposed program, as well as a projection of costs, if any, and revenues associated with the program, and the anticipated level of Diversion to be achieved by such program.

B. INITIAL SERVICE LEVELS / EXPANDED SERVICES

Contractor shall perform all education, outreach, monitoring, and reporting for all Commercial Solid Waste and Multi-Family properties as required by AB 939 and AB 341 and under the

direction of the Town. These activities shall include educating Commercial Solid Waste and Multi-Family customers regarding the mandatory Recycling requirements of AB 341, and notifying non-compliant Commercial Solid Waste and Multi-Family customers at least semi-annually.

Contractor shall identify, educate, and monitor all Commercial and Multi-Family customers required to be in compliance with AB 341, and, shall implement a Recycling program(s) that supports and educates the public about State requirements. Contractor shall ensure that online and print materials related to Commercial Solid Waste and Multi-Family customers contain up to date information pertaining to AB 341 or other mandatory requirements.

C. ONCE A WEEK SERVICE

In order to protect the public health and safety, and in accordance with Municipal Code Chapter 8.12, arrangements made by Contractor with its customers in the Franchise Area for the Collection of Solid Waste not defined in this Agreement as Recyclable Materials, shall provide for the Collection of such waste generated or accumulated in residential, commercial, and industrial premises within the Franchise Area at least once per week, or more frequently, as Contractor and its customers may agree. Contractor shall furnish all labor, materials, and equipment required to collect and dispose of all such Solid Waste generated in the present or future incorporation limits of the Town.

1. Single-Family Units

Contractor shall Collect from Single-Family Units, not less than once per week, MSW (except Bulky Wastes and Special Wastes) which have been properly placed, kept or accumulated in authorized Solid Waste containers, at curbside or other authorized Collection station(s) prior to Contractor's normal weekly Collection time.

The majority of Single-Family Unit owners in the Town do not utilize Bins or other waste Containers dedicated to their Single-Family Units for regular curb-side pick-up. Rather, most Single-Family Units owners haul Solid Waste generated at the Single-Family Units to the Transfer Station for disposal in the public Containers at the Transfer Station so dedicated to the Single-Family Units program. There shall be no fees levied for use of the Public Recycling Containers and users are responsible for separating Recyclable materials at the Transfer Station and placing them in appropriate Recycling Containers.

Curbside waste collection services provided to Single-Family Units are optional and established by individual arrangement between the Single-Family Units owner and Contractor (subject to the service rates set forth in **Exhibit B** and the provisions of this Agreement). Single-Family Units owners will be provided bear-proof carts for service and the rates for such Single-Family Units curbside services are reflected in the service rates set forth in **Exhibit B**. Curbside collection Carts shall meet all Municipal Code requirements, including the requirement that residents must utilize carts that are bear-proof. The customer shall be fully responsible for ensuring that carts for curbside services are closed, locked, reasonably secured, and meet all Municipal Code requirements for said

service. The Town reserves the right to change the Municipal Code requirements for curbside service and/or eliminate said service altogether.

2. Multi-Family Units

Not less than once per week, Contractor shall Collect from Commercial Solid Waste Customers, MSW (except Bulky Wastes and Special Wastes) which have been properly placed, kept or accumulated in authorized Solid Waste containers, at the authorized Collection point(s) prior to Contractor's normal weekly Collection time. MSW shall be Collected more frequently if required to handle the Multi-Family Unit Waste stream of the premises where the containers are located, in a manner consistent with public health and safety. Multi-Family Units will maintain adequate Solid Waste container capacity for pick-up services.

Contractor shall visit each Multi-Family Unit customer at least once every two (2) years during the term of this Agreement to perform a site waste assessment. As part of the assessment, Contractor shall meet with the customer to review level of service and to discuss Diversion opportunities. The results of each visit shall be documented and provided to the customer and reported to the Town.

3. Commercial Customers

Not less than once per week, Contractor shall Collect from Commercial Solid Waste Customers, MSW (except Bulky Wastes and Special Wastes) which have been properly placed, kept or accumulated in authorized Solid Waste containers, at the authorized Collection point(s) prior to Contractor's normal weekly Collection time.

Contractor shall visit each Commercial Solid Waste customer at least once every three (3) years during the term of this Agreement. Contractor shall meet with the property manager or business owner to review level of service, discuss Diversion opportunities, and offer to perform a site waste assessment. The results of each visit shall be documented and provided to the customer and reported to the Town.

D. COLLECTION FREQUENCIES & SCHEDULES

1. Frequency of Collections for Recyclables.

With respect to Recyclables, Contractor shall collect cardboard, cardboard, aluminum, plastic, glass, and metal from the site of Residential Units, Business Establishments, Multi-Family Units and Commercial Establishments. Town may require Contractor to expand its Recyclables collections in order to meet diversion requirements or goals established by federal or state law, or required by CalRecycle, subject to Contractor receiving a service rate increase necessary to cover any increased costs associated with such expansion of Recyclables collection. The Town may negotiate any and all requests to set minimum collection frequencies with Contractor in good faith prior, and both parties may mutually agree to such change. If the parties cannot reach an agreement, the Town may present such proposed action to the Town Council for approval by resolution. Resolutions changing the frequency of collections shall not occur more than twice per year.

Contractor shall provide all Customers notice of any changes in collection frequency within seven (7) business days after the adoption of new collection frequencies. Regardless of any minimum frequency of collections set by the Town, Contractor shall perform Solid Waste collections from any Container(s) requiring a higher frequency of service to prevent overfilling of the Container(s), waste spillage, conditions of excessive odor, unsightliness or increased pest vectors, which shall be subject to the fees outlined in **Exhibit B**.

2. Collection Schedules.

Contractor shall establish routes and schedules for collection of Solid Waste and Recyclable, subject to the reasonable written approval of the Town Manager, and Contractor shall notify all Owners or customers receiving curbside or similar direct collection services of their individual-scheduled days of collection. Contractor shall maintain these schedules, except that they may be changed with the written approval of the Town Manager. If any changes to collection schedule are approved by the Town Manager, Contractor shall give at least seven (7) business days' written notice to all Owners and customers in areas where the changes will take effect. During periods of heavy snow, Contractor shall only be obligated to provide services as safely as reasonably possible under existing road conditions. Contractor shall, however, collect and dispose of all refuse accumulated by customers during periods when collections are missed by reason of weather as soon as practical after resuming normal operations.

3. Hours of Operation.

Contractor shall conduct operations to offer the least possible obstruction and inconvenience to public traffic and the least possible disruption of the peace and quiet of the area within which collections are made. In accordance therewith, collections of Solid Waste or Recyclable materials from Residential Units shall not be made between the hours of 8:00 p.m. and 7:00 a.m., local time then in effect, and collections of Solid Waste or Recyclable materials at Business Establishments shall not be made between the hours of 8:00 p.m. and 6:30 a.m., local time then in effect. Otherwise, collections may be made at any time in response to complaints or emergency situations where, for health or safety reasons, immediate collection is warranted.

If Contractor is engaged in the servicing of Bins or other receptacles on behalf of a public school or school district, such school Bins and receptacles shall not be serviced later than forty-five minutes before the regular start of school sessions nor earlier than one hour after the end of regular classes. Various Contractor services are offered during the following operational hours:

- a. The Transfer Station is open seven (7) days per week. Hours of operation are from 6:30 a.m. until 7:00 p.m., Monday through Saturday, and 7:00 a.m. until 5:00 p.m., on Sunday.
- b. The Mammoth Disposal hauling business operates seven (7) days per week, with hours of operation from 6:30 a.m. until complete (5:30 p.m. at the latest).

- c. The Mammoth Disposal business office shall remain open Monday through Friday from 8:00 a.m. until 4:00 p.m., closed for lunch from 12:00 p.m. to 1:00 p.m. and closed on the holidays of Christmas Day, New Year's Day, Memorial Day, Fourth of July, Labor Day, and Thanksgiving. If a holiday falls on Saturday, the office will observe the holiday on the preceding Friday, and if the holiday falls on Sunday, the office will observe the holiday on the following Monday.
- d. The Buyback Center shall be open five (5) days per week (Tuesday-Saturday). Hours of operation are from 9:00 a.m. until 3:00 p.m. and closed on the holidays of Christmas Day, New Year's Day, Memorial Day, Fourth of July, Labor Day, and Thanksgiving. If a holiday falls on Saturday, the Buyback Center will observe the holiday on the preceding Friday, and if the holiday falls on Sunday, the Buyback Center will observe the holiday on the following Monday.
- e. Hours of operations of the Mammoth Disposal business office, Transfer Station, and Buyback Center may be adjusted if requested by Contractor and approved by the Town Manager.

4. Notice.

For purposes of this Section, Contractor may satisfy any notice requirements as follows: (i) for Business Establishments, Multi-Family Unit customers, and Residential Unit customers receiving regular curbside services, notice shall be provided by regular mail at the times specified for such notice above, and (ii) for customers utilizing Contractor's Transfer Station for their waste disposal and Recycling needs, notice may be provided by posting conspicuous written public notice at the Transfer Station.

E. MANNER OF COLLECTION

Contractor shall provide Collection services with as little disturbance as possible and shall leave any Cart or Bin in an upright position at the same point it was Collected, without obstructing alleys, roadways, driveways, sidewalks, or mailboxes.

F. SERVICE ON TOWN AND NON-TOWN MAINTAINED ROADS

Contractor shall be required to offer MSW curbside Collection service to all customers on Town maintained roads. Contractor shall further provide service to customers on all non-Town maintained roads, except as otherwise provided herein. Contractor shall provide smaller Collection trucks to provide Collection services on non-Town maintained roads in instances where such roads are not reasonably usable by Contractor's regular Collection vehicles.

In the event any non-Town maintained road is, in Contractor's reasonable judgment, unsafe or in such a state of disrepair that the road will be either hazardous or potentially cause damage to even the smaller sized vehicles of Contractor, Contractor shall meet and confer in good faith with the customers located on such non-Town maintained road in an effort to have the condition of such non-Town maintained road resolved so that smaller sized vehicles of Contractor may be able to provide MSW Collection to the customers on such road. If the Parties are still unable to come to

a mutually agreeable resolution regarding the condition of such road after meeting and conferring with each other, Contractor shall work with such customers to create a Group Collection Area, to meet such customers' MSW Collection service needs. If the Parties cannot agree on a Group Collection Area, Contractor shall not be required to provide MSW Collection service to such customers on said road, and such customers shall be allowed to self-haul their own Solid Waste and Recyclable Materials to an appropriate Disposal or Processing facility.

Contractor may request that customers on non-Town maintained roads sign a waiver and indemnification agreement, prior to receiving service from Contractor, and Contractor may refuse to provide service to any such customers that fail to sign such waiver and indemnification, but Contractor shall provide service to those customers that do sign such a waiver and indemnification.

G. EXTREME SNOW EVENTS

During extreme snow events, Contractor may utilize delayed starts to provide Collection service as feasible, given snow removal operations, weather, and road conditions throughout the area. Contractor will make every effort to complete Collection routes as scheduled. Contractor shall attempt to service missed routes the next day, including Saturday. If MSW cannot be picked up on the next day due to unsafe conditions, missed routes will then be serviced on the next scheduled service day with no charge for extra material. Contractor will utilize phone system and its website to notify customers of delays in service and service options. Contractor will also notify the Town Manager or designee via email or phone.

H. ON-CALL

In addition to all other regularly scheduled Collection services provided by Contractor herein, Contractor shall provide on-call Collection services to Residential Solid Waste, Commercial Solid Waste, and Multi-Family Unit customers, at those rates set forth in the "Approved Rates and Charges" document (**Exhibit B**) attached hereto and incorporated herein by reference. This on-call service is designed to cover seasonal or temporary Bins, Cans, Cart(s), and Roll-Off Containers, or Bulky Waste pick-up as needed by Residential Solid Waste, Commercial Solid Waste, and Multi-Family Unit customers. Such customers shall request on-call service from Contractor and Contractor shall provide such additional Bins, Cans, Cart(s), and/or Roll-Off Containers, and/or additional Collections as requested by the customer within a time frame as set by Contractor.

I. CHRISTMAS TREE COLLECTION

Contractor agrees to accept bare Christmas trees at no additional charge to customers at the Transfer Station for a period of four weeks following December 25th.

J. BULKY ITEM COLLECTION

1. Bulk Trash at the Transfer Station.

Contractor shall provide Roll-Off Containers for the collection of Bulk Trash at the Transfer Station. Residential Unit customers (non-curbside) shall be charged the fees

levied by the Transfer Station for Bulk Trash disposal, as set forth in **Exhibit B**; no other fees or Service Rates shall be imposed upon Residential Unit customers using the Transfer Station. Commercial customers (Business Establishments and Multi-Family Residential customers) shall also be permitted to dispose of Bulk Trash in the Roll-Off Containers dedicated to the Transfer Station. Such commercial customers shall pay the fees levied by the Transfer Station for Bulk Trash disposal plus an additional Bulk Trash charge – paid directly to Contractor. Service Rates for Bulk Trash disposed of at the Transfer Station (and any other special Service Rates) shall be posted clearly and conspicuously at the Transfer Station. Customers are permitted to dispose up to eight (8) yards of Bulk Trash in this manner per day. Customers with more than eight (8) yards of Bulk Trash per day will be offered delivery of a Bin at approved Service Rates, or directed to come back to the Transfer Station on a different day.

2. On-Premises Bulk Trash Collections.

The collection of Bulk Trash from customers subscribing to curbside service or direct collection from their premises shall be treated as a special service subject to applicable Service Rate charges approved by the Town.

3. Contractor may be required by the Town to pick up Bulk Trash items illegally disposed of at a Business Establishment and/or a Multi-Family dwelling, which service shall be subject to applicable Service Rate charges to the property owner.
4. Contractor may be required by the Town to pick up Bulk Trash items or illegally dumped solid waste in areas of the Town for which there is no identified customer. The Town will be billed the applicable Service Rate charges.

K. COMMUNITY CLEAN-UP EVENTS

Throughout the term, Contractor will provide, in addition to regularly scheduled service, up to two (2) clean-up events at the Town's request each calendar year strategically located in the Town, pursuant to guidelines mutually agreed to by Contractor and the Town for the disposal of Solid Waste and Recyclables by Single-Family Units and Multi-Family Units. The date for each event shall be proposed by the Town with a minimum of 30-day advance notice. The process for the transfer of materials collected at such events after the closure of the Benton Crossing Landfill will be reviewed by Contractor and Town.

L. LARGE VENUE SPECIAL EVENT COLLECTION SERVICES

Contractor shall provide for the Collection, transportation, and Processing or Disposal of Solid Waste and Recyclables at large events and large venues each calendar year as requested by the Town, event coordinator, and/or venue operator. Contractor shall provide each large venue or large event customer with such number of Solid Waste Bins or Roll-Off Containers as requested and the equivalent volume of Recyclables containers.

Prior to providing these services at an event, Contractor will meet with the event coordinator to determine the best way to maximize Diversion at the event. At event coordinator's request,

Contractor shall provide effective means to differentiate Solid Waste from Recyclables containers including signs, magnets, banners, or other methods. In the event Contractor or the event coordinator determines that material in the Recyclables receptacles is contaminated to the extent that it should not be emptied into the Recyclables Roll-Off Containers or Bins provided by Contractor, the contaminated Recyclables shall be treated as Solid Waste and Processed at the Transfer Station to retrieve Recyclables. Contractor shall use its best judgment to determine when the Bins are to be emptied, except that Bins shall be emptied prior to overflowing or when in the opinion of the event coordinator they are creating a public nuisance. Services may be charged or free of charge to be determined by Contractor, provided that any charges shall be as set forth in **Exhibit B**. Upon request of a large event/venue operator or owner, Contractor shall provide the operator, owner, or Town written documentation of the type and weight of materials diverted and disposed at the large venue or event. At least as frequently as once every two years, Contractor shall meet with the operator or owner of each large event and large venue to determine the solid waste reduction, reuse, and recycling programs that are appropriate for the large venue or large event.

M. USED OIL / USED OIL FILTER COLLECTION

Disposal of Used Oil and Used Oil Filters are included in this Agreement for residential Transfer Station customers only (*i.e.*, commercial, industrial and other non-residential customers may not dispose of Used Oil or Used Oil Filters at the Transfer Station, provided that condominium and apartment residents may so dispose of Used Oil and Used Oil Filters). Used Oil will be required to be placed in Used Oil Containers, clearly labeled as containing motor oil, approved by Contractor. Used Oil Filters will be required to be placed in Used Oil Filter Containers, clearly labeled as containing Used Oil Filter(s), approved by Contractor, Contractor will not be required to accept more than five (5) one (1) gallon containers of Used Oil, or more than five (5) oil filters for 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 are not covered by this Agreement. The Town and Contractor acknowledge that costs associated with Recycling Used Oil and Used Oil Filters will be the responsibility of Contractor.

In consideration of this service, grant funding relating to Used Oil and Used Oil Filter Collection and Recycling may exist. At Contractor's request, the Town will make best attempts to secure such funding so that a portion of the funding may be made available to Contractor to help offset costs.

N. BATTERIES

Disposal of batteries is included in this Agreement for Mammoth Disposal customers only. Batteries (excluding automotive batteries) are to be dropped off with the Transfer Station Attendant who will sort by size, place in the proper container, then stored in HHWCF to await pickup by vendor.

O. MEDICAL, HAZARDOUS, SPECIAL, AND UNIVERSAL WASTES

Contractor shall have the non-exclusive right under this Agreement, but is not obligated to, Collect, transport and Dispose of material defined as Hazardous Waste, Special Waste, and Universal

Waste herein, provided that Contractor shall accept and collect e-waste at the Transfer Station. Contractor shall negotiate separate contracts and rates for Hazardous, Universal, and Special Waste Collection with each individual customer, which rates shall not require Town approval, but may be reviewed by the Town in its discretion at the request of any customer. Contractor shall not engage in the Collection of Medical Waste and radioactive waste; however, Contractor's principals may form a separate and independent company to engage in the Collection and Disposal of Medical Waste. The Town reserves the right to franchise other parties to perform Hazardous, Medical, Special, and Universal Waste handling services.

P. UNSECURED LOAD FEE

No person, franchisee, or permittee shall transport Solid Waste and/or Recyclable Material into the Transfer Station unless the vehicle load is covered in such a way so as to prevent waste or Recyclable Material from blowing or falling from the load. Contractor will impose an unsecured load fee of twenty-five percent (25%) of the rate for the load that is being brought into the Transfer Station facility unsecured or \$15.00, whichever is greater.

Q. SPILLAGE, LITTER, AND PROPERTY DAMAGE

Contractor shall not litter premises in the process of providing Collection services or while its vehicles are on the road. Contractor shall transport all materials Collected under the terms of this Agreement in such a manner as to prevent the spilling or blowing of such materials from vehicles. Contractor shall exercise all reasonable care and diligence in providing Collection services so as to prevent spilling or dropping of Solid Waste, Recyclables, Green Waste, Bulky Items, Universal Waste, E-Waste, Used Oil, Used Oil Filters, and C&D Debris and shall immediately, at the time of occurrence, clean up such spilled or dropped materials, together with all leaks of fluids from Contractor's vehicles. Except as otherwise provided for in Section 6.F with regard to Town and non-Town maintained roads, Contractor is responsible for damage to public and private property, whether located on public streets or property or private property, if and to the extent such damage is substantiated to be the result of the inattention, carelessness, negligence or willful misconduct of Contractor; provided, however, that Contractor shall not be responsible for damage resulting from ordinary wear and tear. Upon substantiation (as reasonably determined by the Town if Contractor and the Damaged Party (as defined below) are otherwise unable to agree) that the damage was the result of the inattention, carelessness, negligence or willful misconduct of Contractor, Contractor and the Town or the applicable customer, as the case may be (the "Damaged Party"), shall meet and confer in good faith about how to proceed with repairing the damage. The Damaged Party may direct Contractor to promptly repair or replace the damaged property or the Damaged Party may elect to repair or replace the damaged property itself, herself or himself or through a third party, to the reasonable satisfaction of the Damaged Party; provided, however, that the parties agree to obtain at least two third-party quotes with regard to cost of such repair or replacement, and Contractor's cost for such repair or replacement shall be capped at the amount of the lower of the two quotes received. Subject to the foregoing quote requirement, Contractor shall promptly reimburse the Damaged Party, for its, her or his direct costs of repair or replacement.

R. PICK-UP OF ILLEGALLY DISPOSED WASTE

1. Contractor shall, at the written request of the Town, pick-up, Dispose of, or Recycle, as appropriate, illegally disposed waste within the Franchise Area for a fee as described in **Exhibit B**. Contractor may schedule such pick-ups concurrent with Contractor's Bulky Waste pick-ups, but pick-ups shall occur no later than three business days after being reported.
2. Spillage of dumpsters/code enforcement. Contractor shall at the request of the Town, pick-up, Dispose of, or Recycle, as appropriate, litter from cart(s) or containers as identified by Code Enforcement employees, on weekdays within 24 hours or on weekends by next business day.

S. CONTAINERS

1. Purchase and Distribution of Cart(s), Bins, and Roll-Off Containers

Contractor shall be responsible for the purchase and distribution of fully assembled and functional new or well-maintained Cart(s), Bins, and Roll-Off Containers as required to customers in the Franchise Area. Contractor shall also distribute Cart(s), Bins and Roll-Off Containers as required to new customers that are added to the Franchise Area during the term of this Agreement. The distribution shall be completed within ten (10) work days of receipt of notification.

2. Replacement of Cart(s) and Bins

Contractor's employees shall take care to prevent damage to Cart(s) or Bin(s) by unnecessary rough treatment. However, any Cart or Bin damaged by Contractor shall be replaced by Contractor, at Contractor's expense, within ten (10) work days at no cost or inconvenience to the customer.

Upon notification that Cart(s) or Bin(s) are faulty, have worn out, or have been stolen or damaged beyond repair through no fault of the customer, Contractor shall deliver a replacement Cart(s) or Bin(s) to such customer within ten (10) work days, without charge to the customer.

3. Repair of Cart(s)

Contractor shall be responsible for repair of Cart(s) in the areas to include but not be limited to, hinged lids, wheels, and axles. Within ten (10) work days after notification of the need for such repairs, Contractor shall repair the Cart or, if necessary, remove the Cart for repairs and deliver a replacement Cart to the customer, without charge to the customer, provided that damage is not the fault of the customer.

4. Repair of Bin(s) and Roll-Off Containers

Contractor will repair and otherwise maintain or replace Bin(s) and Roll-Off Containers so that they are functional, and, as appropriate, have lids, at no inconvenience or charge to the customer, provided that damage is not the fault of the customer.

5. Bin and Container Signage, Painting, and Cleaning

All Bin(s) and containers of any service type (excluding Carts) furnished by Contractor shall display Contractor's name, Contractor's customer service telephone number, and shall be kept free of graffiti and in a clean and sanitary condition by Contractor at no charge to the customer, provided that any damage is not the fault of the customer.

Bin(s) and Roll-Off Containers provided by Contractor shall be cleaned by Contractor as frequently as necessary to maintain them in a sanitary condition. Upon receipt of notification by Contractor of graffiti on a Bin or container, Contractor shall clean or replace such Bin or container within ten (10) work days. Bin(s) and containers will be subject to periodic, unscheduled inspections by the Town and determination as to sanitary condition shall be made by the Town.

6. Cart or Bin Exchange

Upon notification to Contractor that a change in the size or number of Cart(s) or Bin(s) is required, Contractor shall deliver such Cart(s) or Bin(s) to such customer within ten (10) work days. Cart(s) or Bin(s) will not be exchanged more than once per year for reasons other than repair or service level changes.

7. Organic Waste Containers

In the event the Town and Contractor agree to offer compostable food material Collection service, the Collection container must be approved by Contractor and the Town. Such collection container shall be provided under similar terms as Carts and Bins. Notwithstanding the foregoing, the Town may require Contractor to provide such service in the event that the Town is no longer exempt from the requirement to provide such service. In such case, the Town shall follow the applicable notice and rate setting standards provided for in this Agreement.

T. INSPECTIONS

The Town shall have the right to inspect Contractor's facilities or Collection vehicles used in the provision of Collection services under this Agreement and their contents at any time while operating inside or outside the Franchise Area.

U. WASTE GENERATION AND CHARACTERIZATION STUDIES

Contractor agrees to participate and cooperate with the Town and its agents in all Solid Waste generation and characterization studies conducted no more frequently than once each Agreement Year, at no cost to the Town, including modification of routes, separate Collection of an individual

customer's Solid Waste, and delivering targeted loads of Solid Waste to a location or locations designated by the Town.

V. SITE WASTE ASSESSMENT

Within six (6) months of commencement of service to a new Multi-Family Unit or commercial customer in the Franchise Area, Contractor will conduct a waste generation and characterization assessment of such Multi-Family Unit or commercial customer to identify customer's potential to Recycle and Divert the customer's Solid Waste. The assessments shall be performed in accordance with the protocol developed by Contractor and approved by the Town, which protocol shall be developed and provided to the Town as part of the implementation plan.

W. PROCUREMENT POLICY

1. Supplies

Contractor will use reasonable business effort to purchase office supplies and all paper products with post-consumer Recycled content.

2. Paper

Contractor will use paper, having not less than thirty percent (30%) Recycled paper content, and ten percent (10%) post-consumer Recycled paper content, for all correspondence with customers (including customer subscriptions, billing, newsletters, and notices) and the Town.

3. Recycled Content Policies

Contractor will use reasonable business efforts to comply with any Recycled content procurement policy that the Town may adopt.

X. EMERGENCY SERVICES

In the event of a "Declared Emergency," the Contract Administrator in his or her sole discretion may grant Contractor a variance from regular routes and schedules. As soon as practicable after such event, Contractor shall advise the Contract Administrator when it is anticipated that normal routes and schedules can be resumed. In addition, Contractor shall make every effort to notify customers when regular services will resume via a phone call or e-mail notification. The Contract Administrator shall, through the local news media, inform the public when regular services may be resumed.

1. Emergency Service Compensation

Contractor shall provide emergency services (*i.e.*, special Collections, transport, Processing, and Disposal) at the Town's request in the event of major accidents, disruptions, or natural calamities. Contractor shall be capable of providing emergency services within twenty-four (24) hours of notification by the Town or as soon thereafter as is reasonably practical in light of the circumstances.

Emergency services requested in writing by an authorized Town official which exceed the scope of work under this Agreement and which are not compensated as special services in accordance with **Exhibit B** (Approved Rates and Charges), or through reimbursement by the Federal Emergency Management Agency (FEMA) shall be compensated through extraordinary rate review procedures as set forth in this Agreement.

2. Reporting

Contractor will cooperate with the Federal, State of California, Mono County agencies, and the Town in filing information related to a federal, state, or regional declared state of emergency or disaster as to which Contractor has provided Collection services under this Section.

Y. NON-COLLECTION DUE TO NON-PAYMENT

Service may, at Contractor's option, be withheld during any period in which bills for prior service remain delinquent, such bills becoming delinquent forty-five (45) days after the end of each full month for which services have been rendered. Contractor shall notify the customer in writing fifteen (15) days before stopping service and the notice will include the amount and time covered by all unpaid services by Contractor. In the event that mandatory service Collection areas are established within the Franchise Area, Contractor shall provide mandatory Collection service in accordance with the Town's mandatory Collection ordinance (Municipal Code Chapter 8.12).

Z. CHARGES / NON-COLLECTION FOR EXCESS SOLID WASTE

Any excess Solid Waste (more than one (1) additional thirty-two (32) gallon bag (or bag equivalent)) that does not fit within the closed lid of the authorized Solid Waste container shall be deemed excess material and shall be subject to the excess charges. Notwithstanding the foregoing, Contractor shall not be required to Collect Solid Waste from an authorized Solid Waste container where the total weight of the container and contents exceed the limit posted on the container.

AA. PUBLIC USE CONTAINERS

Contractor has cooperatively worked with the Town, through its Town Manager, to service Bins, Roll-Offs, Recycling Containers and other waste receptacles available to the public at various locations throughout the Town ("Public Use Containers"). Contractor agrees to continue servicing the existing Public Use Containers on an as-needed basis, at the rates set forth in **Exhibit B**, as it may be amended from time to time or such rates adjusted as provided herein. The Town Manager may require the reasonable placement and/or service of Public Use Containers (the purchase of which will be negotiated by the Parties on an as-needed basis) at certain locations in the Town, and Contractor agrees to comply with such request at its cost to the extent reasonable. Public Use Containers shall be clearly labeled as "For Public Use" and placed in locations of general public convenience, subject to the limitation that the specific location of Public Use Containers shall require approval of the Town Manager.

BB. GREEN WASTE

Contractor shall continue allowing limited Green Waste processing at the Transfer Station by permitting Town residents to deliver small amounts of Green Waste (i.e., no more than three bundles or bags, not to exceed 90 gallons per day, at the Transfer Station free-of-charge; provided, however, that Town residents shall be permitted to deliver any Green Waste in plastic bags provided the bags are broken and discarded at the Transfer Station. In addition, subject to Contractor receiving sufficient rate increases to cover any additional costs, Contractor and the Town may negotiate further levels of service with respect to Green Waste processing and Recycling.

CC. SERVICE TO TOWN FACILITIES

Contractor shall provide refuse Containers and collection services on any Town property designated by the Town Manager, at the rates set forth in **Exhibit B**, as it may be amended from time to time or such rates adjusted as provided herein.

SECTION 7 – MATERIALS RECOVERY SERVICES TO BE PROVIDED BY CONTRACTOR

A. SELF-HAUL OPERATIONS

The Transfer Station will provide separate commercial truck and self-haul tipping areas. The Transfer Station will separate commercial truck and transfer truck traffic from Self-Haul Customers for safety reasons. To help increase Self-Haul Customer diversion, the Transfer Station will have drop-off areas strategically located to promote pre-sorting. Additionally, Contractor shall educate Self-Haul Customers on waste reduction, Recycling, and presorting material, and Contractor will implement tipping fees that clearly differentiate between Recyclable loads and non-Recyclable loads.

B. GENERAL RESPONSIBILITIES AND COMPENSATION

1. Contractor shall provide all Processing, Recycling, and Material Recovery Services described in this Agreement. Contractor's compensation for these services for Solid Waste and Recyclable Materials brought to the Transfer Station in Contractor's Collection vehicles shall be included in Contractor's Collection rates approved by the Town. Contractor's compensation for these services for Solid Waste and Recyclable Materials brought to the Transfer Station by members of the public or other private third parties in their own vehicles shall be as set forth in the "Gate Rates" for the Transfer Station. The initial Gates Rates for such public or private third party loads are set forth in **Exhibit B** (Approved Rate and Charges) attached hereto and shall be subject to an annual adjustment, beginning January 1, 2021 of one hundred percent (100%) of the percentage change in the Consumer Price Index, CPI-U for the Los Angeles-Long Beach-Anaheim area published by the Bureau of Labor Statistics of the U.S, Department of Labor ("CPI") except as set forth herein. Notwithstanding the foregoing, and except as otherwise provided herein, no annual rate increase resulting from changes in the CPI shall be less than one percent (1%) or more than four percent (4%).

2. The Parties have entered into this Agreement and agreed to the Gate Rates set forth in **Exhibit B** based on the assumption that the Transfer Station will receive five thousand five hundred (5,500) tons Non-Franchise Solid Waste per year following the permanent closure of the Benton Crossing Landfill in Mono County, which the Parties currently anticipate will occur sometime in 2022. Commencing in the first January following the first full calendar year after the permanent closure of the Benton Crossing Landfill (*i.e.*, currently anticipated to be the 2023 calendar year), Contractor shall measure the tons of Non-Franchise Solid Waste received at the Transfer Station in such year. If the annual tons of Non-Franchise Solid Waste received at the Transfer Station in such year is less than five thousand five hundred (5,500) tons, the Gate Rates shall automatically increase by a half-percent (0.5%) for each five hundred (500) tons of Non-Franchise Solid Waste less than five thousand five hundred (5,500) tons that are actually received at the Transfer Station. Such rate adjustment shall occur upon January 1st of the following year. Thereafter, and throughout the Initial Term, in each January, Contractor shall measure the tons of Non-Franchise Solid Waste received at the Transfer Station in each year. If the tons of Non-Franchise Solid Waste received at the Transfer Station in any subsequent year increases or decreases by an additional five hundred (500) tons, the Gate Rates shall be adjusted up or down accordingly, with such adjustment to be effective on January 1st of each subsequent year; provided, however, that the Gate Rates shall not be subject any adjustment pursuant to this subsection 2 if the annual tons of Non-Franchise Solid Waste received at the Transfer Station in any year is five thousand five hundred (5,500) tons or greater. Any adjustments to the Gate Rates pursuant to this subsection 2 shall be in addition to any CPI-related adjustments contemplated in subsection 1 above and shall not be subject to the limitations set forth in the last sentence of subsection 1.

3. By way of example only, if the Benton Crossing Landfill permanently closes in 2022, the first measurement of the annual tonnage of Non-Franchise Solid Waste received at the Transfer Station shall occur in January 2024. If the annual tonnage of Non-Franchise Solid Waste received at the Transfer Station in the 2023 calendar year is four thousand five hundred (4,500) tons, the Gate Rates shall be increased by one percent (1.0%). Such rate increase shall become effective on January 1, 2025.

C. TRANSFER STATION

Contractor shall, at its sole cost and expense, provide all management, supervision, personnel, materials, equipment, utilities, services, and supplies necessary to operate, maintain and repair the Transfer Station facility in a manner consistent with good engineering, operational, and maintenance practices and with industry standards, in order to receive, transfer and/or Process Solid Waste brought to the Transfer Station by Contractor, the public, and others, and to Divert from Landfilling and to Recycle Recyclable Materials contained in such Solid Waste, to the extent practicable, and in accordance with its reasonable business judgment, provided that Contractor is using commercially reasonable efforts to meet the Diversion requirements of this Agreement. In addition to the foregoing, Contractor shall process “single-stream” Recyclable Materials at the Transfer Station using the same space and industry standards.

Contractor shall receive Solid Waste from the public at the Transfer Station during the following days and hours: Monday through Saturday, 6:30 a.m. until 7:00 p.m., and Sunday, 7:00 a.m. until 5:00 p.m.

So long as Contractor provides services to the Town pursuant to this Agreement, Contractor shall be responsible for the operation and maintenance of the Transfer Station and shall continue to keep such Transfer Station at a level of capacity at or exceeding the initial design capacity of the facility. Contractor shall maintain the Premises in a neat and orderly condition, unfavorable to rodents, insects, and/or other pests, including cleanup of any debris, Solid Waste spillage, residue or litter within the Transfer Station premises on a daily basis, or as frequently as necessary to comply with this Section. Contractor shall also daily collect debris, Solid Waste spillage, residue or litter escaping from the Transfer Station site; said clean-up shall, at a minimum, occur within and around the boundaries of Commerce Drive and Meridian. In the event of apparent pest vector activity (including bear activity), Contractor shall implement vector control measures sufficient to remedy the vector nuisance within twenty-four (24) hours of Town direction.

D. USE OF THIRD PARTY MATERIAL RECOVERY FACILITIES

Where applicable, Contractor may also Collect and transport commingled, “single stream” Recyclable Materials generated by Single-Family Units, Multi-Family Units, and certain Commercial and industrial customers in Contractor’s Franchise Area, which are set out by such customers for Collection by Contractor, to certified Recyclers for further processing of these commingled Recyclable Materials. Contractor shall at its sole cost and expense provide all transportation of Recyclable Materials to such facilities. The Parties acknowledge that a certain limited amount of residual Solid Waste will invariably be mixed in with Recyclable Materials and that these residuals may be Landfilled. Contractor shall give the Town reasonable written notice of Contractor’s proposed use of such alternative facilities and further provided that Contractor shall not be entitled to any increase in the rates for its services by reason of Contractor’s use of such alternative facility.

E. PERFORMANCE CRITERIA

The following objective performance criteria shall also apply to the MRF facilities that are used by Contractor to process Recyclable Materials under this Agreement. These criteria shall be evaluated on an annual basis, and are to be considered in an integrated fashion (*i.e.*, combining the Recycling efforts conducted at various facilities, rather than on a facility-by-facility basis), in order to allow Contractor the flexibility to manage Recycling efforts in the most efficient and effective manner.

1. To the extent applicable, Contractor shall use commercially reasonable efforts in its Processing at the Transfer Station facilities of the aggregate of all source separated “single stream” Recyclable Materials (including, but not limited to, Recyclable Materials Collected pursuant to this Agreement) to reduce the residual amount of non-Recyclable Solid Waste to no more than 10% by weight, measured annually on a facility wide basis. Contractor shall, or shall cause the Transfer Station facilities to, conduct annual content analyses of the “single stream” Recyclable Materials Collected pursuant to this Agreement and report the results of such analyses to the Town. Contractor shall prepare and distribute to its customers educational material regarding Recycling programs to promote the reduction of the residual amount of non-Recyclable Materials from “single stream” Recyclable Materials Collected pursuant to this Agreement.

2. To the extent that source separated Green Waste materials are Collected under this Agreement, Contractor shall use commercially reasonable efforts in its Processing at the Transfer Station facilities to reduce the residual amount of non-Recyclable Solid Waste to no more than ten percent (10%) by weight, measured annually on a facility wide basis. Contractor shall, or shall cause the MRF facilities to, conduct annual content analyses of the Green Waste materials Collected pursuant to this Agreement and report the results of such analyses to the Town. Contractor shall prepare and distribute to its customers educational material regarding Recycling programs to promote the reduction of the residual amount of non-Recyclable Materials from Green Waste materials Collected pursuant to this Agreement.
3. Contractor will receive and process or transport C&D Debris, or transport C&D Debris to a facility capable of recycling such debris, and will comply with the Stormwater Management Plan (SWMP) directive and CalRecycle diversion goals for all materials diversion. C&D Debris types to be sorted are: wood, asphalt shingles, concrete, metal, scrap aluminum, gypsum, tires, and rigid plastic, provided end-use markets are available and feasible.
4. Extraordinary or unusual materials generated within the Town, such as might occur in the case of a major fire or other extraordinary or unusual event, may be received at a MRF facility and materially increase the amount of residual material at such MRF facility. In which case such materials shall be excluded from the percentage Recycling calculations, provided that Contractor notifies the Town of the nature and approximate amount of such materials within thirty (30) days of their receipt at a MRF facility and provides a reasonable explanation as to why such materials are extraordinary or unusual compared with the Wastestream typically received at such MRF facilities.

SECTION 8 – HOUSEHOLD HAZARDOUS WASTE COLLECTION SERVICES

A. OVERALL RESPONSIBILITIES

Contractor shall be the Operator of the Household Hazardous Waste Collection Facility (HHWCF) under the applicable regulations of the Department of Toxic Substances Control such that Contractor shall be responsible for the operations and closure and any required post-closure monitoring or maintenance of the HHWCF:

1. Contractor shall provide management, supervision, personnel, materials, equipment, services and supplies necessary to operate, maintain and repair the HHWCF, throughout the term of this Agreement, in a manner consistent with good engineering, operational and maintenance practices and procedures, and in compliance with all applicable federal, state and local laws, regulations and ordinances, in order to receive Household Hazardous Waste during the HHWCF operating hours, and to store and arrange for Recycling or Disposal of such Hazardous Waste all in accordance with the terms of this Agreement.
2. Contractor shall provide for the removal and transportation to Licensed Hazardous Waste Recycling Treatment or Disposal Facilities ("TSDFs") of all Hazardous Waste received at the HHWCF. Wherever possible, Hazardous Waste shall be Recycled or, if not possible,

treated or incinerated. If Recycling, treatment and incineration all are not available alternatives, then, and only then, may Contractor arrange for the Landfilling of Hazardous Waste to the extent permitted by applicable law. The Town hereby agrees that all Hazardous Waste Manifests for such removal, transportation and Disposal shall bear the name of the Town as Generator of the waste, and shall be signed by Contractor as an authorized representative of the Town. Contractor shall dispose in the aforesaid manner of all Hazardous Waste received at the HHWCF in accordance with all applicable federal, state, and local laws and regulations. Contractor shall remove such Hazardous Waste in a reasonable and cost-effective manner consistent with the other provisions of this Section. Contractor shall determine the TSDFs to be used for Recycling, treatment, incineration, or Disposal of such Hazardous Waste, and Contractor shall use such TSDFs for such purposes unless otherwise directed by the Town or unless uncontrollable circumstances require use of an alternative TSDF. Notwithstanding any of the foregoing, Contractor shall obtain the prior written approval of the Town before Landfilling any Hazardous Waste.

B. COMPLIANCE WITH LAWS

Throughout the duration of this Agreement, Contractor shall operate and maintain the HHWCF, and shall arrange for the storage of Hazardous Waste at the HHWCF and the shipment or delivery of Hazardous Waste to Licensed Hazardous Waste Recyclers or Disposal Facilities in compliance with all applicable federal, state and local statutes, laws, regulations and ordinances, as currently in existence or as may be enacted or modified during the term of this Agreement.

Contractor shall comply with, and pay, any fine, penalty or other charge with respect to Contractor's failure to adhere to, all requirements of any applicable environmental laws and regulations or other applicable laws, ordinances, codes, regulations and rules, and any permits issued thereunder, which are necessary for the operation of the HHWCF, unless such fine, penalty or other charge is imposed by reason of acts or omissions of the Town or other third parties beyond Contractor's control.

C. OPERATING PERIOD: RECEIVING TIME: LEGAL HOLIDAYS

1. Contractor shall keep the HHWCF open for receiving and shall receive Household Hazardous Waste from the general public from 8:00 am to 4:00 pm Saturday and Sunday. Household Hazardous Waste will be accepted from Conditionally Exempt Small Quantity Generators (CESQGs) Saturday and Sunday from 8am to 9am by appointment. Additional collection days and times may be mutually agreed upon by the Town and Contractor.
2. Contractor agrees to receive Hazardous Waste at the HHWCF at hours other than the receiving time, if (i) requested by the Town to accommodate unusual quantities of Hazardous Waste resulting from an emergency or from programs of the Town or any local governmental entity designed to promote clean-up of an area serviced by the HHWCF; (ii) the HHWCF is able, in the reasonable judgment of Contractor, to receive such additional quantities of Hazardous Waste without adversely affecting Contractor's operation or maintenance of the HHWCF and/or the MRF; and (iii) the Town provides Contractor with reasonably adequate advance notice of such delivery of Hazardous Waste to enable

Contractor to respond to any such request. Written confirmation shall be provided within ten days of such event.

3. Contractor, with the consent of the Town may change the list of Household Hazardous Waste materials that are acceptable for Disposal at the HHWCF. Contractor shall be under no obligation to accept or receive Hazardous Waste that is not identified as acceptable for Disposal at the HHWCF.
4. Contractor shall accept Household Batteries (excludes car batteries), light bulbs, Oils (up to 1 gallon) and Paints (up to 3 gallons) from Mammoth Disposal residential account holders at the transfer station during normal operating hours.

D. CLOSURE

Contractor shall conduct the proper closure of the HHWCF and any required post-closure monitoring or maintenance thereof, in accordance with any and all applicable federal or state laws and regulations now existing or which may hereafter be promulgated. Contractor shall be responsible for providing adequate financial assurances for the closure and post-closure of the PHHWCF and for establishing the existence of such financial assurances to the satisfaction of the Town and any applicable regulatory agencies, and shall comply with the provisions of 22 CCR 67450.30 or any successor regulation or amendment thereof.

E. SUBCONTRACTOR

Contractor may subcontract the operation of the HHWCF to a third party, with the Town's consent, but shall be jointly and severally liable with the third party for the performance of all obligations hereunder pertaining to the HHWCF. This subcontractor shall be governed by the terms of this Section 8.

SECTION 9 – FACILITIES FOR SOLID WASTE PROCESSING AND DISPOSAL

A. CONTRACTOR TO PROVIDE FULLY PERMITTED DISPOSAL FACILITY

Contractor shall be responsible for choosing the facility for Disposal of Solid Waste under this Agreement; provided, however, that any Landfill utilized by Contractor must be designed, constructed, and operated in compliance with applicable federal and state regulations. Notwithstanding the foregoing, Contractor hereby elects to Dispose of Solid Waste at the Benton Crossing Landfill until such time as the Town directs that its Solid Waste shall be Disposed of elsewhere. The Landfill must have all required permits from federal, state, regional, county, and city agencies necessary for it to operate as a Class II or III Sanitary Landfill and be in full regulatory compliance with all such permits. Contractor shall provide copies to the Town of all notices of violations that could affect Contractor's ability to perform under this Agreement, or amendments to permits, including any extensions. The Landfill shall not maintain the co-Disposal of MSW and Hazardous Waste (other than HHW) in the same lined cell.

Any Landfill must be authorized to accept, under its existing permits, and have sufficient uncommitted capacity to accept, all Solid Waste delivered to it from the Franchise Area for the

duration of this Agreement. Contractor shall immediately notify the Town of any notice of breach or default received from the Landfill. To the extent that Contractor owns and/or operates a Landfill, Contractor shall ensure that the Landfill is in full compliance with all closure and post-closure planning requirements applicable to the Landfill, and the Landfill has posted with the applicable governmental authorities all required financial assurances for closure and post-closure.

B. CONTRACTOR TO PROVIDE FULLY PERMITTED MATERIAL RECOVERY AND TRANSFER FACILITIES

Any Material Recovery or transfer facilities utilized by Contractor must be designed and constructed in accordance with all applicable laws and regulations. The facilities must have all required permits from federal, state, regional, county, and city agencies necessary for them to operate and be in full regulatory compliance with all such permits. To the extent Contractor owns and/or operates a facility, or otherwise has actual knowledge of such violations, Contractor shall provide copies to the Town of all notices of violations respecting any such facility used by Contractor that could affect Contractor's ability to perform under this Agreement, or amendments to permits, including any extensions. Any such facility must be authorized to accept, under its existing permits, and have sufficient uncommitted capacity to accept, all Solid Waste delivered to it from the Franchise Area for the duration of this Agreement.

C. DISPOSAL IN COMPLIANCE WITH LAWS AND REGULATIONS

Throughout the term of this Agreement, it shall be Contractor's sole responsibility and duty to dispose of the Solid Waste Collected by virtue of this Agreement, and do so in a safe manner and in compliance with all federal, state, and to the extent not inconsistent with this Agreement, local laws, and regulations.

D. FUTURE FACILITIES FOR SOLID WASTE PROCESSING AND DISPOSAL ADVANCED TECHNOLOGIES

Contractor has the responsibility and discretion to utilize a permitted processing facility or landfill. However, the Town reserves the future right to redirect the Wastestream or a portion of the Wastestream to another facility approved by the Town to comply with long-term waste management needs and divert any waste from Landfill(s) regardless of whether such waste diversion is eligible for CalRecycle credits. Additionally, the Town may direct that organic, Green, and/or other types of Waste be reduced and/or eliminated through dehydration or similar processes at a biomass facility.

Contractor, without constraint and as a free-market business decision in accepting this Agreement, agrees to use such facility or other location approved by the Town for the purpose of transferring, hauling, transporting, diverting, or disposing Solid Waste, Recyclable Materials, Green Waste, or organics Collected in the Franchise Area. Contractor agrees that the Town's right to redirect the Wastestream in no way constitutes a restraint of trade or an impairment of contracts.

E. CONVERSION OF TRANSFER STATION TO MRF

By December 1, 2022, Contractor shall construct, at no charge to the Town or to customers except through the collection of rates allowed by **Exhibit B**, a Transfer Station/MRF located at the site of the existing Transfer Station, 59 Commerce Dr., Mammoth Lakes, CA 93546. This new facility will provide for better throughput for self-haul customers who will dump inside of the facility. This design will enhance safety for both the public and the facilities employees.

The design will include a self-haul tipping area for all public customers to drop off their Recyclables. Materials Collected in this area will include: cardboard, paper, mixed Recycling, metal, aluminum, plastic, glass, E-waste, batteries, gently used items for local charitable organizations, and other materials as markets become available.

Contractor will continue to partner with the Town to pursue additional locations for Green Waste and organics Processing and composting, Construction and Demolition processing along with alternative technology solutions.

SECTION 10 – CASH BOND AND INSURANCE

A. CASH BOND

In the event Contractor fails to make timely payment of any Franchise Fees owed to the Town (including Franchise Fee underpayments discovered by an audit, all of which shall be deemed not to have been timely paid), after ten (10) days written notice from the Town demanding such payment, the Town may require Contractor, in addition to paying the late Franchise Fee payment plus default interest thereon, to deposit with the Town a cash bond, a performance bond or a letter of credit for the benefit of the Town in the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00), provided that the Town may periodically require this amount to be increased by a percentage equal to or less than the cumulative percentage increase in the rates for Contractor's Services pursuant to Section 7.B above since the previous increase in the bond or letter of credit. The Town shall deposit the cash deposit in an interest-bearing account. The cash bond, performance bond or letter of credit shall be on terms acceptable to the Town's Counsel. The cash bond, performance bond or letter of credit shall serve as security for the faithful performance by Contractor of all the provisions and obligations of this Agreement. All interest shall be paid to Contractor.

1. After thirty (30) days following Contractor's failure to pay the Town an amount owing under this Agreement plus interest at the rate of eighteen percent (18%) per annum, or, if less, the maximum interest rate allowed by law, the cash bond or letter of credit may be assessed by the Town upon five (5) days prior written notice to Contractor for purposes including, but not limited to:
 - a. Failure of Contractor to pay the Town sums due under the terms of this Agreement;
 - b. Reimbursement of costs borne by the Town to correct Agreement violations not corrected by Contractor, after due notice; and

- c. Monetary remedies or liquidated damages assessed against Contractor due to breach of Agreement.
2. Contractor shall deposit a sum of money sufficient to restore the cash bond or provide a renewed letter of credit to the original amount within thirty (30) days after notice from the Town that any amount has been withdrawn from the cash bond or letter of credit.

B. INSURANCE

Contractor shall provide proof of a policy of insurance satisfactory to the Town of Mammoth Lakes Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements, provided that the Town may require the policy limits to be increased from time to time by an amount equal to the percentage increase in residential rates hereunder since the previous increase of the policy limits:

1. Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000) as required by law in the State of California.
2. Contractor shall submit to the Town, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the Town, its officers, agents, employees and volunteers.
3. Commercial General Liability Insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than Five Million Dollars (\$5,000,000.00) per occurrence, \$10,000,000 general aggregate, for bodily injury, personal injury, property damage, covering operations, products, and completed operations. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.
4. Automobile Liability Insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of Contractor arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$5,000,000 combined single limit for each accident.
5. Umbrella or excess liability insurance. Contractor shall obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability and employer's liability. Such policy or policies shall include the following terms and conditions:
 - a. A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
 - b. Pay on behalf of wording as opposed to reimbursement;

- c. With regard to the Commercial General Liability Insurance and the Employer's Liability Insurance, concurrency of effective dates with primary policies; and
 - d. Policies shall "follow form" to the underlying primary policies.
 - e. Insureds under primary policies shall also be insureds under the umbrella or excess policies.
6. Environmental Impairment Liability Insurance shall be written on a Contractor's Pollution Liability form or other form acceptable to the Town providing coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be no less than \$10,000,000 dollars per claim and in the aggregate. All activities contemplated in this agreement shall be specifically scheduled on the policy as "covered operations." The policy shall provide coverage for the hauling of waste from the project site to the final disposal location, including non-owned disposal sites.
 7. Explosion, Collapse, and Underground (XCU) coverage is required when the scope of work includes XCU exposures.
 8. Contractor shall furnish proof of coverage satisfactory to the Town of Mammoth Lakes Risk Manager as evidence that the insurance required herein is being maintained. The insurance will be issued by an insurance company acceptable to the Risk Manager (which approval shall not be unreasonably withheld), or be provided through partial or total self-insurance likewise acceptable to the Risk Manager.
 9. The Town, its officer, officials, and employees are included as additional insured, but only insofar as the operations under this agreement are concerned. This provision shall apply to all liability policies except Workers' Compensation and professional liability insurance policies. Proof that the Town is named additional insured shall be made by providing the Risk Manager with a certified copy, or other acceptable evidence, of an endorsement to Contractor's insurance policy naming the Town additional insured.
 10. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Town's Risk Manager.
 11. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against the Town, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against the Town, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

12. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
13. Any self-insured retentions must be declared to the Town.
14. The insurance required herein shall provide that should any of the policies be cancelled prior to the expiration date thereof, notice will be delivered to the Town at the office of the Community Development Agency, Environmental Management Division, in accordance with the policy provisions.
15. Contractor agrees that the insurance required herein shall be in effect at all times during the term of this agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Agreement or for a period of not less than one (1) year (for an occurrence policy) or (3) years (for a claims made policy). New certificates of insurance are subject to the approval of the Risk Manager. Any such failure to maintain the insurance required herein shall constitute an event of default for purposes of Section 15.B hereunder, provided that no such failure shall be subject to Contractor's right to cure pursuant to Section 15.A, and all such failures shall be deemed incurable events of default.
16. Certificate shall meet such additional standards as may be reasonably determined by the Town's Community Development Agency, Environmental Management Division either independently or in consultation with the Risk Manager, as essential for protection of the Town.
17. Contractor shall not commence performance of this Agreement unless and until compliance with each and every requirement of the insurance provisions is achieved.
18. Failure of Contractor to maintain the insurance required herein, or to comply with any of the requirements of the insurance provisions, shall constitute a material breach of the entire Agreement.
19. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the Town, its officers, officials or employees.
20. Contractor's insurance coverage shall be primary insurance as respects to the Town, its officers, officials or employees. Any insurance or self-insurance maintained by the Town, its officers, officials or employees shall be excess of Contractor's insurance and shall not contribute with it.
21. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver

of any type. If Contractor maintains higher limits than the minimums shown above, the Town requires and shall be entitled to coverage for the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Town.

22. The insurance companies shall have no recourse against the Town, its officers, agents, employees, or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
23. Contractor's indemnity and other obligations shall not be limited by the insurance required herein and shall survive the expiration of this Agreement.
24. To the extent that this Section 10 (Contractor's Insurance) is inconsistent with 7-1.12, "Responsibility for Damage," of the State of California, Department of Transportation, Caltrans, Standard Specifications, July 1992, this Section shall govern; otherwise each and every provision of such Section 7-1.12 shall be applicable to this Agreement.
25. Regardless of the foregoing, the insurance limits and coverage required by this Agreement and as outlined above may be met by Contractor with any combination of primary, umbrella or excess insurance or deductibles, provided that if Contractor is sold, merged, or otherwise no longer under the ultimate control of Waste Connections, no policy of insurance with a deductible in excess of \$100,000 shall be used without Town's consent, which may be withheld in Town's sole discretion.

SECTION 11 – TERM

A. INITIAL TERM

The Initial Term of this Agreement shall be effective on October 1, 2020 and shall expire twenty (20) years following the effective date of this Agreement on September 30, 2040.

B. RENEWAL OPTIONS

The Parties may, upon mutual written agreement, extend the term of this Agreement for additional periods of five (5) years each, up to a maximum of two (2) such extensions.

SECTION 12 – FRANCHISE TRANSFERABLE / CONSENT REQUIRED

A. NO ASSIGNMENT WITHOUT CONSENT

The franchise granted by this Agreement shall not be transferred, sold, hypothecated, sublet or assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, subcontracted, sold, or transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest, or property therein, pass to or vest in any person, except Contractor, by act of Contractor, without the prior written consent of the Town expressed by Resolution of the Town Council, which consent may be denied or approved by the Town in its sole and absolute discretion. Any attempt by Contractor to assign this franchise without the consent of the Town

shall be void. Notwithstanding the foregoing, Contractor may assign or subcontract this agreement or a portion thereof to another corporate affiliate of Contractor upon advance written notice to the Town, provided that the assignor and guarantor, if any, each shall remain liable for performance of this Agreement.

In the event of any assignment for which Town consent is required pursuant to this Section, Contractor's assignee shall not be allowed to recover in its rates set pursuant to this Agreement any of the assignee's costs of acquisition of Contractor or to recoup any interest or financing charges incurred by such assignee relating to the costs of such acquisition.

B. ASSIGNMENT DEFINED

The term "assignment" shall include any dissolution, merger, consolidation or other reorganization of Contractor, which results in change of control of Contractor, or the sale or other transfer of a controlling percentage of Contractor's capital stock to a person not a shareholder, immediate family member, management employee, or principal of Contractor, or to an Affiliate on the date of the execution of this Agreement.

C. "CHANGE IN CONTROL" DEFINED

Town consent is required for any change in control of Contractor. "Change in control" means any sale, transfer or acquisition of Contractor. If Contractor is a corporation, any acquisition of more than ten percent (10%) of Contractor's voting stock by an entity or a person, or group of persons acting in concert, provided; however, any transfer of ownership of any or all of the stock of Contractor to, or any merger or consolidation with, a wholly owned subsidiary or corporate Affiliate of Contractor or transfers, directly or indirectly, to an existing owner or transfer by an existing owner to another immediate family member (including adopted or stepchildren) or any direct lineal descendant of the existing owners shall not constitute a change in ownership, provided that the transferor shall each remain liable for performance of this Agreement. In the event of any such excepted transfer, the transferee shall be subject to the provisions of this Agreement including the restrictions on any subsequent transfers.

D. TRANSITION

In the event Contractor is not awarded an agreement to continue to provide Collection services following the expiration or early termination of this Agreement, Contractor shall reasonably cooperate with the Town and any subsequent Contractors to assure a smooth transition of Collection services described in this Agreement. Such cooperation shall include but not be limited to: transfer of computer data, files, and tapes; providing routing information, route maps, vehicle fleet information (if such subsequent contractor is acquiring such fleet from Contractor, as determined in Contractor's sole and absolute discretion); list of Single-Family Units, Multi-Family Units, and Commercial Solid Waste customers; providing a complete inventory of all Carts, Bins, Compactors, and Roll-Off Containers; providing adequate labor and equipment to complete performance of all Collection services required under this Agreement; taking all actions necessary to remove or, to the extent required under the terms of this Agreement, transfer ownership of Carts, Bins, Compactors, and Roll-Off Containers as appropriate to the Town, including transporting

such containers to a location designated by the Contract Administrator; and providing other reports and data required by this Agreement.

E. BREACH

Any assignment or change in control of Contractor occurring without prior Town approval shall constitute a material breach of this Agreement, not subject to Contractor's rights to cure pursuant to Section 15.A hereunder.

F. TOWN'S OPTION TO TERMINATE / CONDITIONS TO ASSIGNMENT

In the event Contractor attempts to assign or subcontract this Agreement or any part hereof or any obligation hereunder in contravention of this Section 12, the Town shall have the right to elect to terminate this Agreement forthwith, without suit or other proceeding. The Town may, in its sole discretion, condition its consent to any assignment of this Agreement on the assignee's written agreement to incorporate additional reasonable terms and conditions in this Agreement, including provisions for liquidated damages, enhanced performance standards, and additional financial assurances and guarantees, in order to ensure that any such assignee continues to deliver the highest quality of services to its customers at reasonable rates.

G. CONDITIONS FOR OBTAINING TOWN'S CONSENT

The Town's consent to an assignment or change of control may be withheld in the Town's sole and unfettered discretion and may also be withheld if, inter alia, the following conditions are not satisfied:

1. Contractor shall give the Town at least ninety (90) days advance written notice of Contractor's intent to sell, transfer or assign this Agreement. As part of that notice, Contractor shall provide to the Town the following written information:
 - a. The name, address, and telephone number of the proposed assignee;
 - b. The character of the legal entity owning or controlling the assignee, and the names, addresses, and telephone numbers of all principals, partners, and/or shareholders thereof, as the case may be;
 - c. Financial statements of the proposed assignee for the immediately preceding five (5) operating years, indicating that the proposed assignee's financial status is sufficient to perform all Contractor's obligations;
 - d. Satisfactory proof that the proposed assignee or the management thereof has at least seven (7) years of MSW experience on a scale equal to or exceeding the scale of operations conducted by Contractor and has operated in a manner consistent with its contractual obligations to other municipalities which it serves in respect of AB 939;
 - e. Satisfactory proof that in the last seven (7) years, the proposed assignee has maintained its waste management operations in a manner satisfactory to other municipalities in which it operates and in compliance with all applicable laws and regulations, without

- any: (i) finding of default or breach of contract having been made against the proposed assignee by any such municipalities; (ii) conviction of any management staff of the proposed assignee of any crime pertaining in any way to such waste management operations; and/or (iii) penalties or fines having been imposed on the proposed assignee by CalRecycle or any government entity other than the franchise authority;
- f. A copy of any and all purchase and assignment agreements containing, at a minimum, the terms and conditions of the sale, transfer or assignment of this Agreement, and of Contractor's Solid Waste and Recycling business; provided, however, that the dollar amount of any financial consideration may be deleted from said copies unless and until said information becomes relevant to the review of Contractor's transferee rates under this Agreement; provided, further, however, that nothing in this Agreement shall obligate the Town to treat any of said acquisition costs as an allowable expense of said transferee for rate setting purposes; and
 - g. Any other information required by the Town to ensure the proposed transferee can fully assume and satisfactorily perform all of Contractor's obligations hereunder in a timely, safe, and effective manner.
- 2. The proposed transferee must be shown, by credible and sufficient evidence, to be qualified, by financial condition, background and experience to be able to fully assume and satisfactorily perform all of Contractor's obligations hereunder, and particularly, to be able to perform under this Agreement in a fashion that will assure the Town of complying with AB 939.
 - 3. The transferee must be willing to, in writing, assume all of the obligations hereunder.

SECTION 13 – FRANCHISE TRANSFER FEES

A. TRANSFER FEES

Any application for a franchise transfer shall be made in a manner prescribed by the Town. The application shall include a transfer fee in an amount to be set by the Town by Resolution of the Town Council, to cover the anticipated cost of all direct administrative expenses of the Town, including consultants and attorneys, necessary to adequately analyze the application and to reimburse the Town for all direct and indirect expenses. The Town's request for reimbursement shall be supported with evidence of the expense or cost incurred. The applicant shall pay such bills within thirty (30) days of receipt.

B. NON-RECOVERABLE COSTS

These franchise transfer fees are over and above any Franchise Fees specified in this Agreement, and shall not be recoverable costs for rate setting purposes.

SECTION 14 – PERFORMANCE STANDARDS

A. INTENT

Contractor acknowledges and agrees that one of the Town's primary goals in entering into this Agreement is to ensure that the services rendered by Contractor are of the highest caliber, customer satisfaction is at the highest level, Recycling goals are achieved, and that performance standards are met.

B. ADMINISTRATIVE CHARGES

It shall be the duty of Contractor to perform all services under this Agreement in such a manner as to implement the goals and specifications set forth in this Section and this Agreement. In the event Contractor fails to satisfactorily perform the services set forth in this Agreement (except in the event of an event of Force Majeure), the Town may assess an administrative charge against Contractor in the following amounts:

1.	For each occurrence over four (4) during any calendar year, failure or neglect to respond to and take corrective action to address each customer complaint by the close of business of the second regularly scheduled waste Collection day.	\$300.00 per incident per customer
2.	Failure to respond to and take corrective action to address spillage or litter caused by Contractor within seventy-two (72) hours of notification.	\$300.00 per incident per location.
3.	Failure to maintain or timely submit to the Town all documents and reports required under the provisions of this Agreement, and Contractor fails to cure said failure within five (5) days of written notification from the Town.	\$300.00 per incident.
4.	For each occurrence over six (6) during any calendar year, failure to properly cover materials in Collection vehicles to prevent littering of highways or streets.	\$500.00 per incident.
5.	Failure to comply with the hours of operation of the Transfer Station / MRF as required by this Agreement.	\$300.00 per incident per day.
6.	Failure to Collect Solid Waste which has been timely set out for Collection by a Customer.	\$50.00 per incident.
7.	Each substantiated instances of Contractor billing a Customer an inaccurate amount that has not been cured by Contractor within thirty (30) days of being notified of such inaccurate amount. Inaccurate billing may include either over- or under-charging of the Customer relative to the approved rates for services.	\$100.00 per event.

8.	Each individual occurrence of delivering materials to a facility other than the approved facility designated for each material type hereunder, except as otherwise authorized by the Town in writing.	\$100.00/ton.
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The Parties recognize that if Contractor fails to achieve the performance standards set forth above, the Town will suffer damages and that it is and will be impracticable and extremely difficult to ascertain and determine the exact amount of damages that the Town will suffer. Therefore, without prejudice to the Town's right to treat such non-performance as an event of default, the Parties agree that the foregoing administrative charges represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the Commencement Date, including the relationship of the sum to the range of harm to the Town that reasonably could be anticipated and anticipation that proof of actual damages would be costly or inconvenient.

C. NOTICE OF INTENT TO ASSESS ADMINISTRATIVE CHARGES

Before the Town may assess administrative charges pursuant to this Section, for each category of violation (that is, for each of the categories (a) through (e) in the above chart), the Contract Administrator shall give Contractor written notice of Contractor's violation of the performance standard and of the Town's intent to assess administrative charges for such violation and any future violation of the same performance standard. Such notice shall not be required if the Town has previously assessed administrative charges against Contractor for a prior violation of the same performance standard within the prior twelve (12) months. The purpose of this provision is to give Contractor notice that the Town considers Contractor to have violated a performance standard, and that the Town will assess administrative charges for such violation and again if such violations are repeated.

D. PROCEDURE FOR REVIEW OF ADMINISTRATIVE CHARGES

The Town may assess administrative charges pursuant to this Section on a monthly basis. At the end of each month during the term of this Agreement, the Town shall issue a written notice to Contractor ("Notice of Assessment") of the administrative charges assessed and the basis for each assessment. The assessment shall become final unless, within ten (10) calendar days of the date of the Notice of Assessment, Contractor provides a written request for a meeting with the Contract Administrator to present evidence that the assessment should not be made. The Contract Administrator shall schedule a meeting with Contractor as soon as reasonably possible after timely receipt of Contractor's request. The Contract Administrator shall review Contractor's evidence and render a decision sustaining or reversing the administrative charges as soon as reasonably possible after the meeting. Written notice of the decision shall be provided to Contractor. The Contract Administrator's decision will be final and binding.

In the event Contractor does not submit a written request for a meeting within ten (10) calendar days of the date of the Notice of Assessment, the Contract Administrator's determination shall be final and the Town may assess the administrative charges, unless the Town waives this requirement. Contractor's failure to pay administrative charges within thirty (30) days of the Town's final assessment of such charges shall be a material breach of this Agreement. The Town's assessment or collection of administrative charges shall not prevent the Town from exercising any

other right or remedy, including the right to terminate this Agreement, for Contractor's failure to perform the work and services in the manner set forth in this Agreement. Nothing herein shall preclude Contractor from seeking judicial review of any decision by the Town to assess administrative charges. The imposition of such charges shall be stayed if Contractor obtains such review.

SECTION 15 – TERMINATION

A. MATERIAL BREACH OF CONTRACTOR'S OBLIGATIONS

In the event of Contractor's material failure or refusal to comply with the obligations and duties imposed on Contractor pursuant to this Agreement, the Town and Contractor shall meet and confer in good faith in an effort to agree on a resolution and cure of the breach. If the Parties are unable to agree on the informal resolution or cure of the breach, the Town shall have the right to terminate this Agreement if:

1. The Town shall have given prior written notice to Contractor specifying that a particular default or defaults exist which will, unless corrected, constitute a material breach on the part of Contractor of this Agreement; and
2. Contractor has not corrected such default within forty-five (45) days from the date of the notice given pursuant to clause (A)(1) of this Section, or, if said default is not reasonably correctable within said time, Contractor has not taken reasonable steps to commence to correct the same within said forty-five (45) days, or thereafter does not diligently continue to take reasonable steps to correct such default.

B. CONTRACTOR'S DEFAULT

In addition, each of the following shall constitute an event of default:

1. If Contractor practices, or attempts to practice, any fraud or deceit upon the Town;
2. Should Contractor or any of its officers, directors, managers, or employees be or have been found guilty of criminal activity related directly or indirectly to performance of this Agreement or any other agreement for the collection of solid waste or bribery of public officials, the Town shall have the unilateral right to terminate this Agreement or to impose such sanctions (which may include financial sanctions, or temporary suspensions) as the Town shall deem proper. The term "found guilty" shall be deemed to include any judicial determination of guilt including, but not limited to, pleas of "guilty", "nolo contendere", "no contest", or "guilty to a lesser charge" entered as part of a plea bargain;
3. If Contractor fails to provide or maintain in full force and affect the workers' compensation or any other insurance coverage or performance bond required by this Agreement;
4. If Contractor violates any orders or rulings of any regulatory body having jurisdiction over Contractor, provided Contractor may reasonably 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 final resolution of such proceedings;

5. If Contractor fails to make any payments or to pay any penalties required to be made or paid pursuant to this Agreement;
6. Except as provided under Section 28.A, if Contractor for any reason ceases to provide Collection services as required under this Agreement over all or a substantial portion of the Franchise Area for a period of seven (7) consecutive days; or
7. The refusal, failure, or neglect of Contractor to file any of the reports required, or to provide material information to the Town, or the intentional inclusion of any materially false or misleading statement or representation made knowingly by Contractor.

C. EVENTS OF INSOLVENCY

Contractor shall be in material breach of this Agreement if Contractor:

1. Becomes insolvent or bankrupt, or ceases to pay its debts as they mature, or makes an arrangement with or for the benefit of its creditors, or consenting to or acquiescing in the appointment of a receiver, trustee or liquidator for a substantial part of its property; or
2. Becomes a party to a voluntary or involuntary bankruptcy, winding up, reorganization, insolvency, arrangement, or similar proceeding instituted by or against Contractor under the laws of any jurisdiction, which proceeding, if involuntary in nature, has not been dismissed within sixty (60) days; or
3. Takes any action approving of, consenting to, or acquiescing in any such proceeding; or
4. Becomes a party to the levy of any distress, execution or attachment upon the property of Contractor which shall substantially interfere with Contractor's performance hereunder.

In the event of the occurrence of any of the foregoing, Contractor shall:

1. Assume or reject this Agreement within sixty (60) days after the order for relief;
2. Promptly cure any failure to perform its obligations or any event of default arising under this Agreement for reasons other than the event set forth in this paragraph; and
3. Provide adequate assurance of future performance under this Agreement under Title 11, U.S. Code, Section 365(b)(1)(c), or any successor provision of the Federal Bankruptcy Code. The foregoing provisions shall not prevent the Town from requesting such other conditions to assumption of this Agreement, as it deems reasonable and necessary.

D. NO WAIVERS

Any waiver of a breach or default shall not be deemed to be a waiver of any subsequent breach or default or to be construed as approval of a course of conduct.

E. TERMINATION

Upon the occurrence of a material breach and the declaration of termination of this Agreement by the Town Council, this Agreement and the franchise granted thereunder shall be of no further force and effect, excepting those provisions concerning the Town's right to indemnity. The Town then shall be free to enter into whatever other arrangements are deemed justified and necessary for the Collection, removal and Disposal of Solid Waste within the Franchise Area.

Should Contractor at any time contend that the Town has breached any material provision of this Agreement, Contractor shall immediately notify the Town in writing of Contractor's contention. The Parties shall, at either Party's request, promptly meet and confer to discuss the informal resolution of the dispute. The Town shall have a reasonable time to cure any such alleged breach, which in all events shall not be less than ninety (90) days or any such longer period as reasonably needed to cure said breach. If the Town fails to cure the breach within such time, Contractor may terminate this Agreement, and the franchise granted thereunder shall be of no further force and effect, excepting those provisions concerning Contractor's right to indemnity. Nothing herein shall preclude Contractor from seeking judicial review of any Town decision, nor shall it preclude either Party from seeking any available legal and equitable remedies for a breach of contract by the other Party.

In addition, in the case of the termination of this Agreement prior to the expiration of the initial term or optional extension term(s) due to the default of Contractor as set forth in this Agreement, the Town shall have the right to take possession of the Carts at the fair market value price, or direct Contractor to Collect all Carts in the Franchise Area at Contractor's sole expense.

F. RIGHT TO SUSPEND

The Town may suspend this Agreement, in whole or in part, if Contractor fails to cure within the time frame specified in Section 15(A) (except as otherwise specified herein) until Contractor can provide assurance of performance. Contractor shall have at a minimum, a right to *quantum meruit* for the services it continues to perform during any suspension, which shall consist only of the right to receive payment in accordance with the rates and charges set forth in Exhibit B. For the purposes of this Section, "suspend" means to temporarily freeze, set aside, and make inoperative one or more provisions of this Agreement.

G. RIGHT TO PERFORM SERVICES

If the Town suspends or terminates Contractor's services pursuant to this Section 15, the Town shall have the rights granted to it under Sections 16.D – F hereof, including, the right to perform or cause to be performed such service itself with its own or other personnel or equipment, and or seek Contractor's consent to utilize Contractor's equipment as provided under Section 16.F hereof.

H. NONEXCLUSIVE REMEDIES

The Town's right to suspend or terminate this Agreement, to obtain specific performance, and to perform hereunder are not exclusive, and the Town's exercise of one such right shall not constitute an election of remedies. The Town's remedy shall be in addition to any and all other legal and

equitable rights and remedies, including the right to contract with another service provider, that the Town may have under this Agreement or as provided by law.

SECTION 16 – RIGHTS OF TOWN TO PERFORM DURING EMERGENCY

A. EMERGENCY COLLECTION

Should Contractor, for any reason whatsoever, except the occurrence or existence of any of the events or conditions set forth in Section 28.A below (“Force Majeure”), refuse or be unable to Collect, transport, and Dispose of any or all the Solid Waste which it is obligated under this Agreement to Collect, transport, and Dispose of for a period of more than seventy-two (72) hours and if, as a result thereof, Solid Waste should accumulate in the Franchise Area to such an extent, in such a manner, or for such a time that the Town in the exercise of its sole discretion, should find that such accumulation endangers or menaces the public health, safety, or welfare, then in such event, the Town shall have the right, upon twenty-four (24) hour prior written notice to Contractor, during the period of such emergency, to contract on a temporary basis with third parties to Collect and transport any and all Solid Waste which Contractor would otherwise be obligated to Collect and transport pursuant to this Agreement until the events or conditions for Contractor’s failure to perform the services under this Agreement have ended.

B. CONTRACTOR TO COOPERATE

Contractor agrees that in such event it will fully cooperate with the Town and its third party contractor to affect such a transfer of operations in as smooth and efficient a fashion as is practicable.

C. CONTRACTOR TO PAY TOWN COSTS

During such time as the Town is performing or causing to perform the Collection services itself with its own or other third party personnel and equipment, Contractor shall bill and Collect payment from all users of the Collection services. Contractor shall reimburse the Town for any and all costs and expenses incurred by the Town during such period within sixty (60) days of Contractor’s receipt of written notice to pay. Further, all costs, fees, rates, and other expenses incurred by the Town and/or its third party contractor that exceed those in effect or being incurred or which would have been incurred had no such emergency arisen shall be the responsibility of Contractor and shall be paid to the Town within sixty (60) days of Contractor’s receipt of written notice to so pay.

D. RIGHT TO PERFORM

In the event Contractor, for any reason whatsoever, fails, refuses, or is unable to Collect, transport, or Dispose of any or all Solid Waste, Recyclables, Green Waste, Bulky Items, Universal Waste, E-Waste, Used Oil, Used Oil Filters, HHW, and/or C&D Debris which is required by this Agreement, at the time and in the manner provided in this Agreement, for a period of more than seventy-two (72), and if, as a result thereof, any or all of these materials should accumulate in the Town to such an extent, in such a manner, or for such a time that the Town in its sole discretion should find that such accumulation endangers or menaces the public health, safety, or welfare or

upon Contractor default, then the Town shall have the right, even if Contractor is not in breach of this Agreement, but not the obligation, upon twenty-four (24) hours prior written notice to Contractor during the period of such emergency as determined by the Town, to perform, or cause to be performed, such services itself with its own or other personnel and equipment without liability to Contractor.

E. CONTRACTOR'S NOTICE

Notice of Contractor's failure, refusal, or neglect to Collect, transport, and properly Dispose or process Solid Waste, Recyclables, Green Waste, Christmas trees, Bulky Items, Universal Waste, E-Waste, Used Oil, Used Oil Filters, HHW, and/or C&D Debris may be given verbally by telephone to Contractor at its principal office and shall be effective immediately. Written confirmation of such verbal notification shall be sent to Contractor within twenty-four (24) hours of the verbal notification.

F. INTERRUPTION OF COLLECTION SERVICE

Contractor's written Contingency Plan is attached hereto as Exhibit D, and incorporated herein by reference (the "Contingency Plan") demonstrating Contractor's arrangements to provide vehicles and personnel, to maintain uninterrupted service (to the extent possible), and/or resume service during and after a Force Majeure event. This Contingency Plan shall be specific to the needs of the Town and Franchise Area.

In the event of disruption of services due to a Force Majeure event, Contractor and the Town shall make every commercially reasonable effort to restart performance hereunder as soon as practicable in accordance with the Contingency Plan, and will take all reasonable steps to overcome the cause of cessation of services.

If a Force Majeure event occurs and disposal services are discontinued for more than seventy-two (72) hours, the Town, with the express written consent of Contractor (which consent may be withheld, delayed, or conditioned in Contractor's sole and absolute discretion), may take temporary possession of the facilities and equipment of Contractor necessary to resume disposal services. Under no circumstance shall the Town's possession of Contractor's facilities and/or equipment continue for more than thirty (30) days from the date such operations were undertaken. A Force Majeure event shall not relieve a Party from its payment obligations under this Agreement.

If Contractor breaches its obligation contained in the Contingency Plan and fails to cure such breach within forty-eight (48) hours of receipt of written notice of such breach from the Town, the Town shall have the right to terminate this Agreement, and the cure provisions in Section 15.A hereof shall be inapplicable in such event.

SECTION 17 – PRIVACY

A. PRIVACY OF CUSTOMER INFORMATION

Contractor shall use all reasonable efforts to observe and protect the rights of privacy of its employees and customers. Information identifying individual customers, or the composition or

contents of a customer's refuse or Recyclables shall not be intentionally revealed to any person, private agency or company, unless upon the request of federal or state law enforcement personnel, the authority of a court of law, by statute, or upon valid authorization of the customer. This provision shall not be construed to preclude Contractor from preparing, participating in, or assisting in the preparation of waste characterization studies or Wastestream analyses which may be required by AB 939, or any other reports requested by the Town under this Agreement or required or requested by any governmental agency.

B. MAILING LISTS

Contractor shall not market or distribute, outside the normal course of its business, mailing lists with the names and addresses of customers.

SECTION 18 – RECORDS AND ACCOUNTING

A. FINANCIAL REPORTING

Contractor shall maintain a proper set of books and records on an accrual basis for Mammoth Disposal Company, in accordance with generally accepted accounting principles, accurately reflecting the business done by Mammoth Disposal Company. Contractor shall account for revenues received and expenses incurred as a result of this Agreement separate from the accounting for other operations performed by Contractor or its affiliates. Contractor shall also account for revenues and expenses related to services for which Contractor maintains an exclusive right under this Agreement separate from the accounting of services provided under this Agreement for which Contractor does not have an exclusive right. Contractor shall submit to the Town each year a copy of the audited financial statements of its ultimate parent company, Waste Connections, Inc.

B. SERVICE RECORDS

Contractor shall maintain all records relating to the services provided hereunder, including, but not limited to, customer lists, billing records, route maps, AB 939 records, and customer complaints, for a period of five (5) years from the date of the generation of each such record. The Town or its agent(s) shall have the right, upon ten (10) business days advance notice, to inspect all maps, AB 939 records, Contractor's books and records, customer complaints, and other like materials of Contractor which directly relate to Contractor's compliance with the provisions of this Agreement. Such records shall be made available to the Town at Contractor's regular place of business, but in no event outside the Town of Mammoth Lakes. Contractor shall further maintain and make available to the Town, records as to number of customers, total and by type, route maps / route listings, service records, and other materials and operating statistics in such manner and with such detail as the Town may require. The Town shall not make or retain copies or photocopies containing information set forth in Contractor's confidential financial and business records pertaining to the establishment of rates without executing a Confidentiality Agreement providing that the Town shall hold and keep such copies and photocopies confidential to the extent permitted by law, provided that: (i) no records pertaining to Contractor's payment of Franchise Fees or the calculation thereof shall be deemed confidential; and (ii) such Confidentiality Agreement shall not preclude the use of Contractor's records by the Town in any action to interpret or enforce this Agreement or as the basis of any audit or claim for Franchise Fees.

C. UNDERPAYMENT OF FRANCHISE FEES

Should any examination or audit of Contractor's records reveal an underpayment of any fee required under this Agreement, the amount of such underpayment shall become due and payable to the Town, together with interest at the annual rate of eighteen percent (18%), not later than thirty (30) days after written notice of such underpayment is sent to Contractor by the Town. Should an underpayment of more than one percent (1%) be discovered, Contractor shall bear the entire cost of the Town's audit or examination and said cost shall not be recoverable through rate setting.

D. EXAMINATION OF FINANCIAL RECORDS

1. The information required by this Section shall pertain to Contractor's operations covered and regulated by this Agreement, and nothing contained herein shall require Contractor to provide the Town with information pertaining to Contractor's operations which are not regulated by the Town.
2. The Town and/or its auditors shall have the right to inspect or review the payroll tax reports, specific documents or records required expressly or by inference pursuant to this Agreement, or any other similar records or reports of Contractor that is reasonably necessary to evaluate annual reports, compensation applications provided for in this Agreement, and Contractor's performance or other matters directly related to this Agreement. The Town, its auditors, and other agents selected by the Town, shall have the right, during regular business hours, to conduct unannounced on-site inspections and review of the records and accounting systems of Contractor directly related to this Agreement, and to make copies of any of Contractor's documents directly related to this Agreement. Upon request, Contractor shall arrange for records of related party entities to be made available to the Town and its official representatives for review, to the extent such records are reasonably necessary to evaluate annual reports, compensation applications, Contractor's performance, or other matters related to this Agreement.
3. Information gained from examination of records pertaining to operations not regulated by the Town shall be treated by the Town and its agents as confidential information in accordance with applicable state law. The Town's agents shall prepare a confidential report regarding the results of their examination of Contractor's non-regulated operations and transactions with Affiliates. The Town's agent shall issue its report on Contractor's non-regulated operations and Contractor's transactions with Affiliates to the Town's counsel, and said report shall remain confidential, except that the dollar amount and general description of any costs that the Town's agent recommends be disallowed shall be disclosed to the Town's governing body. If Contractor appeals the conclusions of said report to the Town's governing body, Contractor shall decide what portions, if any, of said report shall be disclosed to the Town's governing body. The Town's governing body shall then consider Contractor's appeal but may, in its discretion, deny said appeal if inadequate information has been disclosed to the Town's governing body to make an informed decision on the appeal.

4. For review of books and other financial records necessary to verify Contractor's income, expenses, assets, and liabilities, "agent" means an independent Certified Public Accountant or public accountancy firm or other independent agent designated by the Town.

E. PUBLIC RECORDS

The Town acknowledges that certain records and reports of Contractor are proprietary and confidential, provided that no records pertaining to Contractor's payment of Franchise Fees or the calculation thereof shall be deemed confidential. Contractor is obligated to permit the Town inspection of certain records, as provided herein, on demand and to provide copies to the Town as requested. The Town will endeavor to maintain the confidentiality of all proprietary information provided and designated as such by Contractor and the Town shall not voluntarily disclose such proprietary information. Notwithstanding the foregoing, any documents provided by Contractor to the Town that are public records may be disclosed pursuant to Applicable Laws of California. Nothing in this Section will prevent the Town from allowing public access to the Town's records as provided for under the Applicable Laws of California, and in the event any dispute arises as to the public access to information provided by Contractor under the terms of this Agreement, the Town shall in its discretion provide public access to said information according to law or, if necessary, tender the defense of any claims made against the Town concerning said information to Contractor. The Town shall make a good faith effort to notify Contractor of the intended release.

F. TOWN ACCESS TO CUSTOMER LISTS

Upon reasonable notice or as otherwise agreed herein, and at those times designated by the Town, Contractor shall supply to the Town lists of the names of all customers of Contractor who are provided any service by Contractor within the Franchise Area. At the same or other time, the Town may request and Contractor shall provide information specifying each customer's address, type of service provided to that customer, the number and type of authorized Solid Waste containers used by or provided to each customer, whether and which customers are believed to be violating this Agreement, any mandatory subscription ordinance or any other provision of the law, and any other information that the Town determines, in its sound discretion, reasonably required to monitor implementation of this Agreement and/or discharge the Town's responsibilities under the law.

G. BILLING AND PAYMENT

Contractor shall bill all customers for all services, whether regular or special. Contractor shall provide customers with accurate and itemized bills showing charges for all classifications and services, including charges for any applicable late payment fees and, where applicable, tipping fees. Contractor shall also Collect and remit to the Town any AB 939 Fees and other surcharges imposed by the Town on customers within the Franchise Area. Billings shall be made monthly in advance for all Commercial Solid Waste customers. Billings shall be made quarterly for all Residential customers.

Customers may be provided electronic statements and billing per their request. Customer notifications will be provided electronically via e-mail or other electronic notification process to be discussed with the Town prior to use.

Upon initiation of service and annually thereafter, Contractor shall send or deliver to its customer, information concerning the conditions of service, including, but not limited to, new programs, rates, fees, charges, service and Recycling options, payment options, discounts (if any), days of Collections, the amount and manner of refuse to be Collected, days and hours of operation for Transfer Station service level and inquiry / complaint procedures, including the name, address, and local telephone number of Contractor. The form and content shall be subject to the review and approval of the Town.

SECTION 19 – REPORTS AND ADVERSE INFORMATION

A. ANNUAL REPORTS

The following list includes reports or data that may be required on an annual basis to be provided by Contractor to the Town:

1. Electronic Annual Report: Electronic Annual Report (EAR) is part of a performance measurement system that considers factors such as a jurisdiction's program implementation and its per capita disposal rate in determining compliance with AB 939. Data required to complete the EAR reporting requirements will be provided by Contractor to the Town by March 1 of each year.
2. DTSC Form 303: Title 14, California Code of Regulations, Section 18751.2 mandate that each public agency responsible for HHW management shall ensure the amount of material Collected through their program during the preceding reporting period (July 1 through June 30) is reported to CalRecycle by October 1 each year. Contractor will provide the Town with the data necessary to complete DTSC Form 303 by August 1 of each year.
3. AB 901 Reporting: Contractor shall submit to the Town any report submitted to CalRecycle in compliance with reporting compliance in accordance with AB 901 at a frequency determined therein.
4. Other Reporting for Compliance with Applicable Law: Contractor shall provide Town, as often as may be required to allow the Town to demonstrate compliance, all data necessary for the Town to demonstrate compliance with AB 341, AB 1826, SB 1383, and any other applicable law or regulation.

B. MONTHLY REPORTS

The following reports are to be provided by Contractor to the Town on a monthly basis:

1. A revenue statement setting forth quarterly Franchise Fees, and the basis for the calculation thereof, certified under penalty of perjury by a manager of Contractor; and
2. An accounts receivable aging report.

C. QUARTERLY REPORTS

The following reports are to be provided by Contractor to the Town on a quarterly basis:

1. Station Disposal Report (Station Notification): Title 14, California Code of Regulations, Section 18809.9 requires an operator who sends Solid Waste to another facility within California shall provide the operator of that facility with the percentage of waste assigned to each jurisdiction. Contractor will provide a copy of the information required under Section 18809.9 by the 15th day of the month after the quarter (April, July, October, and January);
2. Complaint log; and
3. Diversion report following the rules set forth under AB901.

D. ADVERSE INFORMATION

Contractor shall provide the Town with two (2) copies of all reports or other material adversely reflecting on Contractor's performance under this Agreement, submitted by Contractor to the California EPA or U.S. EPA, CalRecycle, or any other federal, state, or local agency, or received by Contractor from any such agency. Copies shall be submitted to the Town simultaneously with Contractor's filing of such matters with said agencies or receipt of such correspondence from such agencies. Contractor's routine correspondence to said agencies need not be automatically submitted to the Town, but shall be made available to the Town upon written request, as provided in this Section.

1. Contractor shall submit to the Town copies of all pleadings, applications, notifications, communications, and documents of any kind, submitted by Contractor to, as well as copies of all decisions, correspondence, and actions by, any federal, state, and local courts, regulatory agencies, and other governmental bodies relating specifically to all material aspects of Contractor's performance of services pursuant to this Agreement. Any data which Contractor seeks to be excluded from release in response to a request pursuant to the California Public Records Act shall be clearly identified as such by Contractor with the legal basis for such exclusion clearly specified, provided that no correspondence pertaining to Contractor's performance of services hereunder shall be deemed a trade secret or otherwise exempt from disclosure. In the event the Town receives a request under the Public Records Act, or by subpoena, the Town shall notify Contractor to permit Contractor to object to the release of the information requested or subpoenaed, but absent a protective order or similar order being issued by the Mono County Superior Court the Contract Administrator shall make the final determination as to whether the requested material must or may be released pursuant to the California Public Records Act or subpoena, as applicable.
2. Contractor shall submit to the Town such other information or reports in such forms and at such times as the Town may reasonably request or require.

3. All reports and records required under this or any other Section shall be furnished by Contractor and the expense therefore in the gathering and preparation of such information, reports, and records shall be included in the rates set forth in **Exhibit B**.

E. FUTURE LEGISLATION

Contractor will comply with all reporting requirements from future federal, state, and local regulations.

Contractor agrees to render all reasonable cooperation and assistance to the Town in meeting the requirements of the Town's source reduction and Recycling element and non-Disposal facility element and future legislation and regulatory requirements.

SECTION 20 – REVIEW OF PERFORMANCE AND QUALITY OF SERVICE

A. PERFORMANCE REVIEW

From time to time, in its sole discretion, the Town may examine Contractor's operation in order to evaluate whether or not Contractor is operating at a satisfactory level of efficiency and customer satisfaction according to industry standards. Contractor agrees to cooperate in any such examination, and shall permit the Town's representatives to inspect, at Contractor's principal place of business, such information pertaining to Contractor's obligations hereunder as the Town may require, including but not limited to, such things as customer inquiry records, Collection routes and equipment records. Access to Contractor's records shall be subject to Section 18.

B. ANNUAL REPORT

In February of each year Contractor shall present to the Town Council an annual report to include: (i) performance for the prior calendar year; (ii) any new programs or services anticipated for the next year; (iii) changes recommended to improve the Town's ability to meet the goals and/or requirements of AB 939, AB 341, AB 1826, and SB 1383; (iv) any specific plans for provision of such new services by Contractor; (v) the estimated expenses and adjustments to rates if any are necessary to compensate Contractor for providing such services, or a justification indicating why Contractor believes that such services are not feasible for the Franchise Area; (vi) a discussion of any significant achievements or problems for the preceding year; (vii) a list of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), tare weight, and mileage at December 31; and (viii) any relevant updates for technological, economic, and/or regulatory changes in Solid Waste Collection and Processing.

C. REPORT ON PERFORMANCE

At any point after Contractor's presentation of its annual report, the Town may issue a report with respect to the adequacy of performance and quality of service. If any non-compliance with the franchise is found, the Town may direct Contractor to correct the inadequacies or initiate default proceedings in accordance with Section 15.

D. CUSTOMER SATISFACTION SURVEY

At the Town's request and at Contractor's expense, not more than once annually Contractor will survey customers in a mutually agreed upon form, content, and manner. The survey results will be directly returned to the Town. Contractor will obtain a copy of the results of the survey. Nothing in this paragraph shall limit the right of the Town to conduct additional surveys at its own expense. Contractor shall reasonably cooperate with the Town in such cases.

SECTION 21 – SYSTEM AND SERVICES REVIEW

To provide for technological, economic, and regulatory changes in Solid Waste Collection, to facilitate Recycling programs, to promote competition in the Solid Waste industry, and to achieve a continuing, advanced Solid Waste Collection system, the following system and services review procedures are hereby established.

A. PUBLIC HEARING

At the Town's sole option, the Town may hold a public hearing on or about the first anniversary date of this Agreement to review Contractor's Collection systems and services. Subsequent system and services review hearings may be scheduled by the Town annually thereafter. It is the Town's intent to conduct any system and services review concurrently with any annual review of performance and quality of service as provided for in Section 20, above.

B. CONTRACTOR'S REPORT

Sixty (60) days after receiving notice from the Town, Contractor shall submit a report to the Town indicating the following:

- (1) All Solid Waste Collection and Recycling services reported in Solid Waste Collection and Recycling industry trade journals that are being commonly provided on an operational basis, excluding tests and demonstrations, to communities in the United States with comparable populations, that are not provided by Contractor to the Town;
- (2) Changes recommended to improve the Town's ability to meet the goals of AB 939; and
- (3) Any specific plans for provision of such new services by Contractor along with the estimated expenses and adjustments to rates if any are necessary to compensate Contractor for providing such services, or a justification indicating why Contractor believes that such services are not feasible for the Franchise Area.

C. SERVICES REVIEW TOPICS

Topics for discussion and review at the system and services review hearing shall include, but shall not be limited to, services provided, customer complaints, rights of privacy, amendments to this Agreement, developments in the law, and new initiatives for meeting or exceeding AB 939's goals and regulatory constraints.

D. CONTRACTOR COOPERATION

The Town and Contractor may each select additional topics for discussion at any system and services review hearing. Contractor agrees to cooperate in any such examination and shall provide for inspection to the Town or its designated representatives, at Contractor's principal place of business, such information as the Town may require, including, but not limited to, such things as Collection routes and equipment records.

E. TOWN'S REPORT

After the conclusion of each system and services review hearing, the Town may issue a report. The report shall summarize the systems and services review hearing and address services not being provided to the Town that are considered technically and economically feasible by the Town. The Town may require Contractor to provide such services within a reasonable time, for reasonable rates and compensation.

SECTION 22 – COMPENSATION

During the term of this agreement, Collection rates will be established and adjusted in accordance with the CPI series CPI-U for the Los Angeles-Long Beach-Anaheim area published by the Bureau of Labor Statistics of the U.S, Department of Labor except as set forth herein. Notwithstanding the foregoing, the rates for the period January 1, 2021, through December 31, 2025, shall be as set forth in **Exhibit B**, without adjustment, subject to compliance with the notice and protest requirements of Article XIID, Section 6, of the California Constitution; (ii) no annual rate increase shall be less than one percent (1%) or more than four percent (4%); and (iii) no rate increase shall be granted if a majority protest has occurred, pursuant to Article XIID, Section 6, of the California Constitution. In the event that a majority protest occurs which would prohibit the establishment of the rates in **Exhibit B** for the years 2021-2025, Contractor may terminate this agreement upon 180 days written notice, provided that such notice shall be provided within sixty (60) days of Town notifying Contractor of the majority protest.

A. RATES

The rates for the collection, transfer station, transportation, recycling and disposal services contemplated hereunder are set forth in **Exhibit B** to this Agreement.

B. RATE ADJUSTMENTS

The rates to be paid to Contractor for Bins, Multi-Family Containers, Yard Waste Containers, Recycling Containers, and Single Family Containers and Transfer Station rates set forth in **Exhibit B** shall be increased 5.60% for the first six (6) years beginning January 1, 2021, subject to compliance with the notice and protest requirements of Article XIID, Section 6, of the California Constitution; no rate increase shall be granted if a majority protest has occurred, pursuant to Article XIID, Section 6, of the California Constitution. Beginning January 1, 2027, rates subject to all services included in this Agreement, are subject to one hundred percent (100%) of the percentage change in the Consumer Price Index, series CPI-U for the Los Angeles-Long Beach-Anaheim area published by the Bureau of Labor Statistics of the U.S, Department of Labor except as set forth

herein, and subject to compliance with the notice and protest requirements of Article XIID, Section 6, of the California Constitution. No rate increase shall be granted if a majority protest has occurred, pursuant to Article XIID, Section 6, of the California Constitution. Contractor and the Town agree that the annual adjustment will be not less than one percent (1%), nor greater than four percent (4%), subject to compliance with the notice and protest requirements of Article XIID, Section 6, of the California Constitution. Contractor shall bear the cost of the notice and protest process required by Article XIID, Section 6, of the California Constitution, including without limitation mailing costs and the cost of Town staff and consultant time spent in evaluating the requested increase; provided, however, that, with regard to Town staff and consultant time costs, Contractor shall be required to pay no more than the first One Thousand Five Hundred Dollars (\$1,500.00) per year (with such One Thousand Five Hundred Dollar (\$1,500.00) cap to be adjusted annually for increases in the CPI-U as set forth in this Section 22.B). Upon completion of Town's consideration of the request, Town shall submit to Contractor an invoice for such costs, which Contractor shall promptly pay. No less than ninety (90) days prior to January 1st, Contractor will submit a letter to Town's Solid Waste Director for him/her to review detailing computations used in determining rate adjustments. In the event Contractor and Town's Solid Waste Director disagree with the computational methods, resolution of the rate adjustment dispute shall be in accordance with Section 12(C) hereof. For purposes of computation, August to August changes will be used for the Consumer Price Index.

Example:

	August 2018	August 2019	100% of change
CPI-U for the Los Angeles-Long Beach-Anaheim	266.665	274.579	2.97%

Rates will be increased by 2.97%.

In addition to the foregoing, Contractor shall be entitled (except if a majority protest occurs as part of the process required by Article XIID, Section 6 of the California Constitution for the review of rate adjustments), on January 1st of each year, to adjust the rates herein upward, and shall be required to adjust the rates downward if applicable, to the extent necessary to reflect changes in the disposal/brokerage and/or processing rates incurred by Contractor, as reflected in documents provided by Contractor to Town not later than 90 days prior to January 1st of each year. Contractor shall not be entitled to any upward adjustment for a year in which Contractor fails to timely submit documentation or for which Contractor submits inadequate documentation of such changes in costs.

C. ADJUSTMENTS FOR EXTRAORDINARY CIRCUMSTANCES

In addition to the adjustment mechanisms set forth above, Contractor may request an adjustment to rates for services described in Exhibit B, under the following extraordinary circumstances: (i) increases, or decreases, in actual costs reasonably incurred by Contractor as a result of changes in federal, state or local laws, ordinances, rules, regulations, or requirements, including new or increased diversion requirements (whether imposed/requested by the Federal government, the State of California, CalRecycle, the Town, or any other regulator); and (ii) in the event that

unforeseen circumstances arise which are caused by no fault of Contractor and are outside Contractor's control and materially affect Contractor's costs or revenues under this Agreement. For purposes of this Section, "extraordinary circumstances" shall not include increased labor costs except to the extent directly caused by a legal or regulatory requirement such as an increase in the California minimum wage (but excluding increases in wages to levels above the minimum wage), increased capital costs except to the extent directly caused by a legal or regulatory requirement, increased costs of borrowing or financing, increased debt, changes in the type or quantity of materials received by Contractor hereunder, or costs incurred as a result of an acquisition or sale of Contractor or any parent company or affiliate. Contractor's application for an extraordinary rate adjustment shall include a statement of the amount of the requested rate adjustment, the basis therefor, and all financial and other records on which Contractor relies for its claim that Contractor's costs have increased. Town staff shall review Contractor's rate application and notify Contractor if its application is complete or whether Town staff wishes to review and/or audit any additional documents or information reasonably related to the requested increase before submitting the matter to the Town Council for their consideration. Rate adjustment requests resulting from extraordinary measures shall be submitted no later than September 1st for costs incurred for the previous calendar year and, if granted, shall be effective January 1st of each year, provided that the effective date shall be delayed with respect to any request for which Town requested additional documents from Contractor, and shall be delayed to the extent necessary to allow Town to complete the notice and protest process required by Article XIID, Section 6, of the California Constitution. Contractor shall not request rate adjustments resulting from extraordinary circumstances in amounts more than 10% annually. In the event Contractor has incurred increased costs due to extraordinary events above the 10% annual cap, then any unrecovered costs may be recovered by way of further increases in the following year(s) in each and every year if approved by Town's Town Council, until such time that all costs are recovered by Contractor.

The Town Council shall review and consider approval of adjustment requests under this Section in its discretion. The Town Council shall review and consider such requests within a reasonable period of time after the complete submittal by Contractor of its application for an extraordinary rate adjustment and after the Town has had a reasonable period of time to request, review and audit any applicable financial records of Contractor and/or its affiliates. The Town Council may grant Contractor's requested rate adjustment or, based on the information presented, may increase or decrease Contractor's rates in amounts differing from Contractor's request. The adjusted rates, if approved by the Town Council, shall go into effect thirty (30) days after such approval or at such other time as established by the Town Council. Contractor shall bear the cost of the notice and protest process required by Article XIID, Section 6, of the California Constitution, including without limitation mailing costs and the cost of Town staff and consultant time spent in evaluating any request for an extraordinary rate increase; provided, however, that, with regard to the use of any consultant, Town shall confer with Contractor regarding the selection the proposed consultant but the selection of the consultant shall be in Town's sole discretion following such conference. Upon completion of Town's consideration of the request, Town shall submit to Contractor an invoice for such costs, which Contractor shall promptly pay.

SECTION 23 – COLLECTION EQUIPMENT AND PERSONNEL

A. VEHICLE STANDARDS

The vehicles shall be designed and operated so as to prevent Collected materials from escaping from the vehicles. Hoppers shall be closed on top and on all sides with screening material to prevent Collected materials from leaking, blowing, or falling from the vehicles. The bodies of any vehicle, or any container, used in Collection or transportation of Solid Waste must have watertight beds of metal or impervious material that can be cleaned. Any vehicle body that has a hole large enough to allow liquids or other materials to escape shall be immediately removed from service and not returned to service until and unless it is repaired.

Contractor warrants that it shall provide an adequate number of vehicles and equipment for the Collection and transportation services for which it is responsible under this Agreement. All vehicles used by Contractor under this Agreement shall be registered with the Department of Motor Vehicles of the State of California, as applicable, shall be kept clean and in good repair, and shall be uniformly painted. Solid Waste Collection vehicles shall be washed such that they are maintained in a reasonably clean and sanitary condition. Contractor's name, telephone number, and vehicle number shall be visibly displayed on its vehicles. Loads shall be kept completely covered at all times except when material is being loaded or unloaded, or when vehicles are in the process of Collection. Collection vehicles shall be designed and operated while in route in such a manner as to prevent Solid Waste and/or liquids from leaking, escaping or spilling. Any spillage of materials or fluids from a collection vehicle shall be immediately cleaned up by Contractor at Contractor's sole expense.

Notwithstanding the generality of the foregoing, Contractor's equipment shall at all times be in conformance with the regulatory requirements applicable thereto.

B. LOW EMISSIONS REQUIREMENT

All vehicles used by Contractor in the performance of services hereunder shall comply with all applicable Federal, State, and local laws and regulations, including, without limitation, California Air Resources Board (CARB) clean fleet requirements set forth in Title 13, California Code of Regulations Sections 2020 et seq, safety, and emissions requirements, and such compliance shall come at no additional cost to the Town or customers during the term of this Agreement. If changes in federal, state, or local laws, including without limitation Title 13, California Code of Regulations, Section 2020 et seq., and the Federal EPA's Highway Diesel Fuel Sulfur regulations, mandate that Contractor convert or retrofit its Collection fleet to use the most cost-effective means to reduce air pollutant emissions, Contractor shall take all necessary steps to so comply, and shall be in full compliance with all other federal, state, and local clean air requirements.

C. WEIGHT RESTRICTIONS

Contractor shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by state or local weight restrictions on vehicles. Contractor acknowledges that the Town may document compliance with this provision of this Agreement through review of scale tickets and records of the Disposal and Processing facilities.

D. EQUIPMENT LIST

Contractor shall include within the annual report required by Section 20.A hereunder, a list of all vehicles used in performing services under this Agreement including the license plate number , VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), tare weight, and mileage at December 31.

E. EMPLOYEES

Contractor shall take all steps necessary to ensure that its employees performing services hereunder conduct themselves in a safe, proper, and workmanlike manner, and that they work as quietly as possible. All such employees shall at all times of employment be dressed in uniforms with suitable identification. All drivers must have in effect a valid license, of the appropriate class, issued by the California or Nevada Department of Motor Vehicles. Contractor shall use the Class II California or Nevada Department of Motor Vehicles employer “Pull Notice Program” to monitor its drivers for safety. Contractor shall provide suitable operational and safety training for all of its employees who operate collection vehicles or equipment. Contractor shall train its employees involved in Collection to identify, and not to Collect, Hazardous Waste, Medical Waste, and Special Waste. Upon the Contract Administrator’s request, Contractor shall provide a copy of its safety policy and safety training program, the name of its safety officer, and the frequency of its trainings.

SECTION 24 – PUBLIC ACCESS TO CONTRACTOR

A. OFFICE HOURS

Contractor’s office hours shall be, at a minimum, 8:00 a.m. to 12:00 p.m. and 1:00 – 4:00 p.m., Monday through Friday, except holidays. An adequate number of Customer Service Representatives of Contractor shall be available during office hours for communication with the public in person and by telephone at Contractor’s principal office in Mammoth Lakes, CA. Contractor shall also provide the Town with an emergency telephone number for use during other than normal business hours. Contractor shall have a representative or answering service available at said after-hours telephone number during all hours other than normal office hours.

B. REGULAR MEETINGS WITH THE TOWN

Contractor shall meet with the Town at 437 Old Mammoth Road, Suite 230, Mammoth Lakes, CA 93546 or at Contractor’s place of business, at the discretion of the Town, to discuss matters of mutual concern, including, but not limited to, problems with Contractor’s service, compliance with AB 939 and future planning on a regular schedule determined by the Town. The person attending these meetings on behalf of Contractor shall be vested with sufficient authority to make decisions binding on Contractor.

SECTION 25 – CUSTOMER COMPLAINTS

A. SERVICE COMPLAINTS

1. All customer complaints shall be directed to Contractor. Contractor shall record all complaints received by mail, by telephone, or in person (including date, name, address of complainant, and nature of complaint). Contractor agrees to use its best efforts to resolve all complaints by the close of business of the second regularly scheduled waste Collection day following the date on which such complaint is received. Service complaints may be investigated by the Contract Administrator or his/her designee. Unless a settlement satisfactory to the complainant and Contractor is reached, the complainant may refer the matter to the Contract Administrator or his/her designee for review.
2. Contractor will maintain records listing the date of customer complaints, the customer, the nature of the complaint or request, and when and what action was taken by Contractor to resolve the complaint. All such records shall be maintained for a period of twenty-four (24) months and shall be available for inspection by the Town.

B. COMPLAINT RESOLUTION

Contractor will use its best efforts to resolve all complaints by close of business of the second business day following the date on which the complaint is received. Contractor shall notify customers that service complaints may be reviewed by the Town if a satisfactory solution is not reached.

C. TOWN REVIEW OF COMPLAINTS

A customer dissatisfied with Contractor's decision regarding a complaint may ask the Town to review the complaint.

D. REMEDY

The Town or his/her designee shall determine if the customer's complaint is justified, and if so, what remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate of customer charges related to the period of breach of any of the terms of this Agreement, in addition to the imposition of administrative charges to the extent permitted by Section 14 hereof.

SECTION 26 – SERVICE EXCEPTIONS / HAZARDOUS WASTE NOTIFICATIONS

A. COMPLIANCE WITH HAZARDOUS WASTE LAWS

The Parties hereto recognize that federal, state, and local agencies with responsibility for defining Hazardous Waste and for regulating the Collection, hauling, or Disposal of such substances, are continually providing new definitions, tests, and regulations concerning these substances. Under this Agreement, it is Contractor's responsibility to keep current with the regulations and tests on such substances, and to identify such substances, and to comply with all federal, state, and to the extent not inconsistent with this Agreement, local regulations concerning such substances. Contractor shall prohibit the Collection and the Disposal of Hazardous Waste in any manner inconsistent with federal and state law. Contractor shall have no duty or responsibility to Collect or manage Hazardous Waste, other than as explicitly set forth in this Agreement.

B. NOTICE TO AGENCIES REGARDING TOXICS

Contractor has represented to the Town that Contractor will carry out its duties to notify all agencies with jurisdiction, including DTSC and local emergency response providers, and, if appropriate, the National Response Center, of reportable quantities of Hazardous Waste, found or observed by Contractor in Solid Waste anywhere within the Town, including on, in, under, or about the Town's property, including streets, easements, right of ways, and the Town's waste containers. In addition to other required notifications, if Contractor observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Wastes unlawfully Disposed of or released on the Town's property, including streets, storm drains, or public right of ways, Contractor will also immediately notify the Contract Administrator or his/her designee.

C. INSPECTION FOR TOXICS

Contractor shall conduct a visual inspection, consistent with its normal operating procedures, of all Solid Wastes that it Collects, transports, and/or Disposes pursuant to this Agreement for the purpose of discovering, identifying, and refusing to Collect, transport and dispose of Hazardous Wastes or materials.

D. NO COLLECTION OR DISPOSAL OF HAZARDOUS WASTE

Except as provided in this sub-Section, Contractor shall not knowingly Collect, handle, Process, transport, arrange for the transport of, or Dispose of Hazardous Waste pursuant to this Agreement.

E. AMMUNITIONS, EXPLOSIVES, OR OTHER ORDNANCE

Contractor shall not knowingly accept, Collect, handle, process, transport, or arrange for the transport of ammunition, explosives, or other ordnance. However, in the event that this type of material is identified at the Transfer Station, Contractor shall appropriately arrange for safe disposal.

SECTION 27 – INDEMNIFICATION

A. INDEMNIFICATION OF TOWN

Contractor shall protect, defend (with counsel selected by Contractor and reasonably acceptable to the Town), indemnify and hold harmless the Town, its Town Council members, officers, employees, agents, consultants, successors, and assigns (hereinafter "Town Indemnified Parties") from and against any and all claims, suits, losses, damages, and liability for damages of every name, kind, and description, including attorney's fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, Town employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with Contractor's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the Town Indemnified Parties, except for the sole active negligence of the Town, its officers and employees, or as expressly prohibited by statute, provided that if a final decision or judgment allocates liability by determining that any portion of damages awarded is attributable to an

Indemnified Party, then Town shall pay such portion of damages. This duty of Contractor to indemnify and save the Town Indemnified Parties harmless includes the duties to defend set forth in California Civil Code Section 2778.

B. HAZARDOUS SUBSTANCE INDEMNIFICATION

Contractor shall protect, defend (with counsel selected by Contractor and reasonably acceptable to the Town), indemnify, and hold harmless the Town Indemnified Parties from and against all claims for actual damages (including but not limited to special and consequential damages), natural resources damages, punitive damages, restitution, injuries, costs, response costs, 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, the Town Indemnified Parties, arising out of or resulting from any repair, cleanup, detoxification, or preparation and implementation of any removal, remedial, response, closure, corrective action, or other plan (regardless of whether undertaken due to governmental action), concerning the release or threatened release of any hazardous substance or Hazardous Waste or MSW at any place where Hazardous Waste or MSW is or has been transported, transferred, Processed, stored, Disposed, or has otherwise come to be located by Contractor pursuant to this Agreement, which may result in a release of Hazardous Waste or hazardous substance into the environment. The foregoing indemnity is intended to operate as an agreement pursuant to CERCLA Section 107(e); Title 42 U.S. Code Section 9607(e); and California Health & Safety Code Section 25364, to defend, protect, and hold harmless and indemnify the Town Indemnified Parties from liability. This provision shall survive the termination of this agreement between Contractor and the Town. The foregoing indemnity shall not have any dollar limitation. The foregoing indemnity is for the exclusive benefit of the Town Indemnified Parties and in no event shall such indemnity inure to the benefit of any third party.

The foregoing indemnity shall not apply with respect to:

1. Any Hazardous Waste or hazardous substance generated by the Town and delivered by the Town to Contractor, provided that Hazardous Waste and hazardous substances generated by Customers shall not be deemed to have been generated by the Town; or
2. The Disposal or release of hazardous substances or Hazardous Waste, which Disposal or release has resulted from the negligence or willful misconduct of the Town in Collecting or delivering hazardous substances or Hazardous Waste in Town vehicles to Contractor's facilities. This indemnity shall include and cover any activities of Contractor under the Prior Agreements. Nothing in these exclusions shall be deemed a waiver of any other rights or claims the Town may have against Contractor independent of this indemnity.

C. AB 939/AB 341/AB 1826/SB 1383 INDEMNIFICATION

Contractor shall defend with counsel reasonably acceptable to the Town, indemnify and hold the Town harmless from any and all fines, penalties and assessments levied against or threatened to be levied against the Town for the Town's failure to meet the requirements of AB 939, AB 341,

AB 1826, SB 1383, their respective amendments or any successor legislation and/or all rules and regulations promulgated thereunder, but only to the extent such liability is caused by Contractor's failure to comply with Contractor's express obligations under this Agreement and/or Contractor's failure to comply with said laws, rules, or regulations binding on Contractor, including but not limited to, failing to timely supply the Town with information or reports in order to comply with AB 939, AB 341, AB 1826, and/or SB 1383. Contractor shall not be obligated to indemnify the Town for fines or penalties caused by the Town's modifications of Contractor's information, by a change by the Town in the scope of work hereunder which materially and negatively affects the ability of Contractor to perform Diversion activities which contribute to the Town's compliance with AB 939, AB 341, AB 1826, and/or SB 1383, or by the Town's own acts or omissions which result in the Town's failure to provide timely reports to the state. In addition, Contractor's duty to indemnify under this Section is subject to the following restrictions:

1. Contractor's obligation to indemnify the Town shall not be enforceable if the penalty imposed by the Town Council is based solely upon the failure of the Town to establish and maintain a source reduction and Recycling element pursuant to California Public Resources Code Sections 41000 et seq.
2. No payment required under Contractor's obligation to indemnify the Town may exceed that portion of any penalty assessed against the Town that was caused by Contractor's failure to comply with an express obligation or requirement of this Agreement. Further, Contractor shall not be liable under the indemnity obligation to the extent that Contractor's failure to comply resulted from the Town's action or failure to act, determined as a result of judicial review, hearing, or appeal to CalRecycle.

SECTION 28 – GENERAL PROVISIONS

A. FORCE MAJEURE

Contractor shall not be in default under this Agreement and shall not be liable for failure to perform under this Agreement if Contractor's performance is temporarily prevented or delayed in the event of Force Majeure. Force Majeure means riots, wars, sabotage, civil disturbances, acts of terrorism, insurrection, explosion, natural disasters such as floods, earthquakes, landslides, and fires, excessive snow, epidemics, pandemics, acts of God, or other similar or dissimilar events which are beyond the reasonable control of Contractor, provided that strikes, lockouts, and other labor disturbances shall not be deemed Force Majeure events. Force Majeure events do not include events related to the financial inability of Contractor to perform or the failure of Contractor to obtain any necessary permits or licenses from other governmental agencies, or the right to use the facilities of any public utility where such failure is due to the acts or omissions of Contractor. Notwithstanding anything to contrary herein, in the event a strike and/or similar labor action or a labor disturbance interrupts Collection, transportation, and/or Disposal of Solid Waste by Contractor as required under this Agreement, the Town may elect to exercise its rights under Section 16 of this Agreement.

In the event of Force Majeure and Contractor is unable to perform its obligations under this Agreement, the Town shall have the right to perform or to contract on a temporary basis with third parties to provide the Collection services that are not being provided by Contractor during the

period of the Force Majeure event and charge Contractor for the reasonable direct and indirect expenses (including administrative and overhead) incurred by the Town in this regard. If the Force Majeure event continues for a period of ninety (90) days and Contractor remains unable to perform its obligations under this Agreement, the Town shall have the right to terminate this Agreement.

B. STRIKES OR SIMILAR LABOR ACTION

In the event of a strike and/or similar labor action, but not including a lockout as set forth below, whereby employees of Contractor refuse to perform work for Contractor at normally anticipated levels or efficiency (a “strike and/or similar labor action”) which affects the ability of Contractor to provide Collection services within the Franchise Area in accordance with this Agreement, the following shall apply:

1. In conjunction with the execution of this Agreement, Contractor has discussed with the Town a strike (and/or similar labor action) Contingency Plan. From time to time during the term of this Agreement, Contractor and the Town shall meet to discuss changes to the strike Contingency Plan.
2. Within twelve (12) hours of notification to Contractor by labor that it has authorized a strike and/or similar labor action, Contractor shall notify Contract Administrator, by phone and e-mail.
3. Within twenty-four (24) hours of a strike and/or similar labor action, if Contractor is not providing Collection services in accordance with normal scheduled pickups, Contractor shall meet with the Town to develop a strike (and/or similar labor action) implementation plan.
4. Within three (3) calendar days of a strike and/or similar labor action, if Contractor is not providing Collection services in accordance with the normal schedules and volumes set forth in this Agreement or the schedules and volumes in the agreed upon strike implementation plan, if such plan has been agreed to by the Town, the Town shall have the right, but not the obligation, to bring in outside forces to provide Collection services which are not being provided by Contractor and charge Contractor for the reasonable direct and indirect expenses (including administrative and overhead) incurred by the Town in this regard.
5. Within five (5) calendar days of a strike and/or similar labor action, Contractor shall use commercially reasonable efforts to bring in alternate work forces and provide Collection services in accordance with the normal schedules and volumes set forth in this Agreement, or the schedules and volumes in the agreed-upon strike implementation plan, if such plan has been agreed to by the Town.

In the event Contractor’s alternate work force is unable to provide Collection services in accordance with the normal schedules, volumes, and routing set forth in this Agreement (except for some reasonable delays resulting from such event of Force Majeure unrelated to the strike or labor action), or the schedules, volumes, and routing in the agreed-upon strike (and/or similar labor action) implementation plan, if such plan has been agreed to by the Town, the Town shall have the

right, but not the obligation, to bring in outside forces to provide Collection services which are not being provided by Contractor and charge Contractor for the direct and indirect expenses (including administrative and overhead) incurred by the Town in this regard.

In the event the Town elects to retain its own work force, the Town shall discuss the alternatives with Contractor before retaining such work force. Once the Town retains its own work force, the Town shall periodically, but not more often than weekly, invoice Contractor for the direct and indirect expenses of retaining such outside services and Contractor shall reimburse the Town for such expenses within ten (10) work days of invoice. The Town shall have the right to charge Contractor interest on invoices which are unpaid after ten (10) work days at the rate of one and one half percent (1.5%) per month (not compounded).

Notwithstanding the provisions of this Section 28.B, the occurrence of strike and/or similar action shall not be deemed an event of Force Majeure (as provided for in Section 28.A) and may result in an event of default by Contractor.

C. INDEPENDENT CONTRACTOR

Contractor is an independent Contractor, and not an officer, agent, servant, or employee of the Town. Contractor 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 the Town and Contractor. Neither Contractor nor its officers, employees, agents, or subcontractors shall obtain any rights to retirement or other benefits, which accrue, to the Town's employees.

D. RIGHT OF ENTRY

Contractor shall have the right, to the extent that the Town possesses the authority to grant such right, and until written notice revoking permission to pass is delivered to Contractor, to enter or drive on any private street, court, place, easement, or other private property for the purpose of Collecting or transporting Solid Waste pursuant to this Agreement.

E. LAW TO GOVERN / VENUE

The Law of the State of California shall govern this Agreement. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Mono. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Eastern District of California.

F. FEES AND GRATUITIES

Contractor shall not, nor shall it permit any agent, employee or subcontractor employed by it, to request, solicit, demand or accept, either directly or indirectly, any compensation or gratuity for the Collection of Solid Waste otherwise required to be Collected under this Agreement.

G. PRIOR AGREEMENTS AND AMENDMENTS

No amendment of this Agreement shall be valid unless in writing duly executed by the Parties, provided that changes to the operating hours set forth in Sections 6.D, 7.C, and 8.C shall not require a formal amendment to this Agreement, but may instead be memorialized by a written document executed by the Parties. This Agreement contains the entire agreement between the Parties, and no promises, representations, warranty, or covenant not included in this Agreement have been or are relied upon by either Party. This Agreement is intended to supersede and replace all prior agreements between the Parties, except as otherwise specifically provided in this Agreement.

H. COMPLIANCE WITH AGREEMENT

Contractor shall comply with those provisions of the Mammoth Lakes, California, Municipal Code, as it now exists and may be amended from time to time, which are applicable, and with any and all amendments to such applicable provisions during the term of this Agreement, provided that such provisions are not inconsistent with the terms of this Agreement.

I. NOTICES

All notices required or permitted to be given under this Agreement shall be in writing and shall either be sent by facsimile or be personally delivered to a representative of the Parties at the address below or deposited in the United States mail, first class postage prepaid (certified mail, return receipt requested) or by commercial delivery service providing delivery verification, addressed as follows:

To the Town:	Town of Mammoth Lakes Attention: Town Manager P.O. Box 1609 437 Old Mammoth Road Suite 230 Mammoth Lakes, CA 93546 Facsimile: (760) 934-7493
To Contractor:	Mammoth Disposal Company Attention: District Manager P.O. Box 237 59 Commerce Drive Mammoth Lakes, CA 93546
With a copy to:	Waste Connections, Inc. Attention: Legal Department 3 Waterway Square Place, Suite 110 The Woodlands, TX 77380 Facsimile: (832) 442-2290

or to such other address or facsimile number as either Party may from time to time designate by notice to the other given in accordance with this Section. Notice shall be deemed effective on the date personally served or received via United States mail. Notices may be delivered via facsimile, provided that any such facsimile shall be promptly followed by such personal or mailed delivery.

J. 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.

K. ENTIRE AGREEMENT; INCORPORATION OF EXHIBITS

This document incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained in this Agreement. The Parties understand and agree that there are no commitments, agreements, or understandings concerning the subject matter of this Agreement that are not contained or referred to in this document. Accordingly, it is agreed that no deviation from the terms of this Agreement shall be predicated upon any prior representations or unreferenced agreements, whether verbal or written. This Agreement and **Exhibits A - E**, attached hereto and incorporated by this reference as though fully set forth herein represent the entire agreement of the Town and Contractor with respect to the services to be provided under this Agreement. No prior written or verbal statement or proposal shall alter any term or provision of this Agreement.

L. JOINT DRAFTING

This Agreement was drafted jointly by the Parties to this Agreement.

M. JUDICIAL REVIEW

Nothing in this Agreement shall be construed to prevent either Party from seeking redress to the Courts for the purpose of interpreting or enforcing the provisions contained in this Agreement.

N. POLICE POWERS

Nothing in this Agreement is intended to or may limit the Town's authority pursuant to its police power.

O. ATTORNEY'S FEES

If either Party to this Agreement is required to initiate or defend a court action or proceeding brought by the other Party, the prevailing Party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a Party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action.

P. SUCCESSORS AND ASSIGNS

Subject to the other terms and conditions herein, this Agreement shall be binding upon and inure to the benefit of the respective successors, permitted assigns, administrators and trustees of the Town and Contractor.

Q. SURVIVAL

All confidentiality and indemnification provisions of this Agreement shall survive this Agreement.

R. NO USE OF TOWN NAME

Contractor will not do business as or use a corporate, partnership, venture, or other formal name, containing the name of the Town or implying government ownership.

S. PARTIES IN INTEREST

Nothing in this Agreement, whether express or implied, is intended to confer any rights on any persons other than the Parties and their representatives, successors, and permitted assigns.

T. WAIVER

Waiver of any term or condition contained in this Agreement by any Party to this Agreement shall be in writing and shall not be construed as a waiver of a subsequent breach or failure of the same term or condition or a waiver of any other term or condition contained in this Agreement. The subsequent acceptance by the Town of any fee, tax, or any other monies which become due from Contractor to the Town shall not be deemed to be a waiver by the Town of any breach or violation of any term, covenant, or condition of this Agreement.

U. LIMITATION OF DAMAGES

Notwithstanding anything to the contrary, in no event shall either party be liable for any special, indirect, incidental, exemplary, consequential or punitive damages, except that this exclusion shall not operate to prohibit either party from seeking or recovering damages directly caused by the other party's breach of this agreement, including without limitation damages resulting from increased costs of Solid Waste service if Town terminates this Agreement due to Contractor's default hereunder. The limitations contained in this Section shall apply regardless of whether the claim for damages is based on breach of contract, breach of warranty, tort, or otherwise, and shall apply even where such damages are caused in whole or in part, by the negligence, or acts and omissions of the party claiming damages or the party from whom damages are sought. The provisions governing damage limitations and indemnity set forth in this Agreement shall survive expiration, termination, or cancellation of this Agreement.

***[Remainder of Page Intentionally Left Blank;
Signature Page Follows.]***

IN WITNESS THEREOF, the Town and Contractor have executed this Solid Waste Services Agreement this ____ day of September 2020.

TOWN:

TOWN OF MAMMOTH LAKES

By: 
Town Manager
Daniel C. Holler

ATTEST:

By: 
Clerk of the Town Council
Jamie Gray

CONTRACTOR:

MAMMOTH DISPOSAL COMPANY

By: 
Regional Vice President
Daniel Schooler

By: 
Its: Assistant Secretary

EXHIBIT LIST

- A. FRANCHISE AREA
- B. APPROVED RATES AND CHARGES
- C. DRAFT PROJECT PLANS
- D. CONTINGENCY PLAN

Exhibit A

Mammoth Grant Loop

Minaret Road

Main Street

203

395

- Franchise Area
- Mono County Boundary

0 1 Miles



Exhibit B

	July 1, 2019 - December 31, 2020	January 1, 2021- December 31,2021	January 1, 2022- December 31,2022	January 1, 2023- December 31,2023	January 1, 2024- December 31,2024	January 1, 2025- December 31,2025	January 1, 2026- December 31,2026
	Current Rate	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
Residential Services							
Transfer Station (TS) - Invoiced Quarterly							
1 unit/quarter	\$ 63.30	\$ 66.80	\$ 70.50	\$ 74.40	\$ 78.60	\$ 83.00	\$ 87.70
2 units/quarter	\$ 129.00	\$ 136.20	\$ 143.90	\$ 151.90	\$ 160.40	\$ 169.40	\$ 178.90
3 units/quarter	\$ 188.40	\$ 199.00	\$ 210.10	\$ 221.90	\$ 234.30	\$ 247.40	\$ 261.30
Lakes Basin (TS)							
1 unit/year	\$ 63.30	\$ 66.70	\$ 70.60	\$ 74.40	\$ 78.60	\$ 83.00	\$ 87.60
Curbside Pickup - Optional Service							
Bearsaver 1 - (2x32 or 1x64 or 1x96)	\$ 131.10	\$ 138.40	\$ 146.20	\$ 154.40	\$ 163.00	\$ 172.20	\$ 181.80
Bearsaver 2 - (1x64 or 1x96 plus 1x32)	\$ 196.20	\$ 207.20	\$ 218.80	\$ 231.00	\$ 244.00	\$ 257.60	\$ 272.10
Bearsaver 3 - (4x32 or 2x64 or 2x96)	\$ 260.40	\$ 275.00	\$ 290.40	\$ 306.60	\$ 323.80	\$ 342.00	\$ 361.10
Rehrig Bear Cart (1x95)	\$ 153.60	\$ 162.20	\$ 171.30	\$ 180.90	\$ 191.00	\$ 201.70	\$ 213.00
Rehrig Bear Cart (2x95)	\$ 268.80	\$ 283.90	\$ 299.80	\$ 316.60	\$ 334.30	\$ 353.00	\$ 372.80
Rehrig Bear Cart (3x95)	\$ 376.30	\$ 397.40	\$ 419.70	\$ 443.20	\$ 468.00	\$ 494.20	\$ 521.90
Commercial Services - Invoiced Monthly							
1 Yard Bin							
	\$ 176.50	\$ 186.50	\$ 197.00	\$ 208.00	\$ 219.50	\$ 232.00	\$ 245.00
2 Yard Bin							
1 time per week	\$ 215.00	\$ 227.00	\$ 240.00	\$ 253.00	\$ 267.50	\$ 282.50	\$ 298.00
2 time per week	\$ 341.50	\$ 360.50	\$ 381.00	\$ 402.00	\$ 424.50	\$ 448.50	\$ 473.50
3 time per week	\$ 451.50	\$ 477.00	\$ 503.50	\$ 531.50	\$ 561.50	\$ 593.00	\$ 626.00
4 time per week	\$ 572.00	\$ 604.00	\$ 638.00	\$ 673.50	\$ 711.50	\$ 751.00	\$ 793.00
5 time per week	\$ 703.50	\$ 743.00	\$ 784.50	\$ 828.50	\$ 875.00	\$ 924.00	\$ 975.50
6 time per week	\$ 834.50	\$ 881.00	\$ 930.50	\$ 982.50	\$ 1,037.50	\$ 1,096.00	\$ 1,157.00
7 time per week	\$ 965.00	\$ 1,019.00	\$ 1,076.00	\$ 1,136.50	\$ 1,200.00	\$ 1,267.00	\$ 1,338.00
Extra Pick Up	\$ 55.50	\$ 58.50	\$ 62.00	\$ 65.50	\$ 69.00	\$ 73.00	\$ 77.00
3 Yard Bin							
1 time per week	\$ 260.50	\$ 275.00	\$ 290.50	\$ 307.00	\$ 324.00	\$ 342.00	\$ 361.00
2 time per week	\$ 425.00	\$ 449.00	\$ 474.00	\$ 500.50	\$ 528.50	\$ 558.00	\$ 589.50
3 time per week	\$ 544.00	\$ 574.50	\$ 606.50	\$ 640.50	\$ 676.50	\$ 714.50	\$ 754.50
4 time per week	\$ 714.00	\$ 754.00	\$ 796.00	\$ 841.00	\$ 888.00	\$ 937.50	\$ 990.00
5 time per week	\$ 860.50	\$ 908.50	\$ 959.50	\$ 1,013.50	\$ 1,070.00	\$ 1,130.00	\$ 1,193.50
6 time per week	\$ 1,005.50	\$ 1,062.00	\$ 1,121.50	\$ 1,184.00	\$ 1,250.50	\$ 1,320.50	\$ 1,394.50
7 time per week	\$ 1,151.50	\$ 1,216.00	\$ 1,284.00	\$ 1,356.00	\$ 1,432.00	\$ 1,512.00	\$ 1,597.00
Extra Pick Up	\$ 68.50	\$ 72.50	\$ 76.50	\$ 80.50	\$ 85.00	\$ 90.00	\$ 95.00
4 Yard Bin							
1 time per week	\$ 308.00	\$ 325.50	\$ 343.50	\$ 362.50	\$ 383.00	\$ 404.50	\$ 427.00
2 time per week	\$ 533.00	\$ 563.00	\$ 594.50	\$ 627.50	\$ 663.00	\$ 700.00	\$ 739.00
3 time per week	\$ 713.50	\$ 753.50	\$ 795.50	\$ 840.00	\$ 887.50	\$ 937.00	\$ 989.50
4 time per week	\$ 882.50	\$ 932.00	\$ 984.00	\$ 1,039.00	\$ 1,097.50	\$ 1,159.00	\$ 1,224.00
5 time per week	\$ 1,059.00	\$ 1,118.50	\$ 1,181.00	\$ 1,247.00	\$ 1,317.00	\$ 1,390.50	\$ 1,468.50
6 time per week	\$ 1,235.00	\$ 1,304.00	\$ 1,377.00	\$ 1,454.50	\$ 1,536.00	\$ 1,622.00	\$ 1,712.50
7 time per week	\$ 1,411.00	\$ 1,490.00	\$ 1,573.50	\$ 1,661.50	\$ 1,754.50	\$ 1,853.00	\$ 1,956.50
Extra Pick Up	\$ 80.00	\$ 84.50	\$ 89.00	\$ 94.00	\$ 99.50	\$ 105.00	\$ 111.00
6 Yard Bin							
1 time per week	\$ 438.00	\$ 462.50	\$ 488.50	\$ 516.00	\$ 544.50	\$ 575.00	\$ 607.50
2 time per week	\$ 719.50	\$ 760.00	\$ 802.50	\$ 847.50	\$ 894.50	\$ 945.00	\$ 997.50
3 time per week	\$ 935.00	\$ 987.50	\$ 1,042.50	\$ 1,101.00	\$ 1,162.50	\$ 1,228.00	\$ 1,296.50
4 time per week	\$ 1,140.00	\$ 1,204.00	\$ 1,271.50	\$ 1,342.50	\$ 1,417.50	\$ 1,497.00	\$ 1,581.00
5 time per week	\$ 1,349.00	\$ 1,424.50	\$ 1,504.50	\$ 1,588.50	\$ 1,677.50	\$ 1,771.50	\$ 1,870.50
6 time per week	\$ 1,559.00	\$ 1,646.50	\$ 1,738.50	\$ 1,836.00	\$ 1,938.50	\$ 2,047.00	\$ 2,162.00
7 time per week	\$ 1,687.00	\$ 1,781.50	\$ 1,881.00	\$ 1,986.50	\$ 2,098.00	\$ 2,215.50	\$ 2,339.50
Extra Pick Up	\$ 114.00	\$ 120.50	\$ 127.00	\$ 134.00	\$ 142.00	\$ 149.50	\$ 158.00
3 Yard Compactor							
1 time per week	\$ 295.00	\$ 311.50	\$ 329.00	\$ 347.50	\$ 367.00	\$ 387.50	\$ 409.00
2 time per week	\$ 592.00	\$ 625.00	\$ 660.00	\$ 697.00	\$ 736.00	\$ 777.50	\$ 821.00
3 time per week	\$ 861.00	\$ 909.00	\$ 960.00	\$ 1,014.00	\$ 1,070.50	\$ 1,130.50	\$ 1,194.00
Extra Pick Up	\$ 261.00	\$ 275.50	\$ 291.00	\$ 307.50	\$ 324.50	\$ 342.50	\$ 362.00

Roll-Off Services: These are one time special service fees.

Services	July 1, 2019 - December 31, 2020	January 1, 2021- December 31,2021	January 1, 2022- December 31,2022	January 1, 2023- December 31,2023	January 1, 2024- December 31,2024	January 1, 2025- December 31,2025	January 1, 2026- December 31,2026
20 Yard	\$ 529.00	\$ 558.50	\$ 590.00	\$ 623.00	\$ 658.00	\$ 694.50	\$ 733.50
20 Yard Compactor	\$ 617.00	\$ 651.50	\$ 688.00	\$ 726.50	\$ 767.50	\$ 810.00	\$ 855.50
30 Yard	\$ 783.00	\$ 827.00	\$ 873.00	\$ 922.00	\$ 973.50	\$ 1,028.00	\$ 1,086.00
30 Yard Compactor	\$ 912.00	\$ 963.00	\$ 1,017.00	\$ 1,073.50	\$ 1,134.00	\$ 1,197.50	\$ 1,264.50
40 Yard	\$ 1,028.50	\$ 1,086.00	\$ 1,147.00	\$ 1,211.00	\$ 1,279.00	\$ 1,350.50	\$ 1,426.00
50 Yard	\$ 1,100.00	\$ 1,161.50	\$ 1,226.50	\$ 1,295.50	\$ 1,368.00	\$ 1,444.50	\$ 1,525.50
60 Yard	\$ 1,566.50	\$ 1,654.00	\$ 1,747.00	\$ 1,844.50	\$ 1,948.00	\$ 2,057.00	\$ 2,172.50

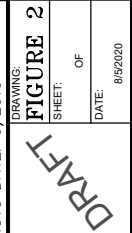
Special Services: These are one time special service fees.

Services	July 1, 2019 - December 31, 2020	January 1, 2021- December 31,2021	January 1, 2022- December 31,2022	January 1, 2023- December 31,2023	January 1, 2024- December 31,2024	January 1, 2025- December 31,2025	January 1, 2026- December 31,2026
Steam Clean Bin	\$ 64.50	\$ 68.00	\$ 72.00	\$ 76.00	\$ 80.00	\$ 84.50	\$ 89.50
Paint Bin	\$ 66.50	\$ 70.00	\$ 74.00	\$ 78.50	\$ 82.50	\$ 87.50	\$ 92.00
Container Truck	\$ 33.00	\$ 35.00	\$ 37.00	\$ 39.00	\$ 41.00	\$ 43.50	\$ 46.00
Move Bin	\$ 105.50	\$ 111.50	\$ 117.50	\$ 124.00	\$ 131.00	\$ 138.50	\$ 146.50
Transport Fee	\$ 142.00	\$ 150.00	\$ 158.50	\$ 167.00	\$ 176.50	\$ 186.50	\$ 197.00
Lock Removal Fee	\$ 7.50	\$ 8.00	\$ 8.50	\$ 9.00	\$ 9.50	\$ 10.00	\$ 10.50
Lock Purchase	\$ 25.70	\$ 27.00	\$ 28.50	\$ 30.50	\$ 32.00	\$ 34.00	\$ 36.00
Truck Hourly Rate (min 1/2 hr)	\$ 104.50	\$ 111.50	\$ 116.50	\$ 123.00	\$ 130.00	\$ 137.00	\$ 145.00
Trash Nuisance Abatement Hourly Rate (min 1/2 hr)	\$ 104.50	\$ 110.50	\$ 116.50	\$ 123.00	\$ 130.00	\$ 137.00	\$ 145.00
Shop Repair Rate	\$ 110.50	\$ 116.50	\$ 123.00	\$ 130.00	\$ 137.50	\$ 145.00	\$ 153.00
Commercial Bin Delivery	\$ 44.00	\$ 46.50	\$ 49.00	\$ 52.00	\$ 54.50	\$ 58.00	\$ 61.00
Roll-off Bin Delivery	\$ 60.50	\$ 64.00	\$ 67.50	\$ 71.00	\$ 75.00	\$ 79.50	\$ 84.00

Trasfer Station Tip Fee

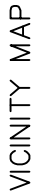
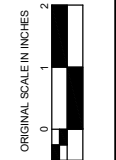
Third Party Solid Waste Tip Fee Per Ton	\$ -	\$ -	\$ 115.00	\$ 121.00	\$ 128.00	\$ 135.00	\$ 143.00
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Exhibit C

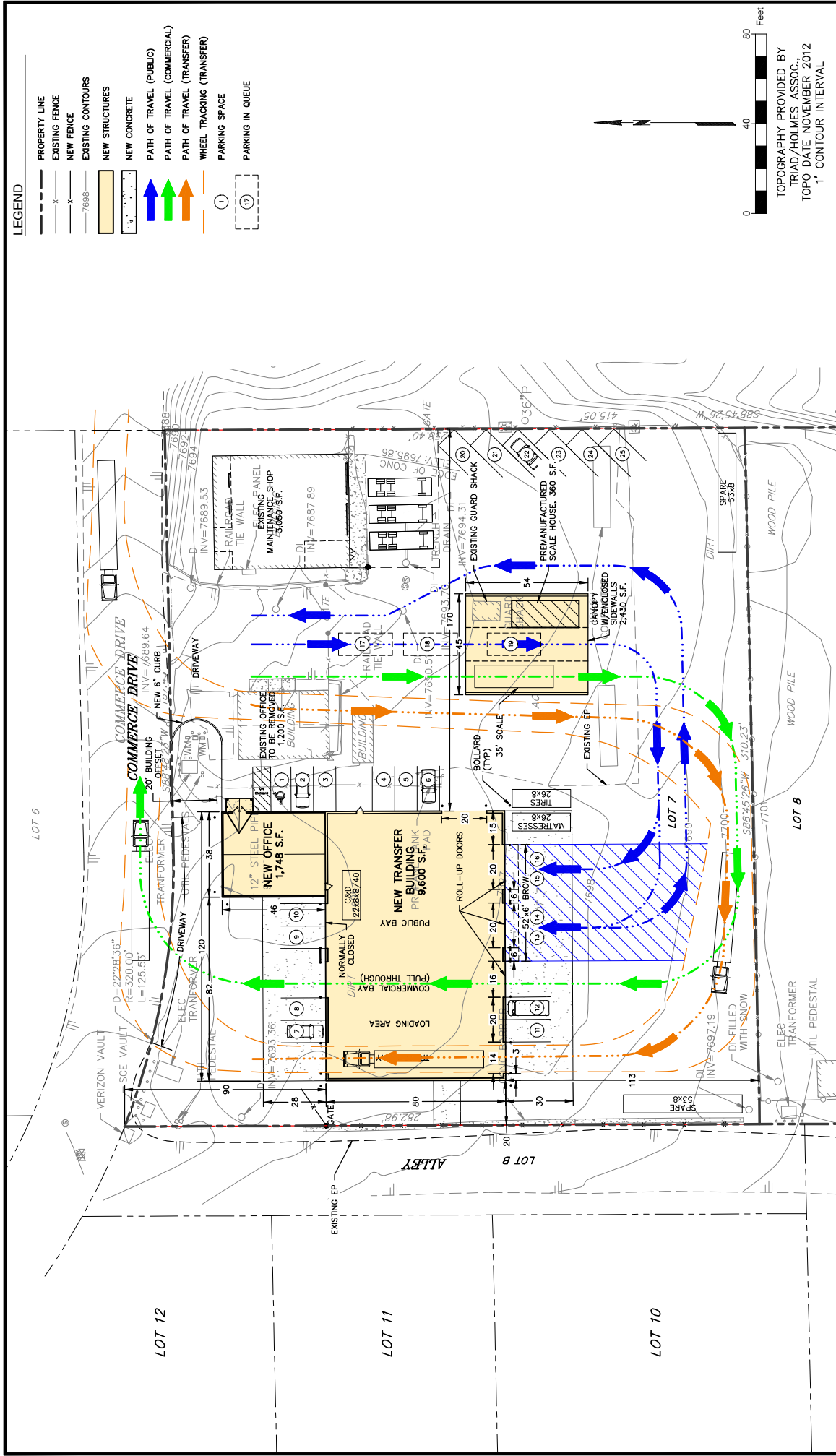


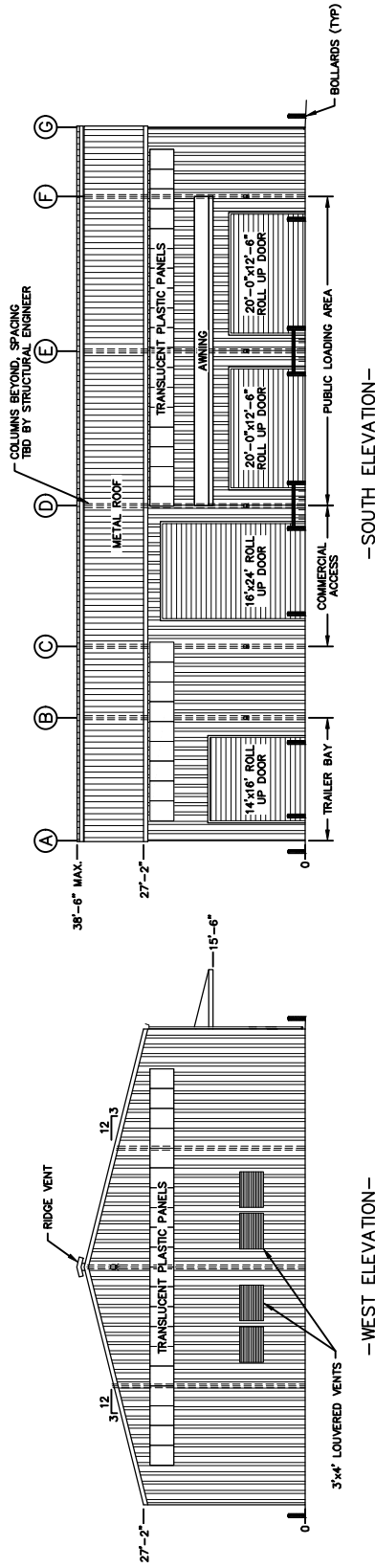
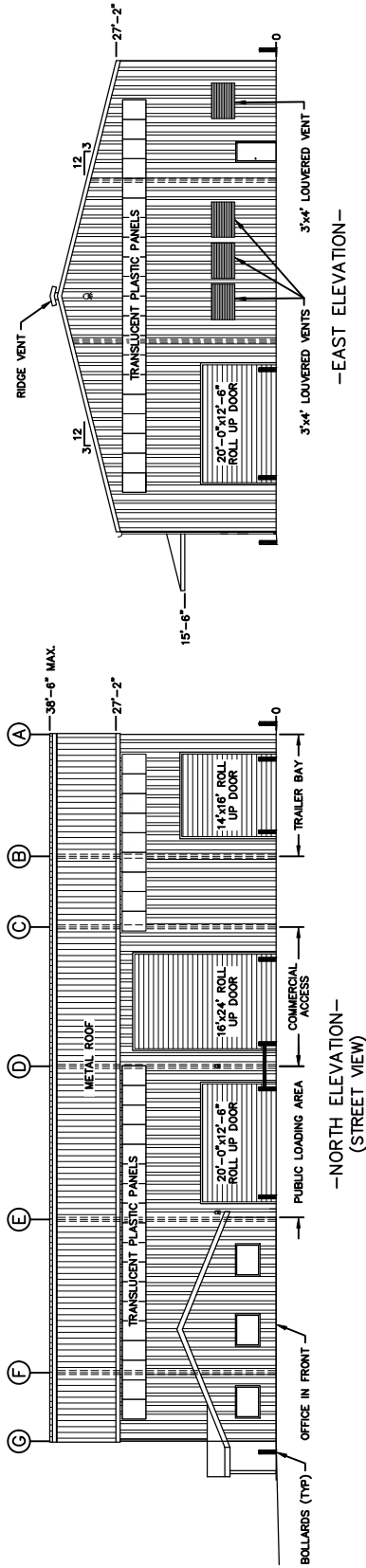
\\012109.00_waste connections - mammoth MRF design\site_map.dwg J.R.B. 6/5/2020

TRANSFER STATION
MAMMOTH DISPOSAL
59 COMMERCE DR.
MAMMOTH LAKES, CA



NO.	DATE	REVISIONS	BY CHK	PROJECT NO.	PROJECT ID:
				09/029/00	
				DRAWN BY:	SCALE:
				J. BEERS	1" = 60'
				ENGINEER:	DATE:
				D. BROWN	
				CHECKED BY:	DATE:
				C. COLES	





NO.	DATE	REVISIONS	BY	CHK	PROJECT NO.	PROJECT ID	ORIGINAL SCALE IN INCHES		DATE	CHECKED BY	DATE	C. COLES
							0	1				
					010029.00		1" = 10'					
					J. BEERS		DATE:					
					D. BROWN		DATE:					
							DATE:					

TRANSFER STATION

MAMMOTH DISPOSAL
59 COMMERCE DR.
MAMMOTH LAKES, CA

LAWRENCE & ASSOCIATES
ENGINEERS & GEOLOGISTS

TRANSFER BUILDING ELEVATIONS
CONCEPTUAL

FIGURE 5

DRAFT

SHEET: OF
DATE: 8/5/2020

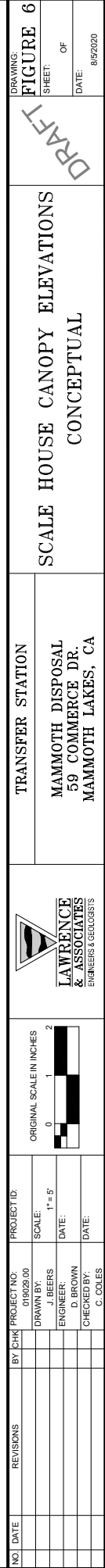
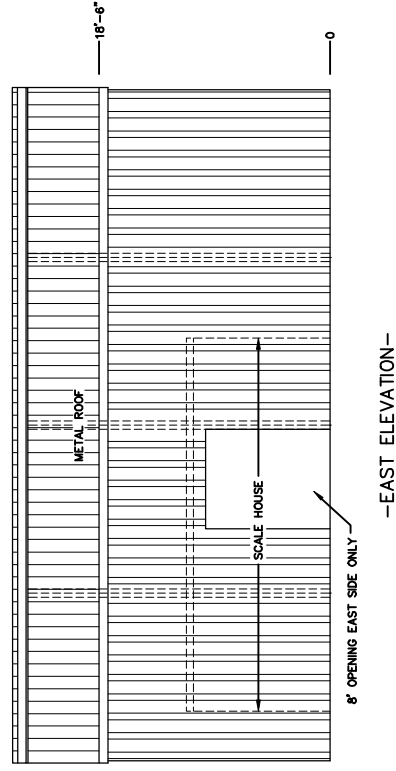


EXHIBIT D – CONTINGENCY PLAN

The following is an outline that Mammoth Disposal Company will follow in the case of Force Majeure where practical given the specific circumstances of the event:

Pre -planning activities: As part of this Contingency Plan, Mammoth Disposal will put together a comprehensive list of emergency contacts to include government officials as well as Waste Connections officials who would need to be included in planning for waste removal. In addition, a complete printed list of all customers by route will be updated annually as a hard copy backup to be kept in Mammoth Disposal's library in the event of a loss of electronic data. Landfill information, Material Processing Facility information as well as Transfer Station information to include names, addresses, phone numbers and principal contacts will be printed and retained in the Contingency Plan binder. Other than the annually updated customer list, all information in the Contingency Plan binder shall be kept updated at all times. A list of Waste Connections "Blue Team" contacts will also be kept on record in the Contingency Plan binder.

In the event of a disaster or labor interruption, Mammoth Disposal shall have access to equipment and manpower from other Waste Connections sites across the country. "Blue Teams" are formed to provide support in such an event. Various managers, supervisors, drivers, heavy equipment operators and office staff shall be assembled and dispatched to the site in need. Depending on the type of Force Majeure event, Divisional, Regional or Corporate personnel shall also be dispatched to manage the work. Equipment shall be at the ready within four to six hours of Mammoth Disposal at Waste Connections sites, including without limitation San Jose, Tehama County, Suisun City, San Luis Obispo and El Dorado County. Both equipment and manpower shall be deployed quickly to ensure that all contractual provisions provided for in the Force Majeure clause are met.

Ensuring governmental coordination: The Divisional Vice President or counterpart identified in the Waste Connections emergency contacts will make contact within 24 hours of the event where practical with the appropriate Town of Mammoth Lakes staff to identify the specific action plan associated with the event and waste removal. The Mammoth Disposal appointed lead will set up daily briefings with the Town of Mammoth Lakes and Mono County appointed leads to include likely waste and debris types, forecasting amounts where possible of waste and debris, process for collecting and disposing of debris to include landfill sites, material processing sites and green waste processing sites to be utilized. Tracking of waste and debris to include recycling tonnages will be completed by Mammoth Disposal personnel. Harmful or hazardous materials will be identified by Mammoth Disposal personnel and information provided to the Town of Mammoth Lakes and Mono County.