

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 3.24
(ID # 17488)

MEETING DATE:
Tuesday, November 16, 2021

FROM : ENVIRONMENTAL HEALTH:

SUBJECT: ENVIRONMENTAL HEALTH: Set a Public Hearing for the Amended and Restated Franchise Collection Agreements in Areas 1, 3, 4, 5, 6, 7, 8, 9, 10, 12 and 13 to Comply with State Statutes Relating to Recycling and Organic Recycling in the Unincorporated Portions of Riverside County, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Set the public hearing to receive public comments on the amendments to the 11 Amended and Restated Franchise Collection Agreements covering the unincorporated portions of Riverside County;
2. Direct the Clerk of the Board to advertise said public hearing for January 25, 2022, at the hour of 9:30 a.m. or as soon as possible thereafter; and
3. At the conclusion of the public hearing, direct the Director of the Department of Environmental Health to sign and execute the 11 Amended and Restated Franchise Collection Agreements with the appropriate waste haulers.

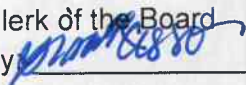
ACTION:Set for Hearing, Policy


Keith Jones, Director Environmental Health 11/1/2021

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and is set for public hearing on Tuesday, January 25, 2022, at 9:30 a.m. or as soon as possible thereafter.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: November 16, 2021
xc: Environmental Health, COB

Kecia R. Harper
Clerk of the Board
By 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS:			Budget Adjustment:	No
			For Fiscal Year:	21/22

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Over the past decade the State of California has rolled out a number of changes in State law meant to promote more and better focused recycling programs statewide. In part these changes are meant to reduce the amount of usable or biodegradable material going in to landfills and reduce the amount of harmful greenhouse gasses being emitted from those same landfills. Those changes in law are driven by a push from the California Air Resource Board to dramatically cut the amount of organic material going into landfills by 10 million tons starting in 2020 with an additional 5 million ton reduction by 2025 commonly referred to as SB 1383.

The early changes were focused on more dry recycling and organic recycling at commercial operations while the latest changes push those goals down to the residential level. Most of the emphasis on program implementation is directed at the jurisdiction, requiring each jurisdiction to show how they are or will comply with all the mandates set forth in the law.

The trash service in the unincorporated portion of the County is controlled by 11 Franchise Collection Agreements managed by 4 franchisees, Burrtec Waste Industries, Inc., CR&R, Inc., Desert Valley Disposal, Inc, and Waste Management of Inland Empire, A Division of USA Waste of California, Inc. Waste Management Collections and Recycling, Inc.. The Department of Environmental Health (DEH) has been working with the franchisees on needed amendments to the existing Franchise Collection Agreements to incorporate those jurisdictional requirements that fall under the agreements and to better define the roles that DEH and the franchisees play in meeting the noted areas of compliance. The amendments are uniform across all the agreements except where it relates to franchisee's specific services and maps to a certain franchise area.

The amendments presented cover the following topics:

- Removed dated language and specific actions related to original crafting of these agreements in the late 90's.
- Updated definitions to current terms, removing unused or confusing definitions, adding new definitions as needed to cover new topics.
- Updated terminology and concepts to current standards throughout.
- Rewording where clarity of language intent was needed.

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- Included language to specify new services being provided by the franchisee for organic recycling, outreach and review of the waste stream for contamination and improper disposal of organic material.
- Revised reporting requirement to cover new elements required by SB 1383 that will be provided by the franchisees.
- Remove outdated or unnecessary exhibits, update remaining exhibits with current terminology, and consolidate like topics into a singular exhibit.
- Exhibit A (Franchisee Services) is excluded from these changes and will be presented with updated rate sheets at a later date.
- An increase in the franchise rate to cover additional workload by DEH.

Impact on Residents and Businesses


Rates for services will be affected by the changes and mandates by the State and those costs will be presented in a separate Board action at a later date.

Attachments

Franchise Collection Agreements (Areas 1, 3, 4, 5, 6, 7, 8, 9, 10, 12 and 13) Clean
Franchise Collection Agreements (Areas 1, 3, 4, 5, 6, 7, 8, 9, 10, 12 and 13) Redline



Jason Farin, Principal Management Analyst 11/10/2021



Gregory P. Priamos, Director County Counsel 11/9/2021

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #1

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1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND WASTE MANAGEMENT OF INLAND EMPIRE, A DIVISION OF USA WASTE OF
4 CALIFORNIA, INC. WASTE MANAGEMENT COLLECTIONS AND RECYCLING, INC.
5 FOR THE COLLECTION AND TRANSPORTATION
6 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND ~~OTHER SPECIFIED~~
7 SERVICESRECYCLABLE MATERIALS
8

9 This Franchise Agreement ("Franchise Agreement"), ~~by and between the County of Riverside~~
10 ~~("County") and Waste Management of Inland Empire, A Division of USA Waste of California, Inc. Waste~~
11 ~~Management Collections and Recycling, Inc. ("Franchisee"), for the Collection and transportation of Solid~~
12 ~~Waste, Recyclable Materials, Organic Waste, and construction debris and other specified services,~~
13 ~~originally entered into on April 6, 1998, and most recently amended on September 27, 2016, is hereby~~
14 ~~amended and restated on December 7, 2021. is entered into this 6th day of April, 1998 and amended on~~
15 ~~September 27, 2016, by and between the County of Riverside ("County") and Waste Management of Inland~~
16 ~~Empire, A Division of USA Waste of California, Inc. Waste Management Collections and Recycling, Inc.~~
17 ~~("Franchisee"), for the Collection and transportation of Solid Waste, Recyclable Materials, Organic Waste,~~
18 ~~and construction debris and other specified services.~~
19

20 **RECITALS**

21
22 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
23 Ordinance 657 the County of Riverside ("County") has determined that the public health, safety, and well-
24 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for
25 waste management services for residential, commercial, and industrial customers in the County of
26 Riverside; and
27

28 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
29 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
30 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
31 recovery and disposal; and
32

33 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
34 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
35

36 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

37
38 **SECTION 1. REPRESENTATIONS AND WARRANTIES**

39
40 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
41 representations and warranties for the benefit of the County as of the date of this Agreement.
42

- 43 1) Franchisee is duly organized and validly existing as a corporation in good standing under
44 the laws of the State of California.
- 45
- 46 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
47 Agreement, and has duly authorized the execution and delivery of this Agreement.
48

- 1 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
2 Franchisee to do so, and this Agreement has been duly executed and delivered by
3 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
4 against Franchisee in accordance with its terms.
5
6 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
7 court or governmental entity against Franchisee or affecting Franchisee, wherein an
8 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
9 of this Agreement, or which would have a material adverse effect on the financial condition
10 of Franchisee.
11
12 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
13 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
14 parent company's financial circumstances since the date of the most recent financial
15 statements submitted to the Environmental Health Department ("Department"). Prior to
16 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
17 most recent annual financial statements. The Department may at its discretion specify the
18 contents and form of such statements. The Director of Environmental Health may inspect
19 the financial records of the Franchisee at any reasonable time for any reasonable purpose
20 relevant to the performance of this contract.
21
22 6) Franchisee has the expert, professional, and technical capability to perform all of its
23 obligations under this Agreement.
24

25 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
26 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
27 ~~annual financial statements, as provided in Exhibit C.~~
28

29 **B. Representations and Warranties of the County.**
30

31 Prior to commencement of any services hereunder, the County hereby makes the following
32 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
33

- 34 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
35 This Agreement constitutes the legal, valid and binding Agreement of the County and is
36 enforceable against the County in accordance with its terms.
37
38 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
39 County before any court or governmental entity wherein an unfavorable decision, ruling or
40 finding would adversely affect the validity or enforceability of this Agreement.
41

42 **SECTION 2. DEFINITIONS**
43

44 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
45 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
46 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
47 Agreement. In the event of conflict between the definition of a term as found in the California Public
48 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
49 supersede the definition found in the Public Resources Code or in County ordinances.

1
2 A. Agreement; means this Agreement between the County and Franchisee for the Collection and
3 transportation of Solid Waste and other specified services, including all exhibits, and any future
4 amendments.

5
6 B. Bins; ~~shall~~ mean those containers provided by Franchisee for commercial, industrial,
7 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~1-2~~ to 6 cubic yards in
8 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
9 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.

10
11 C. Board; ~~shall~~ means the Riverside County Board of Supervisors.

12
13 ~~C.D. Bulky Items means discarded furniture (including chairs, sofas, mattresses, carpet, and other~~
14 ~~similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,~~
15 ~~plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood~~
16 ~~wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in~~
17 ~~length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per~~
18 ~~Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items~~
19 ~~containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.~~
20 ~~Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)~~
21 ~~Persons.~~

22
23 ~~D. Bulky Waste. shall mean large, heavy or otherwise difficult to handle items, including, but not~~
24 ~~limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large concrete and~~
25 ~~asphalt chunks, tree stumps, or other waste materials with weights or volumes greater than those allowed~~
26 ~~for containers.~~

27
28 E. Collection; means Collection of Solid Waste, recyclable material, or other material specified
29 in this Agreement and its transportation to an appropriate Solid Waste Facility.

30
31 F. Commercial Units; ~~shall~~ mean all commercial, industrial, institutional or other facilities, except
32 residential and Multi-Residential Units.

33
34 ~~F. Compost. means a stable humus like product that results from the biological decomposition of~~
35 ~~organic materials occurring under controlled conditions.~~

36
37 ~~H. Compost Facility. means a Solid Waste Facility that processes Organic Waste, Wood Waste or~~
38 ~~other organic materials to produce Compost or mulch.~~

39
40 ~~I.G. Comprehensive Compulsory Collection Areas~~; ~~shall~~ mean specific portions or areas of the
41 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
42 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.

43
44 ~~J.H. County~~; means the County of Riverside, State of California.

45
46 ~~K.I. Department~~; means the Riverside County Department of Environmental Health.

47
48 ~~J. Director~~; ~~shall~~ means the Director of the Riverside County Department of Environmental
49 Health or ~~his or her~~their designee.

1
2 ~~L.K.~~ Diversion (or any variation thereof including “Divert”) means activities which reduce or
3 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
4 recycling, and composting.

5
6 ~~M.~~ District means the Riverside County Waste Resources Management District.

7
8 ~~N.L.~~ Effective Date means the date on which this Agreement becomes effective, which shall be the
9 date it is executed by the Board of Supervisors.

10
11 ~~O.M.~~ Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
12 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
13 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
14 B.

15
16 ~~P.~~ Extremely Hazardous Waste shall mean any Hazardous Waste or mixture of Hazardous
17 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
18 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.

19
20 ~~Q.N.~~ Franchise Area means the geographic territory defined in Exhibit B.

21
22 ~~R.~~ Franchise Documents shall mean the Agreement (as herein defined), the separately executed
23 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
24 under this Agreement.

25
26 ~~S.O.~~ Generator means the owner or occupant of premises, including residences or businesses, which
27 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

28
29 ~~T.P.~~ Green Waste means organic waste generated from any landscaping including grass clippings,
30 leaves, prunings, tree trimmings, weeds, branches, and brush.

31
32 ~~U.Q.~~ Gross Receipts means all monies received by Franchisee for providing franchise services
33 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
34 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
35 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
36 of State or other governmental agencies.

37
38 ~~V.R.~~ Hard-to-Service may refer to any service area that is not standard curb and gutter service or
39 cannot be serviced by the Franchisee’s standard vehicles. Hard to Service areas may include one or more
40 of the following:

- 41 1) Rural, sparsely populated areas,
42 2) Hilly or mountainous terrain,
43 3) Poorly paved or unpaved roads which may be unpassable in poor weather,
44 4) Large, uninhabited areas between pockets of homes,
45 5) Unusually heavy waste due to large properties, livestock, etc.,
46 6) Limited access on a private street or alley.

47 5) Areas designated to be “Hard-to-Service” may be reviewed by the Franchisee and County every
48 twenty-four (24) months, or more frequently as requested by the County, in order to verify that those areas
49 remain “Hard to Service”

1
2 ~~W. — Hazardous Waste shall mean any waste material or mixture of wastes which is defined or~~
3 ~~otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an~~
4 ~~irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a~~
5 ~~waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,~~
6 ~~or as a proximate result of any disposal of such wastes or mixture of wastes. The term “toxic”, “corrosive”,~~
7 ~~“flammable”, “irritant”, or “strong sensitizer” shall be given the same meaning as found in the California~~
8 ~~Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.~~
9

10 ~~X.S. — Integrated Waste Management Act (IWMA) shall means~~ the California Integrated Waste
11 Management Act of 1989 (AB 939), including all subsequent amendments.
12

13 ~~Y. — Materials Recovery Facility means a facility intended primarily for recovery and processing~~
14 ~~of Recyclable Materials that are source separated, or a facility intended to recover Recyclable Materials~~
15 ~~from Solid Waste. Such a facility may also function as a Transfer Station.~~
16

17 ~~Z.T. — Multi-Residential Units shall mean~~ permanent buildings containing three or more Residential
18 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
19 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
20

21 ~~AA.U. — Organic Waste means~~ food waste, green waste, landscape and pruning waste, nonhazardous
22 wood waste, and food-soiled paper waste that is mixed in with food waste.
23

24 ~~BB. — Permitted Hauler means a Solid Waste service provider who has a valid permit to operate~~
25 ~~within all, or a portion of, the unincorporated County.~~
26

27 ~~CC. — Person shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,~~
28 ~~trust, association, or corporation whether for profit or non-profit.~~
29
30

31 ~~DD.V. — Recyclable Materials means~~ material which has been segregated from other Solid Waste
32 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
33 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
34 Recyclables consisting of two or more of the above-referenced material types separated from non-
35 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
36 than five (5) percent Solid Waste by weight.
37

38 ~~EE.W. — Residential Unit shall means~~ an occupied dwelling within the unincorporated area of the
39 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
40 either water or domestic light and power services are being supplied thereto. This definition shall apply also
41 to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to
42 be two (2) attached Residential Units.
43

44 ~~FF.X. — Roadways means~~ all County maintained roadways in the unincorporated area of the County
45 or private roadways, accessible by the Franchisee and used for providing routine service as defined in
46 Exhibit A of this Agreement.
47

48 ~~GG. — Solid Waste means all putrescible and non putrescible solid, semisolid and liquid wastes,~~
49 ~~including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction~~

1 wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,
2 and other discarded solid and semisolid wastes.

3
4 Solid Waste does not include any of the following wastes:

5 ○ ~~Hazardous waste, as defined in Public Resources Code Section 40141.~~

6 ○ ~~Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8
7 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety
8 Code).~~

9 ○ ~~Medical waste regulated pursuant to the Medical Waste Management Act (Part 14
10 (commencing with Section 117600) of Division 104 of the Health and Safety Code).
11 Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in
12 Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall
13 be regulated pursuant to this division.~~

14
15 ~~HH. — Solid Waste Facility. means any facility that is licensed, permitted or otherwise approved by
16 all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,
17 Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material
18 recovery, composting, waste to energy, or landfill facilities.~~

19
20 ~~II.Y. System Facility. means a Solid Waste Facility that is owned and/or operated by the Riverside
21 County Department of Waste Resources (DWR) District, or with which the District DWR has entered into
22 an Agreement, and that for the purposes of this Agreement is designated by the District DWR through a
23 separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery
24 and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.~~

25
26 ~~II.Z. Term. means the Term of this Agreement, as provided for in Section 3.~~

27
28 ~~KK. — Transfer Station. shall include those intermediate waste handling facilities where Solid Wastes
29 are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof
30 may undergo incidental processing, recycling or further handling before transportation to a disposal site,
31 Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer
32 station":~~

33 ~~1) Locations where less than 15 cubic yards of combined container volume are
34 provided to serve as community or multi-residence receptacles for residential refuse.~~

35 ~~2) Storage receptacles for waste from multi-residential buildings or for commercial
36 Solid Wastes.~~

37 ~~3) A container used to store construction or demolition wastes at the place of
38 generation.~~

39 ~~4) Containers used to store salvaged materials.~~

40
41 ~~LL.AA. Waste Delivery Agreement. means the contract entered into by the District DWR and the
42 Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to
43 be directed to specified System Facilities and kept on file with the DWR.~~

44
45 ~~MM.BB. Wood Waste. means industrial dimension lumber, pallets, shipping dunnage, and similar
46 discarded processed wood materials, and large tree limbs.~~

47
48 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**

1 A. Pursuant to Ordinance 657745, and the IWMA, and subject to the terms and conditions of this
2 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
3 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
4 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
5 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
6 purposes.

7
8 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
9 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
10 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
11 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
12 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
13 Organic Waste; ~~(3) to the cancellation, upon the Effective Date of this Agreement, of any permit or other~~
14 ~~authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable~~
15 ~~Materials, or Organic Waste for the portion of the unincorporated county permit area covered by Exclusive~~
16 ~~Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code~~
17 ~~section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for~~
18 ~~those areas represented by Exclusive Franchise Agreements.~~

19
20 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to~~
21 ~~its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement~~
22 ~~and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in~~
23 ~~accordance with the provisions of this Agreement.~~

24
25 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
26 the Exclusive Franchise, to the extent provided for in state and federal law.

27
28 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the~~
29 ~~Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of~~
30 ~~this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior~~
31 ~~thereto either the County or the Franchisee gives written notice of non-renewal to the other party. Only one~~
32 ~~notice of non-renewal shall be required hereunder. Notice of non-renewal need not be based on cause.~~ The
33 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
34 notice for nonperformance, as provided in Sections 9 and 10 hereof.

35
36 D. Franchisee will commence services under this Agreement on January ~~1st, 1999~~, 2022.

37
38 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
39 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
40 taken.

41
42
43 **SECTION 4. FRANCHISE AREA**

44
45 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
46 County defined in Exhibit B, "Franchise Area."

47
48 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**

1 A. General.

2
3 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
4 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which
5 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
6 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
7 Exhibit A, and the rates set forth in accordance with Exhibit ~~ED~~. Minimum levels of Solid Waste service
8 to be provided under this Agreement are defined below, however, no residential or commercial or business
9 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
10 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
11 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
12 provisions of Section 16 (B) (2) related to "service complaints."
13

14 B. Single Family Residential.

15
16 Weekly Service. Not less often than once per week, and more frequently if required to handle the
17 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials (except
18 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
19 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
20 Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without obstructions so as
21 to permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
22 ~~Franchisee may supply containers, and/or may require the use of specific containers as specified in Exhibit~~
23 ~~A.~~ Franchisee may negotiate special pickup procedures, above and beyond the normal services described
24 above, with customers for an additional fee in an amount provided in Exhibit ~~ED~~.
25

26 C. Commercial, Industrial, and Multi-Residential.

- 27
28 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
29 if required to handle the waste stream of the premises where the Bins are located,
30 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
31 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
32 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
33
34 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
35 frequently if required to handle the waste stream of the premises where the Bins are located,
36 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
37 Collection in Solid Waste Bins at Commercial Units.
38

39 D. Construction and Temporary Bin/Rolloff Services.

40
41 Franchisee shall provide construction and temporary bin/rolloff services using rates ~~reflected~~
42 in established per Exhibit ~~ED~~.
43

44 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 45
46 ~~1) At least twice a year, Franchisee shall provide a one (1) day cleanup service to all~~
47 ~~Residential Unit customers on its routes wherein all bulky materials left on the curb, or~~
48 ~~other designated location on or adjacent to customer's property, up to a maximum of one~~
49 ~~and one-half cubic yards, will be removed and disposed. Cost for this service, excluding~~

1 the cost of disposal, shall be included within the normal monthly rates for Residential Unit
2 Solid Waste Collection as specified in Exhibit E. When feasible, the bulky material will
3 be collected in a vehicle separate from the one used to pick up the residential unit's Solid
4 Waste on a weekly basis so that it can be readily identified as not requiring tipping fees
5 when it arrives at the designated landfill. Franchisee will make a good faith effort to divert
6 the bulky material away from the designated landfill and to another facility where it can be
7 either recycled or refurbished for reuse. Collection of heavy waste materials such as dirt,
8 rock, concrete, and asphalt are not included in this service.
9

10 Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service arranged
11 at the request of the customer for large household appliances or furniture or multiple smaller
12 items not exceeding one and one-half cubic yards. Collection of heavy waste materials such as
13 dirt, rock, concrete, and asphalt are not included in this service. Franchisee shall advertise the
14 availability of the Bulky Wastes Collection service and shall provide the Bulky Waste Collection
15 service within seven (7) working days of request by customer. Franchisee shall bill the customer
16 for Bulky Waste Collection at the rate established in Exhibit E. Standard disposal rates shall be
17 paid by franchisee at System Facility.

18 2)1) Upon verbal or written customer request, made a minimum of two business days
19 prior to the customer's regular service day, Franchisee shall provide on-call Single Family
20 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
21 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
22 customer. Franchisee and County agree that this service is intended to allow residents to
23 safely discard of large household items such as furniture and whitegoods or other large
24 household items that do not fit in their regular weekly trash containers. Each Single
25 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
26 Household Waste Collection Services per calendar year with a maximum of four (4) items
27 at each collection occurrence. The total amount of annual allowable items per household
28 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
29 (4) tires per collection request. Bulky Household Waste items do not include items such as
30 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
31 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
32 service shall be subject to the bulky item rates established on the rate sheets approved by
33 the Board of Supervisors.
34

35 3)2) Franchisee shall provide large rolloff refuse containers requested by the Director
36 or his designee to respond to organized community clean up efforts at no charge.
37 Franchisee shall deliver containers to agreed upon collection points and shall cooperate
38 with the Director and designated community leaders to remove containers and dispose of
39 collected Solid Waste. Franchisee is obligated to provide the equivalent of two 40-cubic
40 yard bins/loads per year for each 1,000 Residential Unit customers serviced within the
41 Franchise Area. The ~~District-DWR~~ will arrange that there shall be no charge of disposal
42 fees for such Solid Waste delivered in separate vehicles to the System Facilities.
43

44 F. Illegal Dumping Retrieval Services

45 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:
46
47

- 1) ~~If Requested by the County the~~ Franchisee shall turn in ~~to County~~ a ~~monthly~~ report of illegal dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as tires, couches, and appliances) noticed within or along the Roadway in the franchise area. For the purpose of this provision, the Roadway shall include public rights of way within twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of unpaved roadways.
- 2) Franchisee shall anticipate and arrange to receive daily by ~~facsimile~~ electronic methods, copies of reports of illegal dumping reported by citizens to the Department ~~of Environmental Health~~, Department of Transportation, or the ~~Waste Resources Management District~~ DWR.
- 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped materials on the Roadway within ~~forty-eight (48)~~ seventy-two (72) hours of the receipt of reports thereof (excluding weekends and holidays) except for remote areas, as approved by the director, for which the removal shall occur within five working days. The Franchisee may request that specified roads, determined by the franchisee to be inaccessible for waste removal, be considered by the Director for revised waste removal requirements.
- ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at County disposal sites at the time of delivery of the corresponding loads of illegally dumped debris. Nothing herein shall prevent the immediate pickup, delivery and reporting thereof, as part of the normal route collection activities, of illegally discarded material.~~
- ~~5)4) _____~~ Abandoned vehicles and objects or appliances larger than conventional household furniture or appliances as well as hazardous, medical and other wastes requiring special handling are exempt from the retrieval requirements set forth herein, provided, however, that of these exempted items noted within the Roadway are to be immediately reported to the Director.
- ~~6)5) _____~~ The Franchisee shall, upon request of private property owners, the Director or the Departments of County Transportation and Land Management Agency, provide removal services for waste illegally disposed of on their private property, excluding those wastes described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit ED.
- ~~7)6) _____~~ Illegally disposed materials along Roadways within one mile of disposal sites within Riverside County are exempt from the retrieval requirements set forth herein.
- ~~8) For sixty (60) days from the effective date of this contract, the County will arrange that there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall pay the usual fees charged for comparable types and quantities of Solid Waste.~~
- ~~9) Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit to the Director an accurate accounting of its costs to provide Illegal Dumping Retrieval Service.~~

G. Collection of Used Motor Oil.

1 Franchisee shall collect used motor oil from single family residential customers in accordance with ~~the~~
2 ~~Reecyled Oil Collection and Storage Standards pursuant to Riverside County Ordinance 657 and Riverside~~
3 ~~County Resolution 90-668-California Public Resources Code Section 48691.~~

4
5 ~~H. Diversion Services~~
6

7 ~~1) Diversion services proposed by Franchisee as described in Exhibit H shall be provided~~
8 ~~throughout the duration of this contract.~~

9
10 ~~2) At any time during the term of this Agreement, upon one hundred eighty (180) days written~~
11 ~~notice from the Director, Franchisee shall provide collection of Green Waste or Organic~~
12 ~~Waste from Residential Units throughout, or in designated portions of its Exclusive~~
13 ~~Franchise Area. Franchisee's rates for this service shall be as established in Exhibit E as~~
14 ~~adjusted by the methodology established in Exhibit F.~~

15
16 ~~I.H. Collection and Equipment~~
17

18 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
19 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
20 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
21 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~ The equipment of
22 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
23 ~~Department on an annual basis at the request of the Department.~~

24
25 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
26 the Department of Motor Vehicles of the State of California, shall be kept clean and in
27 good repair, and shall be uniformly painted.

28
29 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
30 ~~days.~~

31
32 ~~3) A local or toll free telephone number, and vehicle number shall be clearly visibley~~
33 ~~displayed on all required vehicles, in letters and figures no less than three inches (3") high.~~

34 ~~2)~~

35 **SECTION 6. OWNERSHIP OF SOLID WASTE**
36

37 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
38 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
39 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
40 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
41 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
42 Franchisee.

43
44 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**
45

46 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
47 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)

1 and the ~~District~~DWR. The rates ~~shown-referenced~~ in Exhibit E-D are based on the _____ facility(ies)
2 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.
3

4 SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND 5

6 A. Indemnification of County ~~and District~~. 7

8 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
9 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
10 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
11 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
12 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
13 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
14 reasonable costs and expenses of investigating and defending against same; provided, however, that
15 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
16 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.
17

18 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
19 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
20 survive the term of the franchise.
21

22 B. Hazardous Substances Indemnification. 23

24 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
25 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
26 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
27 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
28 damages (including, but not limited to, special and consequential damages), natural resources damage,
29 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
30 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
31 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
32 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
33 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
34 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
35 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
36 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
37 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
38 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
39 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
40 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
41 from liability.
42

43 C. Minimum Diversion Requirements 44

45 _____
46 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
47 California Public Resources Code, Section 41780 and any other current or future California Statute that
48 requires the County to divert material from landfills. In the event that the State of California alters the
49 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or

1 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
2 associated with any additional recycling programs.

3
4 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
5 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
6 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
7 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
8 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
9 against any third party as a means of meeting its obligation under this section.

10
11 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
12 by the Director as set forth in Section 9.A. of this agreement.

13 ~~The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in~~
14 ~~programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner~~
15 ~~which entitles County to diversion credit as specified in California Public Resources Code, Section 41780~~
16 ~~measured on a calendar year basis beginning January 1st, 1999 ("Minimum Diversion Requirement")~~
17 ~~provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.~~
18 ~~Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing~~
19 ~~to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it~~
20 ~~had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for~~
21 ~~calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum~~
22 ~~Diversion Requirements two (2) times after the execution of the agreement, County may terminate this~~
23 ~~Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,~~
24 ~~finds that additional programs are necessary to meet any IWMA required diversion goals the County, or~~
25 ~~District on behalf of the County, may require proposals for additional diversion programs to meet the~~
26 ~~diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if~~
27 ~~agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon~~
28 ~~one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid~~
29 ~~Waste, Recyclable Materials, and/or Organic Waste, and/or to independently implement programs that may~~
30 ~~be needed to meet the minimum diversion requirement.~~

31
32 ~~— If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
33 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
34 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
35 ~~Diversion Requirement, which shall not be unreasonably denied.~~

36
37 D. Worker's Compensation Insurance.

38
39 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
40 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
41 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
42 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
43 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
44 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
45 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
46 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
47 losses which arise from work performed by the named insured for the County.

48
49 E. Public Liability Insurance.

1
2 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
3 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
4 ~~three-six~~ million dollars ~~(\$3,000,000.00)(6,000,000.00)~~ aggregate and ~~one-three~~ million ~~five-hundred~~
5 ~~thousand~~ dollars ~~(\$1,500,000.00)(3,000,000.00)~~ per occurrence for bodily injury and property damage.
6 Said insurance shall protect Franchisee, the County, ~~the District~~, and their elected or appointed officials,
7 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
8 as from any claim for property damage which may arise from operations performed pursuant to this
9 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
10 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
11 the Director. All of the following endorsements are required to be made a part of the insurance policies
12 required by this Section:
13

- 14 1) "This policy shall be considered primary insurance as respects any other valid and
15 collectible insurance the County may possess including any self-insured retention the
16 County may have, and any other insurance the County ~~or District~~ does possess shall be
17 considered excess insurance and shall not contribute with it."
18
19 2) "This insurance shall act for each insured, as though a separate policy had been written for
20 each. This, however, shall not act to increase the limit of liability of the insuring company."
21
22 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
23 with certificate(s) of insurance showing that such insurance is in full force and effect, and
24 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
25 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
26 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
27 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
28 the event of any such modification, cancellation or reduction in coverage and on the
29 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
30 receive prior to such effective date another certificate from an insurance carrier that the
31 insurance required herein is in full force and effect.
32

33 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
34 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
35 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.
36

37 F. Performance Bond or Letter of Credit.
38

39 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
40 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
41 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
42 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
43 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
44 California.
45

46 G. Modification.
47

48 The insurance requirements provided herein may be modified or waived in writing by the Board upon
49 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest

1 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
2 provided by the parent company of Franchisee.

3
4 **SECTION 9. DEFAULT AND REMEDIES**

5
6 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
7 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
8 provisions of this Agreement, the requirements of the ~~California Integrated Waste Management~~
9 ~~Board~~CalRecycle, including, but not limited to, requirements for source reduction and recycling (as to the
10 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
11 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
12 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
13 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
14 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
15 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
16 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
17 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
18 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
19 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
20 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or~~ refer the matter to a hearing
21 officer as provided in Section 11, below. ~~Where the County and the Franchisee have claims pending against~~
22 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~

23
24 ~~B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
25 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the hearing,~~
26 ~~the Board shall consider the report of the Director indicating the deficiencies, and shall give the Franchisee,~~
27 ~~or its representatives and any other interested Person, a reasonable opportunity to be heard.~~

28
29 ~~C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
30 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record, the~~
31 ~~Board determines that the performance of Franchisee is in breach of any material Term of this Agreement~~
32 ~~or any material provision of any applicable Federal, State, or local statute, ordinance or regulation, or is~~
33 ~~deficient with respect to prevailing industry standards, the Board in the exercise of its sole discretion, may~~
34 ~~terminate forthwith, this Agreement. Franchisee's performance under its franchise is not excused during~~
35 ~~the period of time prior to the Board's final determination as to whether such performance is deficient.~~

36
37 ~~D.B.~~ The right of termination is in addition to any other rights of County upon failure of
38 Franchisee to perform its obligations under this Agreement.

39
40 ~~E.C.~~ The County further reserves the right to terminate Franchisee's franchise, following public
41 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
42 board determines it is in the public interest to do so:

- 43
44 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
45
46 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
47 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
48

- 1 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
2 compensation, liability, indemnification coverage, and performance bond as required by
3 the Agreement.
4
- 5 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
6 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
7 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
8 which case no breach of the franchise shall be deemed to have occurred.
9
- 10 5) If the Franchisee ceases to provide Collection services as required under this Agreement
11 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
12 for any reason within the control of the Franchisee.
13
- 14 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
15 refuses to provide County with required information, reports, and/or test results in a timely
16 manner as provided in the Franchise Agreement.
17
- 18 7) For any other act or omission by the Franchisee which materially violates the terms,
19 conditions, or requirements of this franchise, Ordinance 657745, successor ordinance,
20 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
21 regulation issued thereunder and which is not corrected or remedied within the time set in
22 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
23 the breach within the time set forth in such notice, if the Franchisee should fail to
24 commence to correct or remedy such violation within the time set forth in such notice and
25 diligently effect such correction or remedy thereafter.
26
- 27 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
28 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
29 related to the performance of this Agreement, or of felonious conduct related to anti-trust
30 activities, illegal transport or disposal of hazardous waste or materials, or violation of
31 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
32

33 F-D. Professional Conduct

34

- 35 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
36 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
37 court in the United States, or is otherwise alleged to have participated in any criminal
38 activity directly or indirectly associated with the solid waste management business,
39 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
40 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
41 description of the indictment, complaint or allegation, as well as a copy of such indictment
42 or complaint or other matters of public record related thereto. In addition to the foregoing,
43 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
44 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
45 securities laws, including quarterly and annual reports.
46
- 47 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
48 interest, who has any responsibility for any aspect of the franchisee's operations under this
49 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony

1 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
2 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
3 upon request of the County be immediately removed from any assignment whatsoever,
4 directly associated with operations under this contract during the pendency of trial and/or
5 following conviction.
6

7 G.E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
8 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
9 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
10 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
11 such party shall notify the other party of such order or requirement and the law, regulation or order on
12 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
13 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of such said~~
14 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
15 ~~following the date following the Effective Date of such said~~ law, regulation or order becomes effective.
16 Nothing in this Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking
17 to obtain modification or repeal of such law, regulation or order or restrict either party's right to legally
18 contest the validity of such law, regulation or order.
19

20 SECTION 10. DISRUPTIONS IN SERVICE

21
22 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
23 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
24 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
25 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
26 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
27 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
28 by such conditions with an estimate of when service will be resumed.
29

30 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
31 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
32 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
33 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
34 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
35 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
36 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
37 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
38 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
39 County's sole negligence in providing such substitute service. Employees of Franchisee, including
40 management employees, may be employed by County during any period in which County temporarily
41 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
42 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
43 between Franchisee and its employees at the time Franchisee's service was interrupted.
44

45 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
46 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
47 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
48 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
49 be primarily reserved for use by County access while County or its designated representative is performing

1 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
2 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
3 accordance with the provisions of this Agreement.
4

5 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES 6

7 A. Should Franchisee or the County contend that the ~~County~~other party is in breach of this Franchise
8 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
9

10 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
11 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
12 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
13 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
14 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
15 Arbitration and Mediation Services.
16

17 C. The hearing shall be conducted according to the provisions of California Government Code Section
18 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
19 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
20 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
21 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
22 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
23 reasonably related to the seriousness of the breach of the Agreement.
24

25 D. The party losing the hearing shall be liable for the hearing officer's fees.
26

27 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
28 a material breach of the Agreement, and may be grounds for termination of the Agreement.
29

30 F. Any party to the hearing may issue a request to compel reasonable document production from the
31 other party. Disputes concerning the scope of document production and enforcement of document requests
32 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
33 document request, then by disposition by order of the hearing officer. Any such document request shall be
34 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
35 procedures to protect such rights.
36

37 G. Neither party may communicate separately with the hearing officer after the hearing officer has
38 been selected. All subsequent communications between a party and a hearing officer shall be
39 simultaneously delivered to the other party. This provision shall not apply to communications made to
40 schedule a hearing or request a continuance.
41

42 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
43 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
44 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
45 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
46 the party subject thereto acted with substantial justification or if the interests of justice so require.
47

48 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
49

1 **SECTION 12. FRANCHISE TRANSFERABILITY**
2

3 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
4 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
5 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
6 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
7 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
8 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
9 such a request using such criteria as it deems necessary including, but not limited to, those listed in
10 Subsection C.
11

12 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
13 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
14 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
15 this Agreement.
16

17 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
18 meet the following requirements:
19

20 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
21 investigation costs necessary to investigate the suitability of any proposed transferee, and
22 to review and finalize any documentation required as a condition for approving any such
23 transfer.
24

25 2) The Franchisee shall furnish the County with audited financial statements of the
26 proposed transferee's operations for the immediately preceding three (3) operating years.
27

28 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the
29 proposed transferee has at least five (5) years of solid waste management experience of a
30 scale equal to or exceeding the scale of operations conducted by Franchisee under this
31 Agreement; (ii) that in the last five (5) years, the proposed transferee has not suffered any
32 citations or other censure from any federal, state or local agency having jurisdiction over
33 its waste management operations due to any significant failure to comply with state, federal
34 or local waste management laws. Franchisee shall supply the County with a complete list
35 of such citations and censures; (iii) that the proposed transferee has at all times conducted
36 its operations in an environmentally safe and conscientious fashion; (iv) that the proposed
37 transferee conducts its solid waste management practices in accordance with sound waste
38 management practices in full compliance with all federal, state and local laws regulating
39 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
40 insurance and bonds; and (vii) of other material as may be requested by the County.
41

42 D. This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County
43 without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The
44 foregoing is not intended to prevent the County from exercising its right to terminate the agreement
45 consistent with Section 3, and for the County to seek a new franchisee at the expiration of this
46 Agreement. This franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned
47 by the County to any Public Agency having the authority to provide solid waste collection services if the
48 Board determines it is in the public interest to do so.
49

1 SECTION 13. REPORTS

2
3 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
4 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.

5
6 B. Franchisee shall make its customer base and records available to the Department for audit at
7 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
8 Agreement.

9
10 SECTION 14. COMPENSATION

11
12 A. Franchisee Rates.

13
14 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
15 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
16 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
17 ~~the maximum rate to be charged for such materials.~~

18
19 B. Modification and Adjustment of Rates.

20
21 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
22 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
23 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
24 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or ~~District~~
25 ~~DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
26 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates ~~set~~
27 ~~forth on Exhibit E~~ shall remain in effect until adjusted by County following a public hearing as provided in
28 Exhibit ~~FD~~.

29
30 C. Notice of Rate Changes

31
32 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
33 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
34 from County regarding approved changes in landfill fees and CPI adjustments. ~~If requested by the~~
35 ~~Department, the Franchisee will provide a copy of the written notice for review. The wording of the notice~~
36 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
37 ~~prior to release.~~ County shall provide Franchisee with written notice of changes in System Facility,
38 franchise, or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated
39 rate changes.

40
41 D. Resolution of Disputes Regarding Rate Adjustments

42
43 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
44 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
45 the Director or his representative. If resolution can-not be reached, the Director shall refer the matter to the

1 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
2 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
3 resolution of such dispute. The ~~Effective Date~~ of any dispute resolution, whether retroactive or
4 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
5 appropriate. Any Franchisee operating in a ~~Comprehensive Compulsory~~ Collection Area shall be subject
6 to all applicable provisions in the County's ~~comprehensive compulsory~~ collection ordinance.

7
8 E. Billing and Payment.
9

10 Franchisee may bill and receive payment as provided ~~in Exhibit E~~herein. In cases where Franchisee
11 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
12 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
13 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
14 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
15 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
16 of Franchisee's billing dates.

17
18
19 F. Delinquent Accounts.
20

21 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
22 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
23 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
24 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
25 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
26 Franchisee operating in a ~~comprehensive Compulsory e~~Collection area shall be subject to all applicable
27 provisions in the ~~comprehensive Compulsory e~~Collection ordinance.

28
29 G. Refunds.
30

31 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
32 such customer for service not provided when service is discontinued by written notification to Franchisee
33 by the customer.

34
35 **SECTION 15. FRANCHISE FEES**
36

37 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
38 ~~Transfer Station Tipping Fees,~~ shall be payable by Franchisee to the Department thirty (30) days after the
39 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
40 to be paid for revenues generated by the collection or sale of Recyclable Materials and Organic Waste
41 collected by the Franchisee, ~~or for the provision of construction roll off services.~~ A penalty of ten (10)
42 percent shall be due for fees not submitted within the thirty (30) day time period.
43

1 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
2 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
3 accordance with Exhibit ~~FD~~.
4

5 SECTION 16. OTHER REQUIREMENTS 6

7 A. Privacy 8

9 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
10 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
11 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
12 statute, or upon valid authorization of the customer. — This provision shall not be construed to preclude
13 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
14 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
15 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
16 that Franchisee may provide such lists to authorized employees and authorized representatives of the
17 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
18 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
19

20 B. Public Access to the Franchisee 21

- 22 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
23 Monday through Friday. A representative of Franchisee shall be available during office
24 hours for communication with the public at Franchisee's principal office. In the event that
25 normal business cannot be conducted over the telephone, a representative of Franchisee
26 shall agree to meet with the public at a location agreeable to Franchisee and the public.
27 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
28 shall also maintain a local or toll free after-hours telephone number for use during other
29 than normal business hours. Franchisee shall have a representative or answering device or
30 system available at said after-hours telephone number during all hours other than normal
31 office hours.
32
- 33 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
34 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
35 Person, by close of business of the second business (waste Collection) day following the
36 date on which such complaint is received. Service complaints may be investigated by the
37 Director or a designee. Franchisee shall maintain records listing the date of customer
38 complaints, the customer, describing the nature of the complaint or request, and when and
39 what action was taken by the Franchisee to resolve the complaint. All such records shall
40 be maintained and shall be available for inspection by County.
41
- 42 3) Government Liaison Person. The Franchisee shall designate a "government liaison
43 Person" who shall be responsible for working with the Department to resolve customer
44 complaints.
45

46 C. Resolution of Disputed Customer Complaints.

1
2 The Franchisee shall ~~notify-supply, upon~~ customers request, a copy of this complaint arbitration
3 procedure at the time ~~a customers appliesy~~ for or ~~areis~~ provided service, and subsequently, ~~annuallyas~~
4 requested by the customer. Procedures for resolution of disputed claims shall be as follows:
5

- 6 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
7 County to review the complaint. To obtain this review, the customer may request County
8 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
9 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
10 has failed to respond to the complaint. The County may extend the time to request its
11 review for good cause.
12
13 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
14 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
15 customer's complaint and determine if further action is warranted. The Director may
16 request written statements from the Franchisee and customer, and/or oral presentations.
17
18 3) The Director shall determine if the Customer's complaint is justified, and if so, what
19 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
20 of customer charges related to the period of breach of any of the terms of this Franchise
21 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
22 addition to any actual damages.
23
24 4) The Director may delegate these duties to a designee. The decision of the Director or a
25 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
26 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
27 may seek review pursuant to Section 11 above.
28

29 D. Hazardous Materials and Waste Handling and Disposal
30

31 The Franchisee shall comply with the procedures detailed ~~in Exhibit G of this Agreement in State Law.~~
32

33 **SECTION 17. FORCE MAJEURE**
34

35 ~~Franchisee shall not be in default under this Franchise Agreement in the event that the services provided~~
36 ~~by the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,~~
37 ~~sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,~~
38 ~~landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are~~
39 ~~beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability~~
40 ~~of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from~~
41 ~~other governmental agencies or the right to use the facilities of any public utility where such failure is due~~
42 ~~solely to the acts or omissions of the Franchisee.~~
43

44 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so long as,
45 it is impossible or extremely impractical for it to perform its obligations in whole or in part for any of the

1 following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the Solid
2 Waste facilities used by Franchisee:

3 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
4 earthquakes, tornados, or other catastrophic events;

5 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;

6 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
7 other event leading to the imposition of quarantines, travel or movement restrictions, social
8 distancing, or public health advisories restricting large gatherings;

9 D. Accident or other catastrophic event including fire or explosion;

10 E. Strikes and labor disputes;

11 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.

12 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.

13
14 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event later
15 than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall describe
16 in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure event, the
17 expected length of time that Franchisee expects to be prevented from performing, the steps which
18 Franchisee intends to take to restore its ability to perform, and such other information as the County may
19 reasonably request.

20
21 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure of
22 the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right to
23 use the facilities of any public utility where such failure is due solely to the acts or omissions of the
24 Franchisee.

25 26 **SECTION 18. OTHER PROVISIONS**

27 28 **A. Independent Contractor.**

29
30 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
31 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
32 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
33 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
34 retirement or other benefits which accrue to County employees.

35 36 **B. Property Damage.**

37
38 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
39 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
40 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

41 42 **C. Right of Entry.**

1 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
2 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
3 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
4 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

5
6 D. Law to Govern.
7

8 The law of the State of California shall govern this Franchise Agreement.
9

10 E. Gratuities.
11

12 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
13 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
14 Franchise Agreement.
15

16 F. Compliance with Franchise Agreement.
17

18 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and~~ 745, or any
19 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
20 during the Term of this Franchise Agreement.
21

22 G. Notices.
23

24 All notices required or permitted to be given under this franchise shall be in writing and shall be
25 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
26 receipt requested, and addressed as follows:
27

28 To County: County of Riverside
29 Attn: Department of Environmental Health
30 4065 County Circle Drive
31 Riverside, CA 92503
32

33 Copy to: County Counsel
34

35 To Franchisee: Douglas E Corcoran
36 Vice President
37 Waste Management of Inland Empire, A Division of USA Waste of
38 California, Inc., Waste Management Collections and Recycling, Inc.
39

40 Copy to:
41

42 or to such other address as either party may from time to time designate by notice to the other given in
43 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,

1 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
2 receipt of confirmation of delivery which confirmation may be transmitted by fax.

3
4 H. Exhibits Incorporated.

5
6 Exhibits A through ~~I-D~~ are attached to and incorporated in the Franchise Agreement by reference. In
7 the event of differences or conflicts between the language of an Exhibit and the language of the Franchise
8 Agreement, the language of the Exhibit shall prevail.

9
10 I. Nondiscrimination.

11
12 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
13 on the ground of race, sex, age, creed, color, religion or national origin.

14
15 J. Laws and Licenses.

16
17 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
18 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
19 to perform the services hereunder and maintain the same in full force and effect.

20
21 K. Waiver.

22
23 No waiver by either party of any one or more defaults or breaches by the other in the performance of
24 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
25 like or different character.

26
27 **SECTION 19. SEVERABILITY**

28
29 A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit~~
30 ~~referenced in this agreement~~ is a material part of the franchise agreement, itself, and is not severable from
31 it. Franchisee agrees not to challenge the validity or enforceability of the Waste Delivery Agreement or
32 any term or provision found in such agreement. If for any reason this Waste Delivery Agreement or any
33 part thereof is found to be void or unenforceable ~~or any part thereof~~ by a court of law, then, the County may
34 consider termination or amendment of the Franchise Agreement~~the Franchise agreement, itself, is deemed~~
35 ~~to be terminated thereupon and to be of no further force or effect.~~

36
37 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
38 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
39 enforceability of any of the remaining provisions of this Franchise Agreement.

40
41 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**

42
43 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
44 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
45 and all other communications, representations, proposals, understandings or Agreements, either written or

1 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
2 or amended, in whole or in part, except by writing signed by both parties hereto.

3
4 At least once every 5 years, or more often as required by a significant change in law, starting from the
5 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
6 or required amendments.

7
8 **SECTION 21. CONSTRUCTION OF FRANCHISE**

9
10 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
11 attorneys, and no provision contained herein shall be construed against County solely because it prepared
12 this agreement in its executed forms.

13
14 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

15
16 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
17 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
18 another company, all service levels and rates of this contract shall at the discretion of the Board of
19 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

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

2

3 Executed on September 27, 2016.

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Steve Van Stockum

10

Director

11

12

Riverside County

13

Department of Environmental Health

14

15 FRANCHISEE

16

17

BY: _____

18

Douglas E Corcoran

19

Vice President

20

Waste Management of Inland Empire, A

21

Division of USA Waste of California, Inc.,

22

Waste Management Collections and Recycling,

23

Inc.

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EXHIBIT B

FRANCHISE AREA #1

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: ~~(To be provided before contract is executed by County)~~

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

~~B. Commercial Account Exceptions:~~

- ~~1. All other Commercial accounts for which a contract for refuse collection services with another franchisee exists, only for the duration of those contracts, which in no event shall exceed 1999.~~

~~C. Planned Unit Development (P.U.D.) Exceptions:~~

~~All P.U.D. accounts ** in unincorporated areas as defined in Resolution 94-143 where Franchisee holds contracts for service; See attached list (Exhibit B2) to be provided by Franchisee~~

~~** Franchisee agrees to work with the Director to negotiate a transfer of these P.U.D. accounts to Franchisee where P.U.D. is located when possible. Evidence of existing contracts may be required by County. If exchanges can not be negotiated, service provisions remain on a competitive basis under the current Refuse Rate Resolution and Ordinance 657.~~

~~D. Exception to Exclusive Area for Rolloff Bins:~~

~~Franchisee understands and agrees by signature hereon, that Rolloff Bin Service (of all sizes) may be provided non-exclusively by Franchisee or the Franchisee of County Franchise Area 6 in all of the county franchise areas six and 1C lying within one mile outside the City limits of the Cities of Hemet or Sail Jacinto, using existing, or any future, City limits.~~

~~The rates authorized in this non-exclusive franchise territory shall not exceed those rates approved in the franchise, and service levels shall be those negotiated in the franchise.~~

~~Waste Management of
Inland Valley (Franchisee)~~

By: 

1 Legal Description:

2
3 **Hauler Franchise Area 1**

4
5 (West)

6 Beginning at the intersection of the Westerly boundary of the County of Riverside and the Northerly
7 Right of Way of State Highway 91;

8
9 Thence Easterly, along the Northerly Right of Way of State Highway 91 to the intersection of the
10 Westerly city limits of the City of Corona;

11
12 Thence Southeasterly, along the city limits of the City of Corona to the intersection of the Easterly line of
13 Section 10, T.4 S., R 6 W.;

14
15 Thence Southerly along the Easterly lines of Sections 10 and 15 of T.4 S., R 6 W., to the intersection of
16 Cajalco Rd;

17
18 Thence Westerly along the centerline of Cajalco Rd to the intersection of Interstate 15;

19
20 Thence Southerly along Interstate 15 to the intersection of the Northerly line of Section 28 T. 4 S., R 6 W
21 T4S, R6W;

22
23 Thence Westerly along the Northerly line of Sections 28 and 29 to the Northerly Quarter Corner of
24 Section 29 T.4 S., R 6 W.;

25
26 Thence Southerly along the center Section lines of Sections 29 and 32 T. 4 S., R 6 W., to the Southerly
27 Quarter Corner of Section 32, Said point also being on the Northerly Section line of Section 5 T. 5 S., R 6
28 W.;

29
30 Thence Westerly along the Northerly Section lines of Sections 5 and 6 T. 5 S., R 6 W., to the Northerly
31 quarter corner of said Section 6;

32
33 Thence Southerly along the center Section line of Section 6 to the Southwesterly county boundary of the
34 County of Riverside;

35
36 Thence Northwesterly along the various courses of the county boundary to the point of beginning.

37
38 (Northeast)

39 Beginning at the Northwest Corner of Section 29 T. 2 S., R. 3 W., S.B.M. said point being located on the
40 city limits of Moreno Valley;

41
42 Thence Easterly, along the Northerly lines of Sections 29, 28, 27, 26 and 25 to the Northeast corner of
43 Section 25 T. 2 S., R. 3 W.;

44
45 Thence Southerly along the Easterly line of Section 25, T. 2 S., R 3W, S.B.M. to the Northwest corner of
46 Section 31, T. 2 S., R. 2 W.;

47
48 Thence Easterly along the Northerly line of Sections 31 and 32 to the Northeast corner of said Section 32

1 T. 2 S., R. 2 W.;

2

3 Thence Southerly along the Easterly line of Section 32 to the Southeast corner thereof;

4

5 Thence Easterly along the Southerly line of Section 33, T. 2 S., R. 2 W. S.B.M. to the Northeast corner of

6 Section 4, T. 3 S., R. 2 W.;

7

8 Thence Southerly along the Easterly line of Section 4 to the intersection of State Highway 60;

9

10 Thence Westerly along the centerline of State Highway 60 to the Westerly line of Section 6, T. 3 S., R. 2

11 W., said point also being on the city limits of Moreno Valley;

12

13 Thence Northwesterly along the city limits of the City of Moreno Valley to the point of beginning.

14

15 (Southeast)

16 Beginning at the Northwest corner of Section 25, T. 5 S., R. 4 W., S.B.M, said point also being on the city

17 limits of the city of Perris;

18

19 Thence Northeasterly, along the city limits of the City of Perris to its intersection with the city limits of

20 the City of Moreno Valley, said point also being the intersection of Center St and Oleander Ave;

21

22 Thence Northeasterly, along the city limits of the City of Moreno Valley to its intersection with Davis

23 Road;

24

25 Thence Southeasterly along Davis Rd. to the intersection of Ramona Express Way;

26

27 Thence Easterly, along the centerline of Ramona Express Way to the intersection of Lakeview Ave;

28

29 Thence Southeasterly, along the centerline of Lakeview Ave to the intersection of 9th St;

30

31 Thence Southeasterly, along the centerline of 9th St to the intersection of Yucca Ave;

32

33 Thence Easterly along the centerline of Yucca Ave to the intersection of 5th St;

34

35 Thence Southerly along the centerline of 5th St to the intersection of Brown Ave;

36

37 Thence Easterly along the centerline of Brown Ave to its intersection with the West line of Section 16 T.

38 4 S., R. 2 W.;

39

40 Thence Southerly, along the West line of Section 16 to the Southwest Corner of Section 16 T. 4 S., R.2

41 W.;

42

43 Thence Easterly, along the Southerly line of Sections 16, 15 and 14 T. 4 S., R.2 W., to the intersection of

44 the Westerly line of the city limits of the City of San Jacinto;

45

46 Thence Southerly, along the city limits of San Jacinto to its intersection with the city limits of Hemet;

47

48 Thence Southeasterly along the city limits of the City of Hemet to a point on the centerline of Warren

1 Rd., said point also being on the city limits of the city of San Jacinto;
2
3 Thence southerly along the centerline of Warren Rd. to the intersection of Esplanade Ave, said point also
4 being on the Westerly city limits of the City of Hemet;
5
6 Thence Southeasterly and Northeasterly following the city limits of the city of Hemet to a point on the
7 Easterly side of the city of Hemet at the intersection of Washington Ave and Hemet St, said point also
8 being on the city limits of San Jacinto;
9
10 Thence Easterly along the city limits of San Jacinto to the center of the San Jacinto River;
11
12 Thence southeasterly along the centerline of the San Jacinto River to its intersection with Indian Creek
13 Rd;
14 Thence Easterly and Northeasterly along the centerline of Indian Creek Rd to the West line of Section 25,
15 T. 4 S., R. 1 E.;
16
17 Thence southerly along the West lines of Sections 25 and 36 T.4 S., R.1 E., and the West lines of
18 Sections 1 and 12 T. 5 S., R. 1 E., to the Northwest corner of Section 13, T. 5 S., R.1 E., S.B.M.;
19
20 Thence Easterly along the Northerly line of Section 13 to the Northeast Corner of Said Section 13 T. 5 S.,
21 R. 1 E.;
22
23 Thence Southerly along the Easterly line of Section 13 to the Southeast Corner of Said Section 13 T.5 S.,
24 R. 1 E.;
25
26 Thence Westerly along the Southerly line of Section 13 to the Southwest Corner of Said Section 13 T. 5
27 S., R.1 E., also being the Northwest Corner of Section 24 T. 5 S., R. 1 E.;
28
29 Thence Southerly along the West lines of Sections 24, 25 and 36 to the Southeast Corner of Section 36
30 T.5 S., R.1 E., also being the Northeast corner of Section 2, T. 6 S., R. 1 E.;
31
32 Thence Westerly along the Northerly line of said Section 2 to the Northwest corner thereof;
33
34 Thence Southerly along the West lines of Sections 2, 11, 14, 23, and 26 to the West Quarter Corner of
35 Section 26 T.6 S., R. 1 E.;
36
37 Thence Easterly along the Center Section lines of Sections 26 and 25 to the East Quarter Corner of
38 Section 25, T.6 S., R. 1 E., S.B.M also being on the East Township line of T. 6 S., R. 1 E.;
39
40 Thence Southerly along the township line to the Southeast Corner of Section 36 T. 6 S., R.1 E., also being
41 the Northeast corner of Section 1 T. 7 S., R. 1 E., S.B.M.;
42
43 Thence Westerly, along the Northerly line of Section 1 to the Northwest Corner of Said Section;
44
45 Thence Southerly, along the West line of Section 1 to the Southwest Corner of said Section;
46
47 Thence Easterly, along the South line of Section 1 to the Southeast Corner of Section 1 T. 7 S., R. 1 E.,
48 also being on the Township line of T. 7 S., R.1 E.,
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Thence Southerly, along the East line of T. 7 S., R. 1 E., to the Southeast Corner of Section 24 T. 7 S., R. 1 E.;

Thence Westerly, along the Southerly line of Section 24 to the Southwest Corner of Section 24;

Thence Southerly, along the East line of Section 26 T. 7 S., R.1 E., to the Southeast Corner of said Section 26;

Thence Westerly, along the Southerly line of Section 26 to the Northerly Quarter Corner of Section 35 T. 7 S., R.1E.;

Thence Southerly, along the Center Section line of Section 35 to the Southern Quarter Corner of said Section, also being on the North Township line of T.8 S., R. 1 E.;

Thence Westerly, along the North line of T.8 S., R.1 E., to the Northwest Corner of Section 4 T.8 S., R.1 E.;

Thence Southerly, along the West lines of Sections 4, 8, 16, 21, 28 and 33 of T. 8 S., R.1 E., to the Southwest Corner of Section 33 T.8 S., R.1 E., also being the Southerly county boundary of the County of Riverside;

Thence Westerly along the southerly county boundary of said Riverside county to the intersection of Interstate 15;

Thence Northerly along the centerline of Interstate 15 to the city limits of Temecula;

Thence Easterly along the city limits of Temecula to its intersection with the city limits of Murrieta, said point located within Section 23, T.7 S., R. 3 W., S.B.M.;

Thence along the city limits of Murrieta to its intersection with Interstate 215;

Thence Northerly along the centerline of Interstate 215 to its intersection with Craig Ave;

Thence Westerly, along the centerline of Craig Ave to its intersection with the Easterly city limits of the City of Lake Elsinore;

Thence Northwesterly along the city limits of the City of Lake Elsinore to its intersection with the city limits of the City of Canyon Lake, said point also being the southwest corner of Section 6 T. 6 S., R. 3 W., S.B.M.;

Thence Northwesterly along the city limits of Canyon Lake to the Northwest Corner of Section 25 T. 5 S., R. 4 W., the Point of Beginning.

(Southwest)

Beginning at the intersection of Van Buren Blvd and Barton St, also being on the Southerly city limits of the City of Riverside;

1 Thence Northeasterly along the city limits of the city of Riverside to its intersection with the city limits of
2 Moreno Valley;
3
4 Thence Southeasterly along the city limits of Moreno Valley to its intersection with the city limits of
5 Perris, said point also being the southeast corner of Section 36, T.3 S., R. 4 W., S.B.M.;
6
7 Thence Southeasterly along the Westerly city limits of the city of Perris to its intersection with the
8 centerline of Orange Ave;
9
10 Thence Westerly along the centerline of Orange Ave, also being the Southerly lines of Sections 13,14, 15,
11 and 16 of T.4 S., R.4 W., to the Southwest Corner of Section 16;
12
13 Thence Northerly, along the West line of Section 16 to the Northwest Corner of said Section 16, also
14 being on the centerline of Barton St;
15
16 Thence Continuing Northerly, along the centerline of Barton St to the intersection of Myron St;
17
18 Thence Easterly, along the centerline of Myron St to the intersection of Brown St;
19
20 Thence Northerly, along the centerline of Brown St to the intersection of Nandina Ave;
21
22 Thence Westerly, along the centerline of Nandina Ave to the intersection of Barton St;
23
24 Thence Northerly, along the centerline of Barton St to the intersection of Krameria Ave;
25
26 Thence Westerly, along the centerline of Krameria Ave to its intersection with the Southerly line of the
27 city limits of the City of Riverside;
28
29 Thence Northerly, along the city limits of the City of Riverside to the intersection of Van Buren Blvd and
30 Barton St, being the point of beginning.
31
32 (Northwest)
33 Beginning at the Northwest corner of Section 33 T. 2 S., R.4 W., S.B.M, said point also being on the city
34 limits of Riverside;
35
36 Thence Northerly along the city limits of Riverside to the Northerly line of Section 28, T. 2 S., R. 4 W.,
37 S.B.M;
38
39 Thence Easterly along the Northerly line of Sections 28 and 27 T. 2 S., R. 4 W. to the intersection of Box
40 Springs Mountain Rd;
41
42 Thence Northerly along the centerline of Box Springs Mountain Rd to a ridge line that intersects said Box
43 Springs Mountain Rd at the approximate elevation of 2200 feet;
44
45 Thence following said ridgeline through Sections 22, 15, 14, 13 and 24 of said T. 2 S., R. 4 W., S.B.M to
46 the Northerly city limits of Moreno Valley;
47
48 Thence Westerly along the city limits of Moreno Valley to the intersection with the city limits of

1 Riverside;

2

3 Thence Northwesterly along the city limits of Riverside to the Point of Beginning.

4

5 Included within said franchise area are the customer addresses lying adjacent to and on both sides of the
6 following boundary streets:

7

8

9 Cajalco Rd between its intersection with the Westerly line of Section 15 T. 4 S., R 6 W., S.B.M. and
10 Interstate 15 Orange Ave between Interstate 215 and Patterson Ave

11

12 Excluding from said franchise area are the customer addresses lying adjacent to and on both sides of the
13 following boundary streets:

14

15 Myron Ave between Brown Ave and Barton Rd.

16

17 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
18 in areas 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13.

19

20 Also excludes any areas within City boundaries.

1 EXHIBIT ~~DC~~

2
3 REPORTING REQUIREMENTS

4
5 1. GENERAL

6
7 The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in
8 this Exhibit and required by State Law; however, the Department and the ~~District-DWR~~ reserve the right
9 to request additional information as necessary to meet their needs, ~~including but not limited to the AB 939~~
10 ~~reporting requirements and to comply with applicable State Law.~~ Reports shall be provided in a format
11 approved by the Department. All information included in the reports shall be provided according to the
12 source of generation. Waste generator types are defined as follows:

13
14 Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from
15 single-family and from multi-residential units.

16
17 Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from
18 commercial and industrial sources.

19
20 Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

21
22 Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

23
24 Data and information pertaining to services performed under this franchise upon submittal to the
25 Department become the property of the Department.

26
27 2. DISPOSAL TONNAGE TRACKING

28
29 Franchisee shall submit completed ticket transactions to the ~~District-DWR~~ as required by the
30 Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must
31 be received by the ~~District-DWR~~ within five (5) business days of the landfill transactions {the day of
32 transaction being the first (1st) business day}. If these tickets and correct information are not received
33 within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the
34 ~~District-DWR~~ and placed on Franchisee's monthly billing, ~~for each day' delinquencies as described in the~~
35 ~~CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No.~~
36 ~~1.~~

37
38 3. QUARTERLY REPORTS

39
40 The Franchisee shall submit quarterly reports no later than one month following the completion of each
41 quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this
42 Agreement through the end of each quarter.

43
44 The quarterly reports shall include the information collected and summarized on a monthly basis.
45 Specifically, Franchisee shall provide the following quarterly reports:

- 46
47 1. Collection summary ~~Summary~~ reports
48 ~~2. Equipment inventory~~
49 ~~3. Future programs~~
50 ~~2. Litigation information~~ Education and Outreach
51 ~~3. Service Performance~~

1 4. Container contamination monitoring

2
3 **Collection ~~Information~~Summary**

4
5 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable
6 Material collected by month and the number of accounts serviced monthly. The quantities of solid waste,
7 ~~recyclables and green waste~~ and Recyclable Material collected shall be reported in terms of tonnage (or
8 cubic yards if tonnage information is not available). The Department may, at its discretion, also require
9 reporting by volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage
10 or cubic yard information such as density factors.

11
12 **Education and Outreach**

13
14 The Franchisee shall submit copies of public education materials sent to customers or provided
15 electronically on their websites or social media outlets.

16 **Service Performance**

17
18 The Franchisee shall provide a report summarizing the entries made in the service log including all
19 praises, complaints, and notifications of missed pickups, and the Franchisee responses thereto. The
20 summary report shall identify the total number of all written or oral Customer comments and shall
21 provide the number of comments received in the following categories: praises, litter or property damage
22 complaints, misplacement of containers, stolen containers, personnel complaints, missed pickups, and
23 other.

24
25 **Container Contamination Monitoring**

26
27 The Franchisee shall provide a summary of container contamination monitoring activities including
28 information on efforts to minimize container contamination. When applicable a separate detailed report
29 shall be provided to the Department identifying sites that are out of compliance and require additional
30 enforcement by the County.

31
32 **~~Program Implementation~~**

33
34 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
35 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
36 ~~resolutions and schedule for correcting the problem.~~

37
38 **4. ANNUAL REPORTS**

39
40 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
41 Franchisee will be responsible for providing the following reports:

- 42
43 1. Summary reports
44 2. Equipment inventory
45 3. Program implementation
46 3.4. Future programs
47 5. Litigation information+
48 4.6. Education and Outreach
49

1 **Summary Reports**

2
3 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
4 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
5 provided shall include quantities of materials collected, and if processed by non-system facilities, the
6 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
7 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
8 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
9 experiences, and any problems in program operation and how they were resolved.

10
11 **Equipment Inventory**

12
13 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
14 The inventory list shall indicate the age of the equipment.

15
16 **Program Implementation**

17
18 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
19 for the quarteryear. The report shall address how the problems and barriers were overcome or the
20 proposed resolutions and schedule for correcting the problem.

21
22 **Future Programs**

23
24 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be
25 needed but have not been planned for.

26
27 **Litigation Information**

28
29 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
30 against the parent company and all subsidiaries of parent company that may have an effect on the
31 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

32
33 **Education and Outreach**

34
35 The Franchisee shall submit copies of public education materials sent to customers or provided
36 electronically on their websites or social media outlets.

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EXHIBIT ~~FD~~

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

All Rate adjustments must receive approval by the Board of Supervisors following public hearings.

1.3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates ~~provided referenced~~ in ~~Exhibit E~~Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st ~~with the first such adjustment occurring July 1, 1999~~. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the ~~Los Angeles/Anaheim/Riverside-Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, (1982-84=100)~~, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). ~~For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service.~~ Said change shall be measured for the twelve (12) month period ~~as posted by the BLS in the first CPI-U report for each year January through December. The first adjustment shall be effective July 1, 1999, based upon changes in the Consumer Price Index formula for the period January 1998 through December 1998.~~ In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. ~~R~~evisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

2. PERIODIC RATE ADJUSTMENT MECHANISM

1 ~~The Department reserves the right to review the Franchisee's rates every three years from the effective~~
2 ~~date of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in~~
3 ~~comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that~~
4 ~~the Department makes such a determination the Franchisee's rates may be adjusted to any level at or~~
5 ~~above the average rates in the comparable jurisdictions.~~

6
7 3.4. EXTRAORDINARY RATE REVIEW

8
9 A. The Director or Franchisee may initiate a special rate review by the Department should an
10 extraordinary event or circumstance arise which has a significant impact on the economic
11 operation of the Franchisee or the rates charged to customer as follows:

12
13 1. An event or circumstance (including changes in law) occurs which is beyond the control of
14 Franchisee or County.

15
16 2. Changes to operations mandated by the County or proposed by Franchisee and approved by
17 the County.

18
19 ~~3. Any change in disposal/Green Waste tip fees.~~

20
21 4.3. The District directs Franchisee to use a different System Facility for more than thirty (30)
22 days that involves a change in round trip time or distance.

23
24 ~~5.4.~~ The County modifies the franchise fee.

25
26 ~~6.5.~~ Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.

27
28 ~~7.6.~~ Significant increases in the number of customer accounts due to development or growth.

29
30 ~~8.7.~~ Other circumstances at the discretion of the Director or the Board of Supervisors.

31
32 B. Should Franchisee request a special rate review only those costs related to the circumstance(s)
33 which warrant consideration of a special rate review, as specified above, will be reviewed and
34 considered.

35
36 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost
37 and operational information at least three months prior to the proposed effective date of any rate
38 adjustment.
39

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #1

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1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND USA WASTE OF CALIFORNIA, INC. DBA WASTE MANAGEMENT OF THE INLAND
4 EMPIRE
5 FOR THE COLLECTION AND TRANSPORTATION
6 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
7

8 This Franchise Agreement ("Franchise Agreement"), by and between the County of Riverside
9 ("County") and USA Waste of California, Inc. dba Waste Management of The Inland Empire
10 ("Franchisee"), for the Collection and transportation of Solid Waste, Recyclable Materials, Organic Waste,
11 and construction debris and other specified services, originally entered into on April 6, 1998, and most
12 recently amended on September 27, 2016, is hereby amended and restated on December 7, 2021.
13

14 **RECITALS**
15

16 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
17 Ordinance 657 the County of Riverside ("County") has determined that the public health, safety, and well-
18 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for
19 waste management services for residential, commercial, and industrial customers in the County of
20 Riverside; and
21

22 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
23 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
24 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
25 recovery and disposal; and
26

27 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
28 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
29

30 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
31

32 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
33

34 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
35 representations and warranties for the benefit of the County as of the date of this Agreement.
36

- 37 1) Franchisee is duly organized and validly existing as a corporation in good standing under
38 the laws of the State of California.
39
- 40 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
41 Agreement, and has duly authorized the execution and delivery of this Agreement.
42
- 43 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
44 Franchisee to do so, and this Agreement has been duly executed and delivered by
45 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
46 against Franchisee in accordance with its terms.
47
- 48 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
49 court or governmental entity against Franchisee or affecting Franchisee, wherein an

1 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
2 of this Agreement, or which would have a material adverse effect on the financial condition
3 of Franchisee.
4

5 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
6 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
7 parent company's financial circumstances since the date of the most recent financial
8 statements submitted to the Environmental Health Department ("Department"). Prior to
9 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
10 most recent annual financial statements. The Department may at its discretion specify the
11 contents and form of such statements. The Director of Environmental Health may inspect
12 the financial records of the Franchisee at any reasonable time for any reasonable purpose
13 relevant to the performance of this contract.
14

15 6) Franchisee has the expert, professional, and technical capability to perform all of its
16 obligations under this Agreement.
17

18 **B. Representations and Warranties of the County.**
19

20 Prior to commencement of any services hereunder, the County hereby makes the following
21 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
22

- 23 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
24 This Agreement constitutes the legal, valid and binding Agreement of the County and is
25 enforceable against the County in accordance with its terms.
26
- 27 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
28 County before any court or governmental entity wherein an unfavorable decision, ruling or
29 finding would adversely affect the validity or enforceability of this Agreement.
30

31 **SECTION 2. DEFINITIONS**
32

33 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
34 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
35 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
36 Agreement. In the event of conflict between the definition of a term as found in the California Public
37 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
38 supersede the definition found in the Public Resources Code or in County ordinances.
39

40 A. Agreement means this Agreement between the County and Franchisee for the Collection and
41 transportation of Solid Waste and other specified services, including all exhibits, and any future
42 amendments.
43

44 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
45 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
46 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
47 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
48

49 C. Board means the Riverside County Board of Supervisors.

1
2 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
3 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
4 plumbing, small household appliances, and other similar items, commonly known as “white goods”); wood
5 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
6 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
7 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
8 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
9 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
10 Persons.

11
12 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
13 this Agreement and its transportation to an appropriate Solid Waste Facility.

14
15 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
16 residential and Multi-Residential Units.

17
18 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
19 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
20 commercial units are required to subscribe to refuse collection.

21
22 H. County means the County of Riverside, State of California.

23
24 I. Department means the Riverside County Department of Environmental Health.

25
26 J. Director means the Director of the Riverside County Department of Environmental Health or
27 their designee.

28
29 K. Diversion (or any variation thereof including “Divert”) means activities which reduce or
30 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
31 recycling, and composting.

32
33 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
34 date it is executed by the Board of Supervisors.

35
36 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
37 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
38 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
39 B.

40
41 N. Franchise Area means the geographic territory defined in Exhibit B.

42
43 O. Generator means the owner or occupant of premises, including residences or businesses, which
44 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

45
46 P. Green Waste means organic waste generated from any landscaping including grass clippings,
47 leaves, prunings, tree trimmings, weeds, branches, and brush.

1 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
2 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
3 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
4 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
5 of State or other governmental agencies.
6

7 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
8 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
9 of the following:

- 10 1) Rural, sparsely populated areas,
- 11 2) Hilly or mountainous terrain,
- 12 3) Poorly paved or unpaved roads which may be unpassable in poor weather,
- 13 4) Large, uninhabited areas between pockets of homes,
- 14 5) Unusually heavy waste due to large properties, livestock, etc.,
- 15 6) Limited access on a private street or alley.

16 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
17 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
18 "Hard to Service"
19

20 S. Integrated Waste Management Act (IWMA) means the California Integrated Waste
21 Management Act of 1989 (AB 939), including all subsequent amendments.
22

23 T. Multi-Residential Units mean permanent buildings containing three or more Residential Units
24 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
25 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
26

27 U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
28 wood waste, and food-soiled paper waste that is mixed in with food waste.
29

30 V. Recyclable Materials means material which has been segregated from other Solid Waste
31 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
32 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
33 Recyclables consisting of two or more of the above-referenced material types separated from non-
34 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
35 than five (5) percent Solid Waste by weight.
36

37 W. Residential Unit means an occupied dwelling within the unincorporated area of the County
38 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
39 or domestic light and power services are being supplied thereto. This definition shall apply also to
40 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
41 two (2) attached Residential Units.
42

43 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
44 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
45 A of this Agreement.
46

47 Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
48 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
49 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste

1 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
2 Waste, Recyclable Materials or Organic Waste.

3
4 Z. Term means the Term of this Agreement, as provided for in Section 3.

5
6 AA. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee
7 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
8 to specified System Facilities and kept on file with the DWR.

9
10 BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
11 discarded processed wood materials, and large tree limbs.

12
13 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**

14
15 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
16 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
17 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
18 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
19 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
20 purposes.

21
22 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
23 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
24 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
25 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
26 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
27 Organic Waste.

28
29 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
30 the Exclusive Franchise, to the extent provided for in state and federal law.

31
32 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
33 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
34 provided in Sections 9 and 10 hereof.

35
36 D. Franchisee will commence services under this Agreement on January 1, 2022.

37
38 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
39 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
40 taken.

41
42 **SECTION 4. FRANCHISE AREA**

43
44 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
45 County defined in Exhibit B, "Franchise Area."

1 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**

2
3 A. General.

4
5 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
6 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which
7 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
8 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
9 Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels of Solid Waste service to
10 be provided under this Agreement are defined below, however, no residential or commercial or business
11 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
12 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
13 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
14 provisions of Section 16 (B) (2) related to "service complaints."
15

16 B. Single Family Residential.

17
18 Weekly Service. Not less often than once per week, and more frequently if required to handle the
19 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials (except
20 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
21 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
22 Collection time. Solid Waste must be placed within containers at curbside without obstructions so as to
23 permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
24 Franchisee may negotiate special pickup procedures, above and beyond the normal services described
25 above, with customers for an additional fee in an amount provided in Exhibit D.
26

27 C. Commercial, Industrial, and Multi-Residential.

- 28
29 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
30 if required to handle the waste stream of the premises where the Bins are located,
31 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
32 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
33 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
34
35 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
36 frequently if required to handle the waste stream of the premises where the Bins are located,
37 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
38 Collection in Solid Waste Bins at Commercial Units.
39

40 D. Construction and Temporary Bin/Rolloff Services.

41
42 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
43 Exhibit D.
44

45 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 46
47 1) Upon verbal or written customer request, made a minimum of two business days prior to
48 the customer's regular service day, Franchisee shall provide on-call Single Family
49 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within

1 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
2 customer. Franchisee and County agree that this service is intended to allow residents to
3 safely discard of large household items such as furniture and whitegoods or other large
4 household items that do not fit in their regular weekly trash containers. Each Single
5 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
6 Household Waste Collection Services per calendar year with a maximum of four (4) items
7 at each collection occurrence. The total amount of annual allowable items per household
8 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
9 (4) tires per collection request. Bulky Household Waste items do not include items such as
10 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
11 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
12 service shall be subject to the bulky item rates established on the rate sheets approved by
13 the Board of Supervisors.
14

- 15 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
16 designee to respond to organized community clean up efforts at no charge. Franchisee shall
17 deliver containers to agreed upon collection points and shall cooperate with the Director
18 and designated community leaders to remove containers and dispose of collected Solid
19 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
20 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
21 The DWR will arrange that there shall be no charge of disposal fees for such Solid Waste
22 delivered in separate vehicles to the System Facilities.
23

24 F. Illegal Dumping Retrieval Services
25

26 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:
27

- 28 1) If Requested by the County the Franchisee shall turn in a report of illegal dumping of trash
29 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as
30 tires, couches, and appliances) noticed within or along the Roadway in the franchise area.
31 For the purpose of this provision, the Roadway shall include public rights of way within
32 twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of
33 unpaved roadways.
34
- 35 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
36 reports of illegal dumping reported by citizens to the Department, Department of
37 Transportation, or the DWR.
38
- 39 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
40 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof
41 (excluding weekends and holidays) except for remote areas, as approved by the director,
42 for which the removal shall occur within five working days. The Franchisee may request
43 that specified roads, determined by the franchisee to be inaccessible for waste removal, be
44 considered by the Director for revised waste removal requirements.
45
- 46 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
47 or appliances as well as hazardous, medical and other wastes requiring special handling are
48 exempt from the retrieval requirements set forth herein, provided, however, that of these
49 exempted items noted within the Roadway are to be immediately reported to the Director.

- 1
2 5) The Franchisee shall, upon request of private property owners, the Director or the
3 Departments of County Transportation and Land Management Agency, provide removal
4 services for waste illegally disposed of on their private property, excluding those wastes
5 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
6 D.
7
8 6) Illegally disposed materials along Roadways within one mile of disposal sites within
9 Riverside County are exempt from the retrieval requirements set forth herein.
10

11 G. Collection of Used Motor Oil.
12

13 Franchisee shall collect used motor oil from single family residential customers in accordance with
14 California Public Resources Code Section 48691.
15

16 H. Collection and Equipment
17

18 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
19 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
20 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
21 inspection at the request of the Department.
22

- 23 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
24 the Department of Motor Vehicles of the State of California, shall be kept clean and in
25 good repair, and shall be uniformly painted.
26
27 2) A local or toll free telephone number, and vehicle number shall be clearly visible on all
28 required vehicles.
29

30 **SECTION 6. OWNERSHIP OF SOLID WASTE**
31

32 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
33 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
34 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
35 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
36 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
37 Franchisee.
38

39 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**
40

41 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
42 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
43 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
44 Delivery Agreement to be effective on the same date as this Agreement.
45
46
47
48

1 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

2
3 A. Indemnification of County

4
5 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
6 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
7 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
8 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
9 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
10 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
11 reasonable costs and expenses of investigating and defending against same; provided, however, that
12 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
13 negligence or misconduct of County or their agents, officers, or employees.

14
15 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
16 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
17 survive the term of the franchise.

18
19 B. Hazardous Substances Indemnification.

20
21 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
22 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
23 counsel approved by County, protect and hold harmless County and their respective employees, agents,
24 assigns, and any successor or successors to County's interest from and against all claims, actual damages
25 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
26 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
27 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
28 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
29 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
30 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
31 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
32 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
33 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
34 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
35 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
36 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
37 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.

38
39 C. Minimum Diversion Requirements

40
41 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
42 California Public Resources Code, Section 41780 and any other current or future California Statute that
43 requires the County to divert material from landfills. In the event that the State of California alters the
44 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
45 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
46 associated with any additional recycling programs.

47
48 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
49 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.

1 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
2 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
3 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
4 against any third party as a means of meeting its obligation under this section.
5

6 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
7 by the Director as set forth in Section 9.A. of this agreement.
8

9 D. Worker's Compensation Insurance.

10
11 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
12 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
13 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
14 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
15 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
16 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
17 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
18 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
19 arise from work performed by the named insured for the County.
20

21 E. Public Liability Insurance.

22
23 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
24 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
25 six million dollars (6,000,000.00) aggregate and three million dollars (3,000,000.00) per occurrence for
26 bodily injury and property damage. Said insurance shall protect Franchisee, the County, and their elected
27 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
28 accidental death, as well as from any claim for property damage which may arise from operations performed
29 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
30 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
31 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
32 of the insurance policies required by this Section:
33

- 34 1) "This policy shall be considered primary insurance as respects any other valid and
35 collectible insurance the County may possess including any self-insured retention the
36 County may have, and any other insurance the County does possess shall be considered
37 excess insurance and shall not contribute with it."
38
- 39 2) "This insurance shall act for each insured, as though a separate policy had been written for
40 each. This, however, shall not act to increase the limit of liability of the insuring company."
41
- 42 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
43 certificate(s) of insurance showing that such insurance is in full force and effect, and
44 County are named as additional insureds with respect to this Franchise and the obligations
45 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
46 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
47 modification, cancellation or reduction in coverage of such insurance. In the event of any
48 such modification, cancellation or reduction in coverage and on the effective date thereof,
49 this Franchise shall terminate forthwith, unless County receive prior to such effective date

1 another certificate from an insurance carrier that the insurance required herein is in full
2 force and effect.
3

4 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
5 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
6 shall be named as additional insureds on all policies and endorsements.
7

8 F. Performance Bond or Letter of Credit.
9

10 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
11 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
12 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
13 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
14 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
15 California.
16

17 G. Modification.
18

19 The insurance requirements provided herein may be modified or waived in writing by the Board upon
20 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
21 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
22 provided by the parent company of Franchisee.
23

24 **SECTION 9. DEFAULT AND REMEDIES**
25

26 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
27 breached its obligation, the provisions of this Agreement, the requirements of the CalRecycle, including,
28 but not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
29 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
30 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Wastes and
31 other wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies.
32 The Director may, in such written instrument, set a reasonable time within which correction of all such
33 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
34 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
35 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
36 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
37 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
38 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
39 below.
40

41 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
42 perform its obligations under this Agreement.
43

44 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
45 therefor, not later than 6 months following the date of said hearing at which a majority vote of the board
46 determines it is in the public interest to do so:
47

- 48 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
49

- 1 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
2 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 3
- 4 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
5 compensation, liability, indemnification coverage, and performance bond as required by
6 the Agreement.
- 7
- 8 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
9 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
10 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
11 which case no breach of the franchise shall be deemed to have occurred.
- 12
- 13 5) If the Franchisee ceases to provide Collection services as required under this Agreement
14 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
15 for any reason within the control of the Franchisee.
- 16
- 17 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
18 refuses to provide County with required information, reports, and/or test results in a timely
19 manner as provided in the Franchise Agreement.
- 20
- 21 7) For any other act or omission by the Franchisee which materially violates the terms,
22 conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other
23 county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation
24 issued thereunder and which is not corrected or remedied within the time set in the written
25 notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach
26 within the time set forth in such notice, if the Franchisee should fail to commence to correct
27 or remedy such violation within the time set forth in such notice and diligently effect such
28 correction or remedy thereafter.
- 29
- 30 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
31 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
32 related to the performance of this Agreement, or of felonious conduct related to anti-trust
33 activities, illegal transport or disposal of hazardous waste or materials, or violation of
34 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
- 35

36 D. Professional Conduct

- 37
- 38 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
39 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
40 court in the United States, or is otherwise alleged to have participated in any criminal
41 activity directly or indirectly associated with the solid waste management business,
42 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
43 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
44 description of the indictment, complaint or allegation, as well as a copy of such indictment
45 or complaint or other matters of public record related thereto. In addition to the foregoing,
46 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
47 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
48 securities laws, including quarterly and annual reports.
- 49

1 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
2 interest, who has any responsibility for any aspect of the franchisee's operations under this
3 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
4 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
5 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
6 upon request of the County be immediately removed from any assignment whatsoever,
7 directly associated with operations under this contract during the pendency of trial and/or
8 following conviction.
9

10 E. This Agreement is subject to all present and future laws, regulations and orders of Federal, State,
11 County, and City governments and any instrumentalities thereof. Should either of the parties hereto at any
12 time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or orders,
13 to do any act that substantially impairs the party's ability to perform under this Agreement, then such party
14 shall notify the other party of such order or requirement and the law, regulation or order on which such
15 order or requirement is based. Unless the parties agree in writing to continue this Agreement, or to
16 renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order becomes
17 effective, then this Agreement shall terminate on the thirty-first day following the date said law, regulation
18 or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's sole
19 expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
20 restrict either party's right to legally contest the validity of such law, regulation or order.
21

22 **SECTION 10. DISRUPTIONS IN SERVICE**

23

24 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
25 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
26 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
27 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
28 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
29 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
30 by such conditions with an estimate of when service will be resumed.
31

32 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
33 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
34 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
35 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
36 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
37 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
38 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
39 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
40 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
41 County's sole negligence in providing such substitute service. Employees of Franchisee, including
42 management employees, may be employed by County during any period in which County temporarily
43 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
44 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
45 between Franchisee and its employees at the time Franchisee's service was interrupted.
46

47 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
48 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
49 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee

1 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
2 be primarily reserved for use by County access while County or its designated representative is performing
3 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
4 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
5 accordance with the provisions of this Agreement.

6
7 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES**
8

9 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
10 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
11

12 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
13 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
14 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
15 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
16 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
17 Arbitration and Mediation Services.
18

19 C. The hearing shall be conducted according to the provisions of California Government Code Section
20 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
21 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
22 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
23 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
24 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
25 reasonably related to the seriousness of the breach of the Agreement.
26

27 D. The party losing the hearing shall be liable for the hearing officer's fees.
28

29 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
30 a material breach of the Agreement, and may be grounds for termination of the Agreement.
31

32 F. Any party to the hearing may issue a request to compel reasonable document production from the
33 other party. Disputes concerning the scope of document production and enforcement of document requests
34 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
35 document request, then by disposition by order of the hearing officer. Any such document request shall be
36 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
37 procedures to protect such rights.
38

39 G. Neither party may communicate separately with the hearing officer after the hearing officer has
40 been selected. All subsequent communications between a party and a hearing officer shall be
41 simultaneously delivered to the other party. This provision shall not apply to communications made to
42 schedule a hearing or request a continuance.
43

44 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
45 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
46 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
47 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
48 the party subject thereto acted with substantial justification or if the interests of justice so require.
49

1 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
2

3 **SECTION 12. FRANCHISE TRANSFERABILITY**
4

5 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
6 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
7 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
8 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
9 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
10 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
11 such a request using such criteria as it deems necessary including, but not limited to, those listed in
12 Subsection C.
13

14 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
15 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
16 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
17 this Agreement.
18

19 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
20 meet the following requirements:
21

22 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
23 investigation costs necessary to investigate the suitability of any proposed transferee, and
24 to review and finalize any documentation required as a condition for approving any such
25 transfer.
26

27 2) The Franchisee shall furnish the County with audited financial statements of the
28 proposed transferee's operations for the immediately preceding three (3) operating years.
29

30 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the
31 proposed transferee has at least five (5) years of solid waste management experience of a
32 scale equal to or exceeding the scale of operations conducted by Franchisee under this
33 Agreement; (ii) that in the last five (5) years, the proposed transferee has not suffered any
34 citations or other censure from any federal, state or local agency having jurisdiction over
35 its waste management operations due to any significant failure to comply with state, federal
36 or local waste management laws. Franchisee shall supply the County with a complete list
37 of such citations and censures; (iii) that the proposed transferee has at all times conducted
38 its operations in an environmentally safe and conscientious fashion; (iv) that the proposed
39 transferee conducts its solid waste management practices in accordance with sound waste
40 management practices in full compliance with all federal, state and local laws regulating
41 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
42 insurance and bonds; and (vii) of other material as may be requested by the County.
43

44 D. This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County
45 without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The
46 foregoing is not intended to prevent the County from exercising its right to terminate the agreement
47 consistent with Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
48
49

1 **SECTION 13. REPORTS**

2
3 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
4 recovery and disposal specified in Exhibit C of this Agreement.

5
6 B. Franchisee shall make its customer base and records available to the Department for audit at
7 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
8 Agreement.

9
10 **SECTION 14. COMPENSATION**

11
12 A. Franchisee Rates.

13
14 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
15 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
16 are included in this Exclusive Franchise to the extent provided in state and federal law.

17
18 B. Modification and Adjustment of Rates.

19
20 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
21 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
22 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
23 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
24 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
25 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
26 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.

27
28 C. Notice of Rate Changes

29
30 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
31 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
32 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
33 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
34 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
35 Services at least forty-five (45) days in advance of the anticipated rate changes.

36
37 D. Resolution of Disputes Regarding Rate Adjustments

38
39 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
40 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
41 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
42 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
43 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
44 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
45 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate. Any

1 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
2 County's compulsory collection ordinance.

3
4 E. Billing and Payment.
5

6 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
7 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
8 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
9 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
10 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
11 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
12 of Franchisee's billing dates.

13
14 F. Delinquent Accounts.
15

16 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
17 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
18 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
19 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
20 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
21 Franchisee operating in a Compulsory Collection area shall be subject to all applicable provisions in the
22 Compulsory Collection ordinance.

23
24 G. Refunds.
25

26 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
27 such customer for service not provided when service is discontinued by written notification to Franchisee
28 by the customer.

29
30 **SECTION 15. FRANCHISE FEES**
31

32 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
33 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
34 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
35 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
36 be due for fees not submitted within the thirty (30) day time period.

37
38 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
39 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
40 accordance with Exhibit D.

1 **SECTION 16. OTHER REQUIREMENTS**

2
3 A. Privacy

4
5 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
6 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
7 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
8 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
9 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
10 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
11 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
12 that Franchisee may provide such lists to authorized employees and authorized representatives of the
13 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
14 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.

15
16 B. Public Access to the Franchisee

- 17
18 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
19 Monday through Friday. A representative of Franchisee shall be available during office
20 hours for communication with the public at Franchisee's principal office. In the event that
21 normal business cannot be conducted over the telephone, a representative of Franchisee
22 shall agree to meet with the public at a location agreeable to Franchisee and the public.
23 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
24 shall also maintain a local or toll free after-hours telephone number for use during other
25 than normal business hours. Franchisee shall have a representative or answering device or
26 system available at said after-hours telephone number during all hours other than normal
27 office hours.
28
29 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
30 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
31 Person, by close of business of the second business (waste Collection) day following the
32 date on which such complaint is received. Service complaints may be investigated by the
33 Director or a designee. Franchisee shall maintain records listing the date of customer
34 complaints, the customer, describing the nature of the complaint or request, and when and
35 what action was taken by the Franchisee to resolve the complaint. All such records shall
36 be maintained and shall be available for inspection by County.
37
38 3) Government Liaison Person. The Franchisee shall designate a "government liaison
39 Person" who shall be responsible for working with the Department to resolve customer
40 complaints.
41

42 C. Resolution of Disputed Customer Complaints.

43
44 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
45 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
46 Procedures for resolution of disputed claims shall be as follows:

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24
- 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the County to review the complaint. To obtain this review, the customer may request County review within thirty (30) days of receipt of Franchisee's response to the Complaint, or within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee has failed to respond to the complaint. The County may extend the time to request its review for good cause.
 - 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the Franchisee fails to cure the complaint within ten (10) days, the Director shall review the customer's complaint and determine if further action is warranted. The Director may request written statements from the Franchisee and customer, and/or oral presentations.
 - 3) The Director 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 Franchise Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in addition to any actual damages.
 - 4) The Director may delegate these duties to a designee. The decision of the Director or a designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee may seek review pursuant to Section 11 above.

25 D. Hazardous Materials and Waste Handling and Disposal

26
27 The Franchisee shall comply with the procedures detailed in State Law.
28

29 **SECTION 17. FORCE MAJEURE**

30
31 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so long as,
32 it is impossible or extremely impractical for it to perform its obligations in whole or in part for any of the
33 following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the Solid
34 Waste facilities used by Franchisee:

- 35 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
36 earthquakes, tornados, or other catastrophic events;
37 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
38 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
39 other event leading to the imposition of quarantines, travel or movement restrictions, social
40 distancing, or public health advisories restricting large gatherings;
41 D. Accident or other catastrophic event including fire or explosion;
42 E. Strikes and labor disputes;
43 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
44 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
45

1 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event later
2 than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall describe
3 in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure event, the
4 expected length of time that Franchisee expects to be prevented from performing, the steps which
5 Franchisee intends to take to restore its ability to perform, and such other information as the County may
6 reasonably request.

7
8 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure of
9 the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right to
10 use the facilities of any public utility where such failure is due solely to the acts or omissions of the
11 Franchisee.

12 13 **SECTION 18. OTHER PROVISIONS**

14 15 **A. Independent Contractor.**

16
17 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
18 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
19 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
20 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
21 retirement or other benefits which accrue to County employees.

22 23 **B. Property Damage.**

24
25 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
26 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
27 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

28 29 **C. Right of Entry.**

30
31 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
32 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
33 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
34 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

35 36 **D. Law to Govern.**

37
38 The law of the State of California shall govern this Franchise Agreement.

39 40 **E. Gratuities.**

41
42 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
43 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
44 Franchise Agreement.

1
2 F. Compliance with Franchise Agreement.
3

4 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
5 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
6 the Term of this Franchise Agreement.
7

8 G. Notices.
9

10 All notices required or permitted to be given under this franchise shall be in writing and shall be
11 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
12 receipt requested, and addressed as follows:
13

14 To County: County of Riverside
15 Attn: Department of Environmental Health
16 4065 County Circle Drive
17 Riverside, CA 92503
18

19 Copy to: County Counsel
20

21 To Franchisee: Douglas E Corcoran
22 Vice President
23 USA Waste of California, Inc. dba Waste Management of The Inland
24 Empire9081 Tujunga Ave.
25 Sun Valley, CA 91352
26 United States
27

28 Copy to: Lily Quiroa
29 Public Sector Services Regional Manager
30 800 S. Temescal Street
31 Corona, CA 92879
32

33 or to such other address as either party may from time to time designate by notice to the other given in
34 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
35 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
36 receipt of confirmation of delivery which confirmation may be transmitted by fax.
37

38 H. Exhibits Incorporated.
39

40 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
41 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
42 Agreement, the language of the Exhibit shall prevail.
43

1 I. Nondiscrimination.

2
3 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
4 on the ground of race, sex, age, creed, color, religion or national origin.

5
6 J. Laws and Licenses.

7
8 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
9 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
10 to perform the services hereunder and maintain the same in full force and effect.

11
12 K. Waiver.

13
14 No waiver by either party of any one or more defaults or breaches by the other in the performance of
15 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
16 like or different character.

17
18 **SECTION 19. SEVERABILITY**

19
20 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
21 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
22 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
23 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
24 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
25 Agreement.

26
27 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
28 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
29 enforceability of any of the remaining provisions of this Franchise Agreement.

30
31 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**

32
33 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
34 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
35 and all other communications, representations, proposals, understandings or Agreements, either written or
36 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
37 or amended, in whole or in part, except by writing signed by both parties hereto.

38
39 At least once every 5 years, or more often as required by a significant change in law, starting from the
40 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
41 or required amendments.

1 **SECTION 21. CONSTRUCTION OF FRANCHISE**

2

3 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
4 attorneys, and no provision contained herein shall be construed against County solely because it prepared
5 this agreement in its executed forms.

6

7 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

8

9 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
10 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
11 another company, all service levels and rates of this contract shall at the discretion of the Board of
12 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____.

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones

10

Director

11

Riverside County

12

Department of Environmental Health

13

14 FRANCHISEE

15

16

BY: _____

17

Douglas E Corcoran

18

Vice President

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USA Waste of California, Inc. dba Waste

20

Management of The Inland Empire

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EXHIBIT B

FRANCHISE AREA #1

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description:

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

1 Legal Description:

2
3 **Hauler Franchise Area 1**

4
5 (West)

6 Beginning at the intersection of the Westerly boundary of the County of Riverside and the Northerly
7 Right of Way of State Highway 91;

8
9 Thence Easterly, along the Northerly Right of Way of State Highway 91 to the intersection of the
10 Westerly city limits of the City of Corona;

11
12 Thence Southeasterly, along the city limits of the City of Corona to the intersection of the Easterly line of
13 Section 10, T.4 S., R 6 W.;

14
15 Thence Southerly along the Easterly lines of Sections 10 and 15 of T.4 S., R 6 W., to the intersection of
16 Cajalco Rd;

17
18 Thence Westerly along the centerline of Cajalco Rd to the intersection of Interstate 15;

19
20 Thence Southerly along Interstate 15 to the intersection of the Northerly line of Section 28 T. 4 S., R 6 W
21 T4S, R6W;

22
23 Thence Westerly along the Northerly line of Sections 28 and 29 to the Northerly Quarter Corner of
24 Section 29 T.4 S., R 6 W.;

25
26 Thence Southerly along the center Section lines of Sections 29 and 32 T. 4 S., R 6 W., to the Southerly
27 Quarter Corner of Section 32, Said point also being on the Northerly Section line of Section 5 T. 5 S., R 6
28 W.;

29
30 Thence Westerly along the Northerly Section lines of Sections 5 and 6 T. 5 S., R 6 W., to the Northerly
31 quarter corner of said Section 6;

32
33 Thence Southerly along the center Section line of Section 6 to the Southwesterly county boundary of the
34 County of Riverside;

35
36 Thence Northwesterly along the various courses of the county boundary to the point of beginning.

37
38 (Northeast)

39 Beginning at the Northwest Corner of Section 29 T. 2 S., R. 3 W., S.B.M. said point being located on the
40 city limits of Moreno Valley;

41
42 Thence Easterly, along the Northerly lines of Sections 29, 28, 27, 26 and 25 to the Northeast corner of
43 Section 25 T. 2 S., R. 3 W.;

44
45 Thence Southerly along the Easterly line of Section 25, T. 2 S., R 3W, S.B.M. to the Northwest corner of
46 Section 31, T. 2 S., R. 2 W.;

47
48 Thence Easterly along the Northerly line of Sections 31 and 32 to the Northeast corner of said Section 32

1 T. 2 S., R. 2 W.;

2

3 Thence Southerly along the Easterly line of Section 32 to the Southeast corner thereof;

4

5 Thence Easterly along the Southerly line of Section 33, T. 2 S., R. 2 W. S.B.M. to the Northeast corner of

6 Section 4, T. 3 S., R. 2 W.;

7

8 Thence Southerly along the Easterly line of Section 4 to the intersection of State Highway 60;

9

10 Thence Westerly along the centerline of State Highway 60 to the Westerly line of Section 6, T. 3 S., R. 2

11 W., said point also being on the city limits of Moreno Valley;

12

13 Thence Northwesterly along the city limits of the City of Moreno Valley to the point of beginning.

14

15 (Southeast)

16 Beginning at the Northwest corner of Section 25, T. 5 S., R. 4 W., S.B.M, said point also being on the city

17 limits of the city of Perris;

18

19 Thence Northeasterly, along the city limits of the City of Perris to its intersection with the city limits of

20 the City of Moreno Valley, said point also being the intersection of Center St and Oleander Ave;

21

22 Thence Northeasterly, along the city limits of the City of Moreno Valley to its intersection with Davis

23 Road;

24

25 Thence Southeasterly along Davis Rd. to the intersection of Ramona Express Way;

26

27 Thence Easterly, along the centerline of Ramona Express Way to the intersection of Lakeview Ave;

28

29 Thence Southeasterly, along the centerline of Lakeview Ave to the intersection of 9th St;

30

31 Thence Southeasterly, along the centerline of 9th St to the intersection of Yucca Ave;

32

33 Thence Easterly along the centerline of Yucca Ave to the intersection of 5th St;

34

35 Thence Southerly along the centerline of 5th St to the intersection of Brown Ave;

36

37 Thence Easterly along the centerline of Brown Ave to its intersection with the West line of Section 16 T.

38 4 S., R. 2 W.;

39

40 Thence Southerly, along the West line of Section 16 to the Southwest Corner of Section 16 T. 4 S., R.2

41 W.;

42

43 Thence Easterly, along the Southerly line of Sections 16, 15 and 14 T. 4 S., R.2 W., to the intersection of

44 the Westerly line of the city limits of the City of San Jacinto;

45

46 Thence Southerly, along the city limits of San Jacinto to its intersection with the city limits of Hemet;

47

48 Thence Southeasterly along the city limits of the City of Hemet to a point on the centerline of Warren

1 Rd., said point also being on the city limits of the city of San Jacinto;
2
3 Thence southerly along the centerline of Warren Rd. to the intersection of Esplanade Ave, said point also
4 being on the Westerly city limits of the City of Hemet;
5
6 Thence Southeasterly and Northeasterly following the city limits of the city of Hemet to a point on the
7 Easterly side of the city of Hemet at the intersection of Washington Ave and Hemet St, said point also
8 being on the city limits of San Jacinto;
9
10 Thence Easterly along the city limits of San Jacinto to the center of the San Jacinto River;
11
12 Thence southeasterly along the centerline of the San Jacinto River to its intersection with Indian Creek
13 Rd;
14 Thence Easterly and Northeasterly along the centerline of Indian Creek Rd to the West line of Section 25,
15 T. 4 S., R. 1 E.;16
17 Thence southerly along the West lines of Sections 25 and 36 T.4 S., R.1 E., and the West lines of
18 Sections 1 and 12 T. 5 S., R. 1 E., to the Northwest corner of Section 13, T. 5 S., R.1 E., S.B.M.;19
20 Thence Easterly along the Northerly line of Section 13 to the Northeast Corner of Said Section 13 T. 5 S.,
21 R. 1 E.;22
23 Thence Southerly along the Easterly line of Section 13 to the Southeast Corner of Said Section 13 T.5 S.,
24 R. 1 E.;25
26 Thence Westerly along the Southerly line of Section 13 to the Southwest Corner of Said Section 13 T. 5
27 S., R.1 E., also being the Northwest Corner of Section 24 T. 5 S., R. 1 E.;28
29
30 Thence Southerly along the West lines of Sections 24, 25 and 36 to the Southeast Corner of Section 36
31 T.5 S., R.1 E., also being the Northeast corner of Section 2, T. 6 S., R. 1 E.;32
33 Thence Westerly along the Northerly line of said Section 2 to the Northwest corner thereof;34
35 Thence Southerly along the West lines of Sections 2, 11, 14, 23, and 26 to the West Quarter Corner of
36 Section 26 T.6 S., R. 1 E.;37
38 Thence Easterly along the Center Section lines of Sections 26 and 25 to the East Quarter Corner of
39 Section 25, T.6 S., R. 1 E., S.B.M also being on the East Township line of T. 6 S., R. 1 E.;40
41 Thence Southerly along the township line to the Southeast Corner of Section 36 T. 6 S., R.1 E., also being
42 the Northeast corner of Section 1 T. 7 S., R. 1 E., S.B.M.;43
44 Thence Westerly, along the Northerly line of Section 1 to the Northwest Corner of Said Section;45
46 Thence Southerly, along the West line of Section 1 to the Southwest Corner of said Section;47
48 Thence Easterly, along the South line of Section 1 to the Southeast Corner of Section 1 T. 7 S., R. 1 E.,
49 also being on the Township line of T. 7 S., R.1 E.,

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Thence Southerly, along the East line of T. 7 S., R. 1 E., to the Southeast Corner of Section 24 T. 7 S., R. 1 E.;

Thence Westerly, along the Southerly line of Section 24 to the Southwest Corner of Section 24;

Thence Southerly, along the East line of Section 26 T. 7 S., R.1 E., to the Southeast Corner of said Section 26;

Thence Westerly, along the Southerly line of Section 26 to the Northerly Quarter Corner of Section 35 T. 7 S., R.1E.;

Thence Southerly, along the Center Section line of Section 35 to the Southern Quarter Corner of said Section, also being on the North Township line of T.8 S., R. 1 E.;

Thence Westerly, along the North line of T.8 S., R.1 E., to the Northwest Corner of Section 4 T.8 S., R.1 E.;

Thence Southerly, along the West lines of Sections 4, 8, 16, 21, 28 and 33 of T. 8 S., R.1 E., to the Southwest Corner of Section 33 T.8 S., R.1 E., also being the Southerly county boundary of the County of Riverside;

Thence Westerly along the southerly county boundary of said Riverside county to the intersection of Interstate 15;

Thence Northerly along the centerline of Interstate 15 to the city limits of Temecula;

Thence Easterly along the city limits of Temecula to its intersection with the city limits of Murrieta, said point located within Section 23, T.7 S., R. 3 W., S.B.M.;

Thence along the city limits of Murrieta to its intersection with Interstate 215;

Thence Northerly along the centerline of Interstate 215 to its intersection with Craig Ave;

Thence Westerly, along the centerline of Craig Ave to its intersection with the Easterly city limits of the City of Lake Elsinore;

Thence Northwesterly along the city limits of the City of Lake Elsinore to its intersection with the city limits of the City of Canyon Lake, said point also being the southwest corner of Section 6 T. 6 S., R. 3 W., S.B.M.;

Thence Northwesterly along the city limits of Canyon Lake to the Northwest Corner of Section 25 T. 5 S., R. 4 W., the Point of Beginning.

(Southwest)

Beginning at the intersection of Van Buren Blvd and Barton St, also being on the Southerly city limits of the City of Riverside;

1 Thence Northeasterly along the city limits of the city of Riverside to its intersection with the city limits of
2 Moreno Valley;
3
4 Thence Southeasterly along the city limits of Moreno Valley to its intersection with the city limits of
5 Perris, said point also being the southeast corner of Section 36, T.3 S., R. 4 W., S.B.M.;
6
7 Thence Southeasterly along the Westerly city limits of the city of Perris to its intersection with the
8 centerline of Orange Ave;
9
10 Thence Westerly along the centerline of Orange Ave, also being the Southerly lines of Sections 13,14, 15,
11 and 16 of T.4 S., R.4 W., to the Southwest Corner of Section 16;
12
13 Thence Northerly, along the West line of Section 16 to the Northwest Corner of said Section 16, also
14 being on the centerline of Barton St;
15
16 Thence Continuing Northerly, along the centerline of Barton St to the intersection of Myron St;
17
18 Thence Easterly, along the centerline of Myron St to the intersection of Brown St;
19
20 Thence Northerly, along the centerline of Brown St to the intersection of Nandina Ave;
21
22 Thence Westerly, along the centerline of Nandina Ave to the intersection of Barton St;
23
24 Thence Northerly, along the centerline of Barton St to the intersection of Krameria Ave;
25
26 Thence Westerly, along the centerline of Krameria Ave to its intersection with the Southerly line of the
27 city limits of the City of Riverside;
28
29 Thence Northerly, along the city limits of the City of Riverside to the intersection of Van Buren Blvd and
30 Barton St, being the point of beginning.
31
32 (Northwest)
33 Beginning at the Northwest corner of Section 33 T. 2 S., R.4 W., S.B.M, said point also being on the city
34 limits of Riverside;
35
36 Thence Northerly along the city limits of Riverside to the Northerly line of Section 28, T. 2 S., R. 4 W.,
37 S.B.M;
38
39 Thence Easterly along the Northerly line of Sections 28 and 27 T. 2 S., R. 4 W. to the intersection of Box
40 Springs Mountain Rd;
41
42 Thence Northerly along the centerline of Box Springs Mountain Rd to a ridge line that intersects said Box
43 Springs Mountain Rd at the approximate elevation of 2200 feet;
44
45 Thence following said ridgeline through Sections 22, 15, 14, 13 and 24 of said T. 2 S., R. 4 W., S.B.M to
46 the Northerly city limits of Moreno Valley;
47
48 Thence Westerly along the city limits of Moreno Valley to the intersection with the city limits of

1 Riverside;

2

3 Thence Northwesterly along the city limits of Riverside to the Point of Beginning.

4

5 Included within said franchise area are the customer addresses lying adjacent to and on both sides of the
6 following boundary streets:

7

8

9 Cajalco Rd between its intersection with the Westerly line of Section 15 T. 4 S., R 6 W., S.B.M. and
10 Interstate 15 Orange Ave between Interstate 215 and Patterson Ave

11

12 Excluding from said franchise area are the customer addresses lying adjacent to and on both sides of the
13 following boundary streets:

14

15 Myron Ave between Brown Ave and Barton Rd.

16

17 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
18 in areas 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13.

19

20 Also excludes any areas within City boundaries.

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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

1 **Collection Summary**

2
3 The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material
4 collected by month and the number of accounts serviced monthly. The quantities of solid waste and
5 Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information
6 is not available). The Department may, at its discretion, also require reporting by volume. The
7 Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard information
8 such as density factors.
9

10 **Education and Outreach**

11
12 The Franchisee shall submit copies of public education materials sent to customers or provided
13 electronically on their websites or social media outlets.

14 **Service Performance**

15
16 The Franchisee shall provide a report summarizing the entries made in the service log including all
17 praises, complaints, and notifications of missed pickups, and the Franchisee responses thereto. The
18 summary report shall identify the total number of all written or oral Customer comments and shall
19 provide the number of comments received in the following categories: praises, litter or property damage
20 complaints, misplacement of containers, stolen containers, personnel complaints, missed pickups, and
21 other.
22

23 **Container Contamination Monitoring**

24
25 The Franchisee shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.
29

30 **4. ANNUAL REPORTS**

31
32 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
33 Franchisee will be responsible for providing the following reports:
34

- 35 1. Summary reports
- 36 2. Equipment inventory
- 37 3. Program implementation
- 38 4. Future programs
- 39 5. Litigation information
- 40 6. Education and Outreach

41
42 **Summary Reports**

43
44 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
45 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
46 provided shall include quantities of materials collected, and if processed by non-system facilities, the
47 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
48 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
49 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy

1 experiences, and any problems in program operation and how they were resolved.

2
3 **Equipment Inventory**

4
5 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
6 The inventory list shall indicate the age of the equipment.

7
8 **Program Implementation**

9
10 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
11 for the year. The report shall address how the problems and barriers were overcome or the proposed
12 resolutions and schedule for correcting the problem.

13
14 **Future Programs**

15
16 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be
17 needed but have not been planned for.

18
19 **Litigation Information**

20
21 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
22 against the parent company and all subsidiaries of parent company that may have an effect on the
23 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

24
25 **Education and Outreach**

26
27 The Franchisee shall submit copies of public education materials sent to customers or provided
28 electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.

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3. The District directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 4. The County modifies the franchise fee.
 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 6. Significant increases in the number of customer accounts due to development or growth.
 7. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #3

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1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND USA WASTE OF CALIFORNIA, INC. DBA WASTE MANAGEMENT OF THE INLAND
4 EMPIRE WASTE MANAGEMENT OF INLAND EMPIRE, A DIVISION OF USA WASTE OF
5 CALIFORNIA, INC. WASTE MANAGEMENT COLLECTIONS AND RECYCLING, INC.
6 FOR THE COLLECTION AND TRANSPORTATION
7 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND ~~OTHER SPECIFIED~~
8 SERVICES RECYCLABLE MATERIALS
9

10 This Franchise Agreement ("Franchise Agreement"), by and between the County of Riverside
11 ("County") and USA Waste of California, Inc. dba Waste Management of The Inland Empire
12 ("Franchisee"), for the Collection and transportation of Solid Waste, Recyclable Materials, Organic Waste,
13 and construction debris and other specified services, originally entered into on April 36, 1998, and most
14 recently amended on September 27, 2016, is hereby amended and restated on December 7, 2021. is entered
15 into this 6th day of April, 1998 and amended on September 27, 2016, by and between the County of
16 Riverside ("County") and Waste Management of Inland Empire, A Division of USA Waste of California,
17 Inc. Waste Management Collections and Recycling, Inc. ("Franchisee"), for the Collection and
18 transportation of Solid Waste, Recyclable Materials, Organic Waste, and construction debris and other
19 specified services.
20

21 **RECITALS**

22
23 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
24 Ordinance 657 the County of Riverside ("County") has determined that the public health, safety, and well-
25 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for
26 waste management services for residential, commercial, and industrial customers in the County of
27 Riverside; and
28

29 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
30 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
31 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
32 recovery and disposal; and
33

34 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
35 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
36

37 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

38
39 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
40

41 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
42 representations and warranties for the benefit of the County as of the date of this Agreement.
43

- 44 1) Franchisee is duly organized and validly existing as a corporation in good standing under
45 the laws of the State of California.
- 46
- 47 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
48 Agreement, and has duly authorized the execution and delivery of this Agreement.
49

- 1 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
2 Franchisee to do so, and this Agreement has been duly executed and delivered by
3 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
4 against Franchisee in accordance with its terms.
5
- 6 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
7 court or governmental entity against Franchisee or affecting Franchisee, wherein an
8 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
9 of this Agreement, or which would have a material adverse effect on the financial condition
10 of Franchisee.
11
- 12 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
13 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
14 parent company's financial circumstances since the date of the most recent financial
15 statements submitted to the Environmental Health Department ("Department"). Prior to
16 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
17 most recent annual financial statements. The Department may at its discretion specify the
18 contents and form of such statements. The Director of Environmental Health may inspect
19 the financial records of the Franchisee at any reasonable time for any reasonable purpose
20 relevant to the performance of this contract.
21
- 22 6) Franchisee has the expert, professional, and technical capability to perform all of its
23 obligations under this Agreement.
24

25 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
26 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
27 ~~annual financial statements, as provided in Exhibit C.~~
28

29 B. Representations and Warranties of the County.
30

31 Prior to commencement of any services hereunder, the County hereby makes the following
32 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
33

- 34 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
35 This Agreement constitutes the legal, valid and binding Agreement of the County and is
36 enforceable against the County in accordance with its terms.
37
- 38 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
39 County before any court or governmental entity wherein an unfavorable decision, ruling or
40 finding would adversely affect the validity or enforceability of this Agreement.
41

42 **SECTION 2. DEFINITIONS**
43

44 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
45 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
46 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
47 Agreement. In the event of conflict between the definition of a term as found in the California Public
48 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
49 supersede the definition found in the Public Resources Code or in County ordinances.

1
2 A. Agreement, means this Agreement between the County and Franchisee- for the Collection and
3 transportation of Solid Waste and other specified services, including all exhibits, and any future
4 amendments.

5
6 B. Bins, ~~shall~~ mean those containers provided by Franchisee for commercial, industrial,
7 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~1-2~~ to 6 cubic yards in
8 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
9 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.

10
11 C. Board, ~~shall~~ means the Riverside County Board of Supervisors.

12
13 ~~C.D. Bulky Items means discarded furniture (including chairs, sofas, mattresses, carpet, and other~~
14 ~~similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,~~
15 ~~plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood~~
16 ~~wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in~~
17 ~~length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per~~
18 ~~Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items~~
19 ~~containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.~~
20 ~~Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)~~
21 ~~Persons.~~

22
23 ~~D. Bulky Waste, shall mean large, heavy or otherwise difficult to handle items, including, but not~~
24 ~~limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large concrete and~~
25 ~~asphalt chunks, tree stumps, or other waste materials with weights or volumes greater than those allowed~~
26 ~~for containers.~~

27
28 E. Collection, means Collection of Solid Waste, recyclable material, or other material specified
29 in this Agreement and its transportation to an appropriate Solid Waste Facility.

30
31 ~~F. Commercial Units, shall mean all commercial, industrial, institutional or other facilities, except~~
32 ~~residential and Multi-Residential Units.~~

33
34 ~~F. Compost, means a stable humus like product that results from the biological decomposition of~~
35 ~~organic materials occurring under controlled conditions.~~

36
37 ~~H. Compost Facility, means a Solid Waste Facility that processes Organic Waste, Wood Waste or~~
38 ~~other organic materials to produce Compost or mulch.~~

39
40 ~~I.G. Comprehensive Compulsory Collection Areas, shall mean specific portions or areas of the~~
41 ~~County designated by an Ordinance or Resolution of the Board of Supervisors in which specified~~
42 ~~residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.~~

43
44 ~~J.H. County, means the County of Riverside, State of California.~~

45
46 ~~K.I. Department, means the Riverside County Department of Environmental Health.~~

47
48 ~~J. Director, shall means the Director of the Riverside County Department of Environmental~~
49 ~~Health or his or her/their designee.~~

1
2 ~~L.K.~~ Diversion (or any variation thereof including "Divert") means activities which reduce or
3 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
4 recycling, and composting.

5
6 ~~M.~~ District means the Riverside County Waste Resources Management District.

7
8 ~~N.L.~~ Effective Date means the date on which this Agreement becomes effective, which shall be the
9 date it is executed by the Board of Supervisors.

10
11 ~~O.M.~~ Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
12 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
13 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
14 B.

15
16 ~~P.~~ Extremely Hazardous Waste shall mean any Hazardous Waste or mixture of Hazardous
17 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
18 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.

19
20 ~~Q.N.~~ Franchise Area means the geographic territory defined in Exhibit B.

21
22 ~~R.~~ Franchise Documents shall mean the Agreement (as herein defined), the separately executed
23 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
24 under this Agreement.

25
26 ~~S.O.~~ Generator means the owner or occupant of premises, including residences or businesses, which
27 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

28
29 ~~T.P.~~ Green Waste means organic waste generated from any landscaping including grass clippings,
30 leaves, prunings, tree trimmings, weeds, branches, and brush.

31
32 ~~U.Q.~~ Gross Receipts means all monies received by Franchisee for providing franchise services
33 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
34 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
35 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
36 of State or other governmental agencies.

37
38 ~~V.R.~~ Hard-to-Service may refer to any service area that is not standard curb and gutter service or
39 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
40 of the following:

- 41 1) Rural, sparsely populated areas,
- 42 2) Hilly or mountainous terrain,
- 43 3) Poorly paved or unpaved roads which may be unpassable in poor weather,
- 44 4) Large, uninhabited areas between pockets of homes,
- 45 5) Unusually heavy waste due to large properties, livestock, etc.,
- 46 6) Limited access on a private street or alley.

47 5) Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every
48 twenty-four (24) months, or more frequently as requested by the County, in order to verify that those areas
49 remain "Hard to Service"

1
2 ~~W. Hazardous Waste shall mean any waste material or mixture of wastes which is defined or~~
3 ~~otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an~~
4 ~~irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a~~
5 ~~waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,~~
6 ~~or as a proximate result of any disposal of such wastes or mixture of wastes. The term "toxic", "corrosive",~~
7 ~~"flammable", "irritant", or "strong sensitizer" shall be given the same meaning as found in the California~~
8 ~~Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.~~
9

10 ~~X.S. Integrated Waste Management Act (IWMA) shall means~~ the California Integrated Waste
11 Management Act of 1989 (AB 939), including all subsequent amendments.
12

13 ~~Y. Materials Recovery Facility means a facility intended primarily for recovery and processing~~
14 ~~of Recyclable Materials that are source separated, or a facility intended to recover Recyclable Materials~~
15 ~~from Solid Waste. Such a facility may also function as a Transfer Station.~~
16

17 ~~Z.T. Multi-Residential Units shall mean~~ permanent buildings containing three or more Residential
18 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
19 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
20

21 ~~AA.U. Organic Waste means~~ food waste, green waste, landscape and pruning waste, nonhazardous
22 wood waste, and food-soiled paper waste that is mixed in with food waste.
23

24 ~~BB. Permitted Hauler means a Solid Waste service provider who has a valid permit to operate~~
25 ~~within all, or a portion of, the unincorporated County.~~
26

27 ~~CC. Person shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,~~
28 ~~trust, association, or corporation whether for profit or non-profit.~~
29
30

31 ~~DD.V. Recyclable Materials means~~ material which has been segregated from other Solid Waste
32 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
33 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
34 Recyclables consisting of two or more of the above-referenced material types separated from non-
35 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
36 than five (5) percent Solid Waste by weight.
37

38 ~~EE.W. Residential Unit shall means~~ an occupied dwelling within the unincorporated area of the
39 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
40 either water or domestic light and power services are being supplied thereto. This definition shall apply also
41 to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to
42 be two (2) attached Residential Units.
43

44 ~~FF.X. Roadways means~~ all County maintained roadways in the unincorporated area of the County
45 or private roadways, accessible by the Franchisee and used for providing routine service as defined in
46 Exhibit A of this Agreement.
47

48 ~~GG. Solid Waste means all putrescible and non putrescible solid, semisolid and liquid wastes,~~
49 ~~including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction~~

1 ~~wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,~~
2 ~~and other discarded solid and semisolid wastes.~~

3
4 ~~Solid Waste does not include any of the following wastes:~~

5 ~~○ Hazardous waste, as defined in Public Resources Code Section 40141.~~

6 ~~○ Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8~~
7 ~~(commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety~~
8 ~~Code).~~

9 ~~○ Medical waste regulated pursuant to the Medical Waste Management Act (Part 14~~
10 ~~(commencing with Section 117600) of Division 104 of the Health and Safety Code).~~
11 ~~Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in~~
12 ~~Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall~~
13 ~~be regulated pursuant to this division.~~

14
15 ~~HH. — Solid Waste Facility. means any facility that is licensed, permitted or otherwise approved by~~
16 ~~all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,~~
17 ~~Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material~~
18 ~~recovery, composting, waste to energy, or landfill facilities.~~

19
20 ~~II.Y. System Facility. means a Solid Waste Facility that is owned and/or operated by the Riverside~~
21 ~~County Department of Waste Resources (DWR) District, or with which the District DWR has entered into~~
22 ~~an Agreement, and that for the purposes of this Agreement is designated by the District DWR through a~~
23 ~~separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery~~
24 ~~and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.~~

25
26 ~~II.Z. Term. means the Term of this Agreement, as provided for in Section 3.~~

27
28 ~~KK. — Transfer Station. shall include those intermediate waste handling facilities where Solid Wastes~~
29 ~~are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof~~
30 ~~may undergo incidental processing, recycling or further handling before transportation to a disposal site,~~
31 ~~Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer~~
32 ~~station":~~

33 ~~1) Locations where less than 15 cubic yards of combined container volume are~~
34 ~~provided to serve as community or multi residence receptacles for residential refuse.~~

35 ~~2) Storage receptacles for waste from multi-residential buildings or for commercial~~
36 ~~Solid Wastes.~~

37 ~~3) A container used to store construction or demolition wastes at the place of~~
38 ~~generation.~~

39 ~~4) Containers used to store salvaged materials.~~

40
41 ~~LL-AA. Waste Delivery Agreement. means the contract entered into by the District DWR and the~~
42 ~~Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to~~
43 ~~be directed to specified System Facilities and kept on file with the DWR.~~

44
45 ~~MM-BB. Wood Waste. means industrial dimension lumber, pallets, shipping dunnage, and similar~~
46 ~~discarded processed wood materials, and large tree limbs.~~

47
48 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**

1 A. Pursuant to Ordinance 657745, and the IWMA, and subject to the terms and conditions of this
2 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
3 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
4 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
5 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
6 purposes.

7
8 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
9 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
10 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
11 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
12 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
13 Organic Waste; ~~(3) to the cancellation, upon the Effective Date of this Agreement, of any permit or other
14 authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable
15 Materials, or Organic Waste for the portion of the unincorporated county permit area covered by Exclusive
16 Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code
17 section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for
18 those areas represented by Exclusive Franchise Agreements.~~

19
20 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to
21 its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement
22 and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in
23 accordance with the provisions of this Agreement.~~

24
25 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
26 the Exclusive Franchise, to the extent provided for in state and federal law.

27
28 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the
29 Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of
30 this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior
31 thereto either the County or the Franchisee gives written notice of non renewal to the other party. Only one
32 notice of non renewal shall be required hereunder. Notice of non renewal need not be based on cause.~~ The
33 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
34 notice for nonperformance, as provided in Sections 9 and 10 hereof.

35
36 D. Franchisee will commence services under this Agreement on January ~~1st, 1999~~, 1, 2022.

37
38 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
39 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
40 taken.

41
42
43 **SECTION 4. FRANCHISE AREA**

44
45 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
46 County defined in Exhibit B, "Franchise Area."

47
48 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**

1 A. General.

2
3 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
4 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which
5 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
6 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
7 Exhibit A, and the rates set forth in accordance with Exhibit ED. Minimum levels of Solid Waste service
8 to be provided under this Agreement are defined below, however, no residential or commercial or business
9 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
10 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
11 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
12 provisions of Section 16 (B) (2) related to "service complaints."
13

14 B. Single Family Residential.

15
16 Weekly Service. Not less often than once per week, and more frequently if required to handle the
17 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials (except
18 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
19 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
20 Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without obstructions so as
21 to permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
22 ~~Franchisee may supply containers, and/or may require the use of specific containers as specified in Exhibit~~
23 ~~A.~~ Franchisee may negotiate special pickup procedures, above and beyond the normal services described
24 above, with customers for an additional fee in an amount provided in Exhibit ED.
25

26 C. Commercial, Industrial, and Multi-Residential.

- 27
28 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
29 if required to handle the waste stream of the premises where the Bins are located,
30 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
31 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
32 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
33
34 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
35 frequently if required to handle the waste stream of the premises where the Bins are located,
36 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
37 Collection in Solid Waste Bins at Commercial Units.
38

39 D. Construction and Temporary Bin/Rolloff Services.

40
41 Franchisee shall provide construction and temporary bin/rolloff services using rates reflected
42 in ~~established per~~ Exhibit ED.
43

44 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 45
46 ~~1) At least twice a year, Franchisee shall provide a one (1) day cleanup service to all~~
47 ~~Residential Unit customers on its routes wherein all bulky materials left on the curb, or~~
48 ~~other designated location on or adjacent to customer's property, up to a maximum of one~~
49 ~~and one-half cubic yards, will be removed and disposed. Cost for this service, excluding~~

1 the cost of disposal, shall be included within the normal monthly rates for Residential Unit
2 Solid Waste Collection as specified in Exhibit E. When feasible, the bulky material will
3 be collected in a vehicle separate from the one used to pick up the residential unit's Solid
4 Waste on a weekly basis so that it can be readily identified as not requiring tipping fees
5 when it arrives at the designated landfill. Franchisee will make a good faith effort to divert
6 the bulky material away from the designated landfill and to another facility where it can be
7 either recycled or refurbished for reuse. Collection of heavy waste materials such as dirt,
8 rock, concrete, and asphalt are not included in this service.
9

10 Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service arranged
11 at the request of the customer for large household appliances or furniture or multiple smaller
12 items not exceeding one and one-half cubic yards. Collection of heavy waste materials such as
13 dirt, rock, concrete, and asphalt are not included in this service. Franchisee shall advertise the
14 availability of the Bulky Wastes Collection service and shall provide the Bulky Waste Collection
15 service within seven (7) working days of request by customer. Franchisee shall bill the customer
16 for Bulky Waste Collection at the rate established in Exhibit E. Standard disposal rates shall be
17 paid by franchisee at System Facility.

18 2)1) Upon verbal or written customer request, made a minimum of two business days
19 prior to the customer's regular service day, Franchisee shall provide on-call Single Family
20 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
21 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
22 customer. Franchisee and County agree that this service is intended to allow residents to
23 safely discard of large household items such as furniture and whitegoods or other large
24 household items that do not fit in their regular weekly trash containers. Each Single
25 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
26 Household Waste Collection Services per calendar year with a maximum of four (4) items
27 at each collection occurrence. The total amount of annual allowable items per household
28 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
29 (4) tires per collection request. Bulky Household Waste items do not include items such as
30 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
31 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
32 service shall be subject to the bulky item rates established on the rate sheets approved by
33 the Board of Supervisors.
34

35 3)2) Franchisee shall provide large rolloff refuse containers requested by the Director
36 or his designee to respond to organized community clean up efforts at no charge.
37 Franchisee shall deliver containers to agreed upon collection points and shall cooperate
38 with the Director and designated community leaders to remove containers and dispose of
39 collected Solid Waste. Franchisee is obligated to provide the equivalent of two 40-cubic
40 yard bins/loads per year for each 1,000 Residential Unit customers serviced within the
41 Franchise Area. The ~~District DWR~~ will arrange that there shall be no charge of disposal
42 fees for such Solid Waste delivered in separate vehicles to the System Facilities.
43

44 F. Illegal Dumping Retrieval Services

45 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:
46
47

- 1) ~~If Requested by the County the~~ Franchisee shall turn in ~~to County~~ a ~~monthly~~ report of illegal dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as tires, couches, and appliances) noticed within or along the Roadway in the franchise area. For the purpose of this provision, the Roadway shall include public rights of way within twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of unpaved roadways.
- 2) Franchisee shall anticipate and arrange to receive daily by ~~facsimile~~ electronic methods, copies of reports of illegal dumping reported by citizens to the Department ~~of Environmental Health~~, Department of Transportation, or the ~~Waste Resources Management District~~ DWR.
- 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped materials on the Roadway within ~~forty-eight (48)~~ seventy-two (72) hours of the receipt of reports thereof (excluding weekends and holidays) except for remote areas, as approved by the director, for which the removal shall occur within five working days. The Franchisee may request that specified roads, determined by the franchisee to be inaccessible for waste removal, be considered by the Director for revised waste removal requirements.
- ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at County disposal sites at the time of delivery of the corresponding loads of illegally dumped debris. Nothing herein shall prevent the immediate pickup, delivery and reporting thereof, as part of the normal route collection activities, of illegally discarded material.~~
- ~~5) _____~~ Abandoned vehicles and objects or appliances larger than conventional household furniture or appliances as well as hazardous, medical and other wastes requiring special handling are exempt from the retrieval requirements set forth herein, provided, however, that of these exempted items noted within the Roadway are to be immediately reported to the Director.
- ~~6) _____~~ The Franchisee shall, upon request of private property owners, the Director or the Departments of County Transportation and Land Management Agency, provide removal services for waste illegally disposed of on their private property, excluding those wastes described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit ED.
- ~~7) _____~~ Illegally disposed materials along Roadways within one mile of disposal sites within Riverside County are exempt from the retrieval requirements set forth herein.
- ~~8) For sixty (60) days from the effective date of this contract, the County will arrange that there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall pay the usual fees charged for comparable types and quantities of Solid Waste.~~
- ~~9) Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit to the Director an accurate accounting of its costs to provide Illegal Dumping Retrieval Service.~~

G. Collection of Used Motor Oil.

1 Franchisee shall collect used motor oil from single family residential customers in accordance with ~~the~~
2 ~~Recycled Oil Collection and Storage Standards pursuant to Riverside County Ordinance 657 and Riverside~~
3 ~~County Resolution 90-668. California Public Resources Code Section 48691.~~

4
5 H. Diversion Services

6
7 ~~1) Diversion services proposed by Franchisee as described in Exhibit H shall be provided~~
8 ~~throughout the duration of this contract.~~

9
10 ~~2) At any time during the term of this Agreement, upon one hundred eighty (180) days written~~
11 ~~notice from the Director, Franchisee shall provide collection of Green Waste or Organic~~
12 ~~Waste from Residential Units throughout, or in designated portions of its Exclusive~~
13 ~~Franchise Area. Franchisee's rates for this service shall be as established in Exhibit E as~~
14 ~~adjusted by the methodology established in Exhibit F.~~

15
16 I.H. Collection and Equipment

17
18 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
19 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
20 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
21 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~ The equipment of
22 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
23 ~~Department on an annual basis at the request of the Department.~~

24
25 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
26 the Department of Motor Vehicles of the State of California, shall be kept clean and in
27 good repair, and shall be uniformly painted.

28
29 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
30 ~~days.~~

31
32 ~~3) A local or toll free telephone number, and vehicle number shall be clearly visibly~~
33 ~~displayed on all required vehicles, in letters and figures no less than three inches (3") high.~~

34 2)

35 **SECTION 6. OWNERSHIP OF SOLID WASTE**

36
37 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
38 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
39 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
40 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
41 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
42 Franchisee.

43
44 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**

45
46 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
47 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)

1 and the ~~District~~DWR. The rates ~~shown-referenced~~ in Exhibit ~~E-D~~ are based on the _____ facility(ies)
2 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.

3 4 SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND

5 6 A. Indemnification of County ~~and District~~.

7
8 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
9 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
10 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
11 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
12 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
13 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
14 reasonable costs and expenses of investigating and defending against same; provided, however, that
15 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
16 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.

17
18 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
19 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
20 survive the term of the franchise.

21 22 B. Hazardous Substances Indemnification.

23
24 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
25 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
26 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
27 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
28 damages (including, but not limited to, special and consequential damages), natural resources damage,
29 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
30 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
31 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
32 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
33 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
34 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
35 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
36 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
37 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
38 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
39 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
40 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
41 from liability.

42 43 C. Minimum Diversion Requirements

44
45 _____
46 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
47 California Public Resources Code, Section 41780 and any other current or future California Statute that
48 requires the County to divert material from landfills. In the event that the State of California alters the
49 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or

1 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
2 associated with any additional recycling programs.

3
4 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
5 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
6 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
7 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
8 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
9 against any third party as a means of meeting its obligation under this section.

10
11 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
12 by the Director as set forth in Section 9.A. of this agreement.

13 ~~The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in~~
14 ~~programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner~~
15 ~~which entitles County to diversion credit as specified in California Public Resources Code, Section 41780~~
16 ~~measured on a calendar year basis beginning January 1st, 1999 ("Minimum Diversion Requirement")~~
17 ~~provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.~~
18 ~~Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing~~
19 ~~to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it~~
20 ~~had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for~~
21 ~~calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum~~
22 ~~Diversion Requirements two (2) times after the execution of the agreement, County may terminate this~~
23 ~~Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,~~
24 ~~finds that additional programs are necessary to meet any IWMA required diversion goals the County, or~~
25 ~~District on behalf of the County, may require proposals for additional diversion programs to meet the~~
26 ~~diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if~~
27 ~~agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon~~
28 ~~one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid~~
29 ~~Waste, Recyclable Materials, and/or Organic Waste, and/or to independently implement programs that may~~
30 ~~be needed to meet the minimum diversion requirement.~~

31
32 ~~— If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
33 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
34 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
35 ~~Diversion Requirement, which shall not be unreasonably denied.~~

36
37 D. Worker's Compensation Insurance.

38
39 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
40 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
41 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
42 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
43 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
44 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
45 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
46 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
47 losses which arise from work performed by the named insured for the County.

48
49 E. Public Liability Insurance.

1
2 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
3 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
4 ~~three-six~~ million dollars ~~(\$3,000,000.00)(6,000,000.00)~~ aggregate and ~~one-three~~ million ~~five-hundred~~
5 ~~thousand~~ dollars ~~(\$1,500,000.00)(3,000,000.00)~~ per occurrence for bodily injury and property damage.
6 Said insurance shall protect Franchisee, the County, ~~the District~~, and their elected or appointed officials,
7 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
8 as from any claim for property damage which may arise from operations performed pursuant to this
9 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
10 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
11 the Director. All of the following endorsements are required to be made a part of the insurance policies
12 required by this Section:
13

- 14 1) "This policy shall be considered primary insurance as respects any other valid and
15 collectible insurance the County may possess including any self-insured retention the
16 County may have, and any other insurance the County ~~or District~~ does possess shall be
17 considered excess insurance and shall not contribute with it."
18
19 2) "This insurance shall act for each insured, as though a separate policy had been written for
20 each. This, however, shall not act to increase the limit of liability of the insuring company."
21
22 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
23 with certificate(s) of insurance showing that such insurance is in full force and effect, and
24 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
25 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
26 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
27 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
28 the event of any such modification, cancellation or reduction in coverage and on the
29 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
30 receive prior to such effective date another certificate from an insurance carrier that the
31 insurance required herein is in full force and effect.
32

33 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
34 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
35 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.
36

37 F. Performance Bond or Letter of Credit.
38

39 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
40 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
41 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
42 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
43 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
44 California.
45

46 G. Modification.
47

48 The insurance requirements provided herein may be modified or waived in writing by the Board upon
49 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest

1 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
2 provided by the parent company of Franchisee.
3

4 SECTION 9. DEFAULT AND REMEDIES 5

6 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
7 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
8 provisions of this Agreement, the requirements of the ~~California Integrated Waste Management~~
9 ~~Board~~ CalRecycle, including, but not limited to, requirements for source reduction and recycling (as to the
10 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
11 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
12 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
13 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
14 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
15 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
16 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
17 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
18 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
19 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
20 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or~~ refer the matter to a hearing
21 officer as provided in Section 11, below. ~~Where the County and the Franchisee have claims pending against~~
22 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~
23

24 B. ~~The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
25 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the hearing,~~
26 ~~the Board shall consider the report of the Director indicating the deficiencies, and shall give the Franchisee,~~
27 ~~or its representatives and any other interested Person, a reasonable opportunity to be heard.~~
28

29 C. ~~Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
30 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record, the~~
31 ~~Board determines that the performance of Franchisee is in breach of any material Term of this Agreement~~
32 ~~or any material provision of any applicable Federal, State, or local statute, ordinance or regulation, or is~~
33 ~~deficient with respect to prevailing industry standards, the Board in the exercise of its sole discretion, may~~
34 ~~terminate forthwith, this Agreement. Franchisee's performance under its franchise is not excused during~~
35 ~~the period of time prior to the Board's final determination as to whether such performance is deficient.~~
36

37 D.B. The right of termination is in addition to any other rights of County upon failure of
38 Franchisee to perform its obligations under this Agreement.
39

40 E.C. The County further reserves the right to terminate Franchisee's franchise, following public
41 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
42 board determines it is in the public interest to do so:
43

- 44 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 45
- 46 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
47 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
48

- 1 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
2 compensation, liability, indemnification coverage, and performance bond as required by
3 the Agreement.
4
- 5 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
6 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
7 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
8 which case no breach of the franchise shall be deemed to have occurred.
9
- 10 5) If the Franchisee ceases to provide Collection services as required under this Agreement
11 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
12 for any reason within the control of the Franchisee.
13
- 14 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
15 refuses to provide County with required information, reports, and/or test results in a timely
16 manner as provided in the Franchise Agreement.
17
- 18 7) For any other act or omission by the Franchisee which materially violates the terms,
19 conditions, or requirements of this franchise, Ordinance 657745, successor ordinance,
20 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
21 regulation issued thereunder and which is not corrected or remedied within the time set in
22 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
23 the breach within the time set forth in such notice, if the Franchisee should fail to
24 commence to correct or remedy such violation within the time set forth in such notice and
25 diligently effect such correction or remedy thereafter.
26
- 27 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
28 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
29 related to the performance of this Agreement, or of felonious conduct related to anti-trust
30 activities, illegal transport or disposal of hazardous waste or materials, or violation of
31 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
32

33 F.D. Professional Conduct
34

- 35 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
36 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
37 court in the United States, or is otherwise alleged to have participated in any criminal
38 activity directly or indirectly associated with the solid waste management business,
39 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
40 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
41 description of the indictment, complaint or allegation, as well as a copy of such indictment
42 or complaint or other matters of public record related thereto. In addition to the foregoing,
43 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
44 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
45 securities laws, including quarterly and annual reports.
46
- 47 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
48 interest, who has any responsibility for any aspect of the franchisee's operations under this
49 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony

1 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
2 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
3 upon request of the County be immediately removed from any assignment whatsoever,
4 directly associated with operations under this contract during the pendency of trial and/or
5 following conviction.
6

7 G.E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
8 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
9 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
10 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
11 such party shall notify the other party of such order or requirement and the law, regulation or order on
12 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
13 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of such said~~
14 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
15 following the date following the Effective Date of such said law, regulation or order becomes effective.
16 Nothing in this Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking
17 to obtain modification or repeal of such law, regulation or order or restrict either party's right to legally
18 contest the validity of such law, regulation or order.
19

20 SECTION 10. DISRUPTIONS IN SERVICE

21
22 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
23 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
24 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
25 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
26 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
27 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
28 by such conditions with an estimate of when service will be resumed.
29

30 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
31 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
32 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
33 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
34 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
35 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
36 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
37 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
38 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
39 County's sole negligence in providing such substitute service. Employees of Franchisee, including
40 management employees, may be employed by County during any period in which County temporarily
41 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
42 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
43 between Franchisee and its employees at the time Franchisee's service was interrupted.
44

45 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
46 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
47 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
48 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
49 be primarily reserved for use by County access while County or its designated representative is performing

1 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
2 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
3 accordance with the provisions of this Agreement.
4

5 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES 6

7 A. Should Franchisee or the County contend that the ~~County~~other party is in breach of this Franchise
8 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
9

10 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
11 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
12 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
13 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
14 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
15 Arbitration and Mediation Services.
16

17 C. The hearing shall be conducted according to the provisions of California Government Code Section
18 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
19 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
20 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
21 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
22 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
23 reasonably related to the seriousness of the breach of the Agreement.
24

25 D. The party losing the hearing shall be liable for the hearing officer's fees.
26

27 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
28 a material breach of the Agreement, and may be grounds for termination of the Agreement.
29

30 F. Any party to the hearing may issue a request to compel reasonable document production from the
31 other party. Disputes concerning the scope of document production and enforcement of document requests
32 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
33 document request, then by disposition by order of the hearing officer. Any such document request shall be
34 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
35 procedures to protect such rights.
36

37 G. Neither party may communicate separately with the hearing officer after the hearing officer has
38 been selected. All subsequent communications between a party and a hearing officer shall be
39 simultaneously delivered to the other party. This provision shall not apply to communications made to
40 schedule a hearing or request a continuance.
41

42 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
43 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
44 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
45 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
46 the party subject thereto acted with substantial justification or if the interests of justice so require.
47

48 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
49

1 **SECTION 12. FRANCHISE TRANSFERABILITY**
2

3 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
4 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
5 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
6 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
7 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
8 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
9 such a request using such criteria as it deems necessary including, but not limited to, those listed in
10 Subsection C.
11

12 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
13 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
14 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
15 this Agreement.
16

17 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
18 meet the following requirements:
19

20 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
21 investigation costs necessary to investigate the suitability of any proposed transferee, and
22 to review and finalize any documentation required as a condition for approving any such
23 transfer.
24

25 2) The Franchisee shall furnish the County with audited financial statements of the
26 proposed transferee's operations for the immediately preceding three (3) operating years.
27

28 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the
29 proposed transferee has at least five (5) years of solid waste management experience of a
30 scale equal to or exceeding the scale of operations conducted by Franchisee under this
31 Agreement; (ii) that in the last five (5) years, the proposed transferee has not suffered any
32 citations or other censure from any federal, state or local agency having jurisdiction over
33 its waste management operations due to any significant failure to comply with state, federal
34 or local waste management laws. Franchisee shall supply the County with a complete list
35 of such citations and censures; (iii) that the proposed transferee has at all times conducted
36 its operations in an environmentally safe and conscientious fashion; (iv) that the proposed
37 transferee conducts its solid waste management practices in accordance with sound waste
38 management practices in full compliance with all federal, state and local laws regulating
39 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
40 insurance and bonds; and (vii) of other material as may be requested by the County.
41

42 D. ~~This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County~~
43 ~~without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The~~
44 ~~foregoing is not intended to prevent the County from exercising its right to terminate the agreement~~
45 ~~consistent with Section 3, and for the County to seek a new franchisee at the expiration of this~~
46 ~~Agreement. This franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned~~
47 ~~by the County to any Public Agency having the authority to provide solid waste collection services if the~~
48 ~~Board determines it is in the public interest to do so.~~
49

1 SECTION 13. REPORTS

2
3 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
4 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.

5
6 B. Franchisee shall make its customer base and records available to the Department for audit at
7 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
8 Agreement.

9
10 SECTION 14. COMPENSATION

11
12 A. Franchisee Rates.

13
14 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
15 the rates set forth in the Exhibit ~~FD~~. Recyclable Materials collected from Commercial and Industrial Units
16 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
17 ~~the maximum rate to be charged for such materials.~~

18
19 B. Modification and Adjustment of Rates.

20
21 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
22 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
23 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
24 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or ~~District~~
25 ~~DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
26 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates ~~set~~
27 ~~forth on Exhibit E~~ shall remain in effect until adjusted by County following a public hearing as provided in
28 Exhibit ~~FD~~.

29
30 C. Notice of Rate Changes

31
32 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
33 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
34 from County regarding approved changes in landfill fees and CPI adjustments. ~~If requested by the~~
35 ~~Department, the Franchisee will provide a copy of the written notice for review. The wording of the notice~~
36 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
37 ~~prior to release.~~ County shall provide Franchisee with written notice of changes in System Facility,
38 franchise, or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated
39 rate changes.

40
41 D. Resolution of Disputes Regarding Rate Adjustments

42
43 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
44 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
45 the Director or his representative. If resolution can-not be reached, the Director shall refer the matter to the

1 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
2 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
3 resolution of such dispute. The ~~Effective D~~ate of any dispute resolution, whether retroactive or
4 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
5 appropriate. Any Franchisee operating in a ~~Comprehensive Compulsory~~ Collection Area shall be subject
6 to all applicable provisions in the County's ~~comprehensive compulsory~~ collection ordinance.

7
8 E. Billing and Payment.
9

10 Franchisee may bill and receive payment as provided in ~~Exhibit E~~herein. In cases where Franchisee
11 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
12 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
13 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
14 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
15 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
16 of Franchisee's billing dates.

17
18
19 F. Delinquent Accounts.
20

21 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
22 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
23 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
24 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
25 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
26 Franchisee operating in a ~~comprehensive Compulsory e~~Collection area shall be subject to all applicable
27 provisions in the ~~comprehensive Compulsory e~~Collection ordinance.

28
29 G. Refunds.
30

31 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
32 such customer for service not provided when service is discontinued by written notification to Franchisee
33 by the customer.

34
35 **SECTION 15. FRANCHISE FEES**
36

37 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
38 ~~Transfer Station Tipping Fees,~~ shall be payable by Franchisee to the Department thirty (30) days after the
39 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
40 to be paid for revenues generated by the collection or sale of Recyclable Materials and Organic Waste
41 collected by the Franchisee, ~~or for the provision of construction roll off services.~~ A penalty of ten (10)
42 percent shall be due for fees not submitted within the thirty (30) day time period.
43

1 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
2 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
3 accordance with Exhibit ~~FD~~.
4

5 **SECTION 16. OTHER REQUIREMENTS**
6

7 A. Privacy
8

9 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
10 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
11 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
12 statute, or upon valid authorization of the customer. — This provision shall not be construed to preclude
13 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
14 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
15 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
16 that Franchisee may provide such lists to authorized employees and authorized representatives of the
17 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
18 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
19

20 B. Public Access to the Franchisee
21

- 22 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
23 Monday through Friday. A representative of Franchisee shall be available during office
24 hours for communication with the public at Franchisee's principal office. In the event that
25 normal business cannot be conducted over the telephone, a representative of Franchisee
26 shall agree to meet with the public at a location agreeable to Franchisee and the public.
27 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
28 shall also maintain a local or toll free after-hours telephone number for use during other
29 than normal business hours. Franchisee shall have a representative or answering device or
30 system available at said after-hours telephone number during all hours other than normal
31 office hours.
32
- 33 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
34 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
35 Person, by close of business of the second business (waste Collection) day following the
36 date on which such complaint is received. Service complaints may be investigated by the
37 Director or a designee. Franchisee shall maintain records listing the date of customer
38 complaints, the customer, describing the nature of the complaint or request, and when and
39 what action was taken by the Franchisee to resolve the complaint. All such records shall
40 be maintained and shall be available for inspection by County.
41
- 42 3) Government Liaison Person. The Franchisee shall designate a "government liaison
43 Person" who shall be responsible for working with the Department to resolve customer
44 complaints.
45

46 C. Resolution of Disputed Customer Complaints.

1
2 The Franchisee shall ~~notify-supply, upon~~ customers request, a copy of this complaint arbitration
3 procedure at the time ~~a customers applies~~ for or ~~are~~ provided service, and subsequently, ~~annually~~
4 requested by the customer. Procedures for resolution of disputed claims shall be as follows:

- 5
6 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
7 County to review the complaint. To obtain this review, the customer may request County
8 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
9 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
10 has failed to respond to the complaint. The County may extend the time to request its
11 review for good cause.
12
13 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
14 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
15 customer's complaint and determine if further action is warranted. The Director may
16 request written statements from the Franchisee and customer, and/or oral presentations.
17
18 3) The Director shall determine if the Customer's complaint is justified, and if so, what
19 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
20 of customer charges related to the period of breach of any of the terms of this Franchise
21 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
22 addition to any actual damages.
23
24 4) The Director may delegate these duties to a designee. The decision of the Director or a
25 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
26 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
27 may seek review pursuant to Section 11 above.
28

29 D. Hazardous Materials and Waste Handling and Disposal

30
31 The Franchisee shall comply with the procedures detailed ~~in Exhibit G of this Agreement~~ in State Law.

32
33 **SECTION 17. FORCE MAJEURE**

34
35 ~~Franchisee shall not be in default under this Franchise Agreement in the event that the services provided~~
36 ~~by the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,~~
37 ~~sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,~~
38 ~~landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are~~
39 ~~beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability~~
40 ~~of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from~~
41 ~~other governmental agencies or the right to use the facilities of any public utility where such failure is due~~
42 ~~solely to the acts or omissions of the Franchisee.~~

43
44 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so long as,
45 it is impossible or extremely impractical for it to perform its obligations in whole or in part for any of the

1 following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the Solid
2 Waste facilities used by Franchisee:

3 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
4 earthquakes, tornados, or other catastrophic events;

5 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;

6 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
7 other event leading to the imposition of quarantines, travel or movement restrictions, social
8 distancing, or public health advisories restricting large gatherings;

9 D. Accident or other catastrophic event including fire or explosion;

10 E. Strikes and labor disputes;

11 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.

12 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.

13
14 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event later
15 than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall describe
16 in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure event, the
17 expected length of time that Franchisee expects to be prevented from performing, the steps which
18 Franchisee intends to take to restore its ability to perform, and such other information as the County may
19 reasonably request.

20
21 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure of
22 the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right to
23 use the facilities of any public utility where such failure is due solely to the acts or omissions of the
24 Franchisee.

25 26 **SECTION 18. OTHER PROVISIONS**

27 28 **A. Independent Contractor.**

29
30 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
31 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
32 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
33 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
34 retirement or other benefits which accrue to County employees.

35 36 **B. Property Damage.**

37
38 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
39 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
40 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

41 42 **C. Right of Entry.**

1 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
2 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
3 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
4 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
5

6 D. Law to Govern.
7

8 The law of the State of California shall govern this Franchise Agreement.
9

10 E. Gratuities.
11

12 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
13 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
14 Franchise Agreement.
15

16 F. Compliance with Franchise Agreement.
17

18 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and~~ 745, or any
19 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
20 during the Term of this Franchise Agreement.
21

22 G. Notices.
23

24 All notices required or permitted to be given under this franchise shall be in writing and shall be
25 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
26 receipt requested, and addressed as follows:
27

28 To County: County of Riverside
29 Attn: Department of Environmental Health
30 4065 County Circle Drive
31 Riverside, CA 92503
32

33 Copy to: County Counsel
34

35 To Franchisee: Douglas E Corcoran
36 Vice President
37 USA Waste of California, Inc. dba Waste Management of The Inland
38 Empire Waste Management of Inland Empire, A Division of USA Waste
39 of California, Inc., Waste Management Collections and Recycling, Inc.
40 9081 Tujunga Ave.
41 Sun Valley, CA 91352
42 United States
43

44 Copy to: Lily Quiroa

1 Public Sector Services Regional Manager
2 800 S. Temescal Street
3 Corona, CA 92879
4

5 or to such other address as either party may from time to time designate by notice to the other given in
6 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
7 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
8 receipt of confirmation of delivery which confirmation may be transmitted by fax.
9

10 H. Exhibits Incorporated.
11

12 Exhibits A through ~~I-D~~ are attached to and incorporated in the Franchise Agreement by reference. In
13 the event of differences or conflicts between the language of an Exhibit and the language of the Franchise
14 Agreement, the language of the Exhibit shall prevail.
15

16 I. Nondiscrimination.
17

18 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
19 on the ground of race, sex, age, creed, color, religion or national origin.
20

21 J. Laws and Licenses.
22

23 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
24 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
25 to perform the services hereunder and maintain the same in full force and effect.
26

27 K. Waiver.
28

29 No waiver by either party of any one or more defaults or breaches by the other in the performance of
30 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
31 like or different character.
32

33 **SECTION 19. SEVERABILITY**
34

35 A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit~~
36 ~~referenced in this agreement~~ is a material part of the franchise agreement, itself, and is not severable from
37 it. Franchisee agrees not to challenge the validity or enforceability of the Waste Delivery Agreement or
38 any term or provision found in such agreement. If for any reason this Waste Delivery Agreement or any
39 part thereof is found to be void or unenforceable ~~or any part thereof~~ by a court of law, then, the County may
40 consider termination or amendment of the Franchise Agreement~~the Franchise agreement, itself, is deemed~~
41 ~~to be terminated thereupon and to be of no further force or effect.~~
42

43 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
44 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
45 enforceability of any of the remaining provisions of this Franchise Agreement.

1
2 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
3

4 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
5 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
6 and all other communications, representations, proposals, understandings or Agreements, either written or
7 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
8 or amended, in whole or in part, except by writing signed by both parties hereto.

9
10 At least once every 5 years, or more often as required by a significant change in law, starting from the
11 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
12 or required amendments.
13

14 **SECTION 21. CONSTRUCTION OF FRANCHISE**
15

16 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
17 attorneys, and no provision contained herein shall be construed against County solely because it prepared
18 this agreement in its executed forms.
19

20 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
21

22 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
23 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
24 another company, all service levels and rates of this contract shall at the discretion of the Board of
25 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on September 27, 2016

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones~~Steve Van Stockum~~

10

Director

11

12

Riverside County

13

Department of Environmental Health

14

15

FRANCHISEE

16

17

BY: _____

18

Douglas E Corcoran

19

Vice President

20

USA Waste of California, Inc. dba Waste

21

Management of The Inland Empire

22

Waste Management of Inland Empire, A Division of

23

USA Waste of California, Inc., Waste

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Management Collections and Recycling, Inc.

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EXHIBIT B

FRANCHISE AREA #3

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

~~B. Commercial Account Exceptions:~~

~~All other Commercial accounts for which a contract for refuse collection services with another franchisee exists, only for the duration of those contracts, which in no event shall exceed 1999.~~

~~C. Planned Unit Development (P.U.D.) Exceptions:~~

~~All P.U.D. accounts ** in unincorporated areas as defined in Resolution 94 143 where Franchisee holds contracts for service; See attached list (Exhibit B2) to be provided by Franchisee~~

~~** Franchisee agrees to work with the Director to negotiate a transfer of these P.U.D. accounts to Franchisee where P.U.D. is located when possible. Evidence of existing contracts may be required by County. If exchanges can not be negotiated, service provisions remain on a competitive basis under the current Refuse Rate Resolution and Ordinance 657.~~

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EXHIBIT B

HAULER FRANCHISE AREA 3

(Northeast)

Beginning at a point on the boundary of Riverside County, said point being also the Northeast Corner of section 7, T. 2 S., R. 3 W, S.B.M.;

Thence Westerly along the Northerly county boundary to the intersection of the Riverside City Limits;

Thence Southeasterly along the city limits of Riverside to the Northerly line of section 28, T. 2 S., R.4 W.;

Thence Easterly along the Northerly section lines of sections 28 and 27 T. 2 S., R. 4 W, to the intersection of Box Springs Mountain Rd;

Thence Northerly along the centerline of Box Springs Mountain Rd to a ridge line that intersects said Box Springs Mountain Rd at the approximate elevation of 2200 feet;

Thence following said ridge line through sections 22, 15, 14, 13 and 24 of said T. 2 S., R. 4 W., to the Northerly city limits of Moreno Valley, said point being located in the vicinity of the center of said section 24, T. 2 S., R. 4 W.;

Thence Easterly along said Northerly city limits of Moreno Valley to the Westerly line of section 20 T. 2 S., R. 3 W.;

Thence Southerly along the Westerly line said section 20 to the southwest Corner thereof;

Thence Easterly along the Southerly line of section 20 and 21 to the southeast Corner of section 21 T. 2 S., R.3 W.;

Thence Northerly along the Easterly line of section 21 to the Northeast Corner thereof;

Thence Westerly along the Northerly line of section 21 to the Northwest Corner thereof;

Thence Northerly along the Easterly line of section 17 T. 2 S., R. 3 W., to the Northerly county boundary of Riverside County;

Thence Northwesterly, along the county boundary to the Northeast Corner of section 7 T. 2 S., R. 3 W., to the point of beginning.

(Northwest)

Beginning at the intersection of Placentia Ln and the Northerly boundary of Riverside County, said point also being located on the city limits of Riverside;

Thence in a general southwesterly direction following along the city limits of Riverside to the intersection of the East line of section 11 T. 2 S., R.5 W.;

Thence Northerly along the East line of Section 11 to the Northerly boundary of Riverside County;

Thence Easterly along the Northerly county boundary to the point of beginning.

1
2 (South)
3 Beginning at the West Quarter Corner of Section 8 T.6 S., R.3 W., also being on the city limits of the City
4 of Lake Elsinore and also being on the centerline of Craig Ave;
5
6 Thence Easterly, along the centerline of Craig Ave to the East line of section 10 T.6 S., R. 3 W.;
7
8 Thence Southerly, along the East line of Sections 10, 15, 22 and 27 to the Southeast Corner of Section 27
9 T.6 S., R.3 W., also being on the Northerly city limits of the City of Murrieta;
10
11 Thence Southwesterly, along the city limits of the City of Murrieta to its intersection with Interstate 15;
12
13 Thence Northwesterly, along the centerline of Interstate 15 to its intersection with the city limits of the
14 City of Lake Elsinore;
15
16 Thence Easterly, along the city limits of the City of Lake Elsinore to the West Quarter Corner of Section
17 8 T.6 S., R. 3 W., the point of beginning.
18
19 (Southwest)
20 Beginning at the intersection of the Westerly boundary of the County of Riverside and the Center Section
21 line of section 6 T. 5 S., R.6 W.;
22
23 Thence Northerly, along the Center line of section 6 T.5 S., R.6 W., to the South line of T. 4 S., R. 6 W.;
24
25 Thence Easterly, along the South Township Line to the Southern Quarter Corner of section 32 T. 4 S., R.
26 6 W;
27
28 Thence Northerly, along the Center Section lines of sections 32 and 29 to the Northern Quarter Corner of
29 Section 29 T. 4 S., R.6 W;
30
31 Thence Easterly, along the North line of Sections 29 and 28 T. 4 S., R.6 W., to the intersection of Section
32 28 and Interstate 15;
33
34 Thence Northwesterly, along the centerline of Interstate 15 to the intersection of Cajalco Rd;
35
36 Thence Easterly, along the centerline of Cajalco Rd to the intersection of Wood Rd;
37
38 Thence Southerly, along the centerline of Wood Rd to the Northwest Corner of Section 20 T.4 S., R. 4 W;
39
40 Thence Easterly, along the North lines of Section 20, 21, 22, 23 and 24 of T.4 S., R.4 W., to the Northeast
41 Corner of Section 24, also being the Northwest Corner of Section 19 T. 4 S., R.3 W;
42
43 Thence Easterly, along the North line of Section 19 T. 4 S., R. 3 W., to its intersection with the city limits
44 of the city of Perris;
45
46 Thence Southerly, along the city limits of the City of Perris to its intersection with the city limits of the
47 City of Canyon Lake;
48
49 Thence Westerly, along the city limits of the City of Canyon Lake to its intersection with the city limits
50 of the City of Lake Elsinore, also being the Northeast Corner of Section 34 T. 5 S., R. 4 W;
51

- 1 Thence Westerly along the city limits of the City of Lake Elsinore to the Southeast Corner of Section 29
2 T. 5 S., R.5 W;
3
- 4 Thence Westerly, along the Southerly lines of Sections 29 and 30 T. 5 S., R. 5 W., to the Southwest Corner
5 of Section 30, also being on the West Township line of T. 5 S., R. 5 W. ;
6
- 7 Thence Southerly, along the West line of T. 5 S., R.5 W., to its intersection with the Westerly boundary
8 of the County of Riverside;
9
- 10 Thence Northwesterly, along the Westerly boundary of the County of Riverside to its intersection with
11 the Center Section line of Section 6 T.5 S., R. 6 W., the point of beginning.
12
- 13 Excluding from said franchise area are the customer addresses lying adjacent to and on both sides of the
14 following boundary streets:
15
- 16 Orange Ave between Interstate 215 and Patterson Ave Cajalco Rd, between its intersection with the
17 Westerly line of Section 15 T.4 S., E. 6 W. S. B. M. and Interstate 15
18
- 19 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
20 in areas 1, 2,4, 5,6, 7, 8, 9, 10, 11,12 and 13.
21
- 22 Also excludes any areas within city boundaries.

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EXHIBIT DC

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the ~~District DWR~~ reserve the right to request additional information as necessary to meet their needs, ~~including but not limited to the AB 939 reporting requirements and to comply with applicable State Law. Reports shall be provided in a format approved by the Department.~~ All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit ~~all~~ completed ticket transactions to the ~~District DWR~~ as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the ~~District DWR~~ within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the ~~District DWR~~ and placed on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No. 1.~~

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary ~~Summary~~ reports
2. ~~Equipment inventory~~
3. ~~Future programs~~
2. Litigation information Education and Outreach
3. Service Performance
4. Container contamination monitoring

1
2 **Collection Information Summary**

3
4 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material
5 collected by month and the number of accounts serviced monthly. The quantities of solid waste, ~~reyclables~~
6 and green waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
7 tonnage information is not available). The Department may, at its discretion, also require reporting by
8 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
9 information such as density factors.

10
11 **Education and Outreach**

12
13 The Franchisee shall submit copies of public education materials sent to customers or provided
14 electronically on their websites or social media outlets.

15 **Service Performance**

16
17 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
18 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
19 shall identify the total number of all written or oral Customer comments and shall provide the number of
20 comments received in the following categories: praises, litter or property damage complaints, misplacement
21 of containers, stolen containers, personnel complaints, missed pickups, and other.

22
23 **Container Contamination Monitoring**

24
25 The Franchise shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.

29
30 **Program Implementation**

31
32 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
33 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
34 ~~resolutions and schedule for correcting the problem.~~

35
36 **4. ANNUAL REPORTS**

37
38 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
39 Franchisee will be responsible for providing the following reports:

- 40
41 1. Summary reports
42 2. Equipment inventory
43 3. Program implementation
44 3.4. Future programs
45 5. Litigation information
46 4.6. Education and Outreach

47
48 **Summary Reports**

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.
8

9 **Equipment Inventory**

10
11 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
12 The inventory list shall indicate the age of the equipment.
13

14 **Program Implementation**

15
16 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
17 for the quarter year. The report shall address how the problems and barriers were overcome or the proposed
18 resolutions and schedule for correcting the problem.
19

20 **Future Programs**

21
22 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
23 but have not been planned for.
24

25 **Litigation Information**

26
27 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
28 against the parent company and all subsidiaries of parent company that may have an effect on the
29 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.
30

31 **Education and Outreach**

32
33 The Franchisee shall submit copies of public education materials sent to customers or provided
34 electronically on their websites or social media outlets.

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EXHIBIT FD

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

All Rate adjustments must receive approval by the Board of Supervisors following public hearings.

~~1.3.~~ **ANNUAL RATE ADJUSTMENT**

The Schedule of Approved Rates ~~provided-referenced~~ in ~~Exhibit E~~Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st ~~with the first such adjustment occurring July 1, 1999~~. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the ~~Los Angeles/Anaheim/Riverside Riverside-San Bernardino-Ontario~~ Metropolitan Area ~~or equivalent successor index, (1982-84=100)~~, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). ~~For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service.~~ Said change shall be measured for the twelve (12) month period ~~as posted by the BLS in the first CPI-U report for each year January through December. The first adjustment shall be effective July 1, 1999, based upon changes in the Consumer Price Index formula for the period January 1998 through December 1998.~~ In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item; ~~revisions~~ Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

~~2.~~ **PERIODIC RATE ADJUSTMENT MECHANISM**

1 ~~The Department reserves the right to review the Franchisee's rates every three years from the effective date~~
2 ~~of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in~~
3 ~~comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that~~
4 ~~the Department makes such a determination the Franchisee's rates may be adjusted to any level at or above~~
5 ~~the average rates in the comparable jurisdictions.~~

6
7 3.4. EXTRAORDINARY RATE REVIEW

8
9 A. The Director or Franchisee may initiate a special rate review by the Department should an
10 extraordinary event or circumstance arise which has a significant impact on the economic operation
11 of the Franchisee or the rates charged to customer as follows:

- 12
13 1. An event or circumstance (including changes in law) occurs which is beyond the control of
14 Franchisee or County.
15
16 2. Changes to operations mandated by the County or proposed by Franchisee and approved by
17 the County.

18
19 ~~3. Any change in disposal/Green Waste tip fees.~~

20
21 4.3. The District directs Franchisee to use a different System Facility for more than thirty (30) days
22 that involves a change in round trip time or distance.

23
24 5.4. The County modifies the franchise fee.

25
26 6.5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.

27
28 7.6. Significant increases in the number of customer accounts due to development or growth.

29
30 8.7. Other circumstances at the discretion of the Director or the Board of Supervisors.

31
32 B. Should Franchisee request a special rate review only those costs related to the circumstance(s)
33 which warrant consideration of a special rate review, as specified above, will be reviewed and
34 considered.

35
36 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
37 operational information at least three months prior to the proposed effective date of any rate
38 adjustment.
39

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #4

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1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND USA WASTE OF CALIFORNIA, INC. DBA WASTE MANAGEMENT OF THE INLAND
4 EMPIRE
5 FOR THE COLLECTION AND TRANSPORTATION
6 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
7

8 This Franchise Agreement ("Franchise Agreement"), by and between the County of Riverside
9 ("County") and USA Waste of California, Inc. dba Waste Management of The Inland Empire
10 ("Franchisee"), for the Collection and transportation of Solid Waste, Recyclable Materials, Organic Waste,
11 and construction debris and other specified services, originally entered into on April 3, 1998, and most
12 recently amended on September 27, 2016, is hereby amended and restated on December 7, 2021.

13
14 **RECITALS**

15
16 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
17 Ordinance 657 the County of Riverside ("County") has determined that the public health, safety, and well-
18 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for
19 waste management services for residential, commercial, and industrial customers in the County of
20 Riverside; and

21
22 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
23 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
24 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
25 recovery and disposal; and

26
27 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
28 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;

29
30 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

31
32 **SECTION 1. REPRESENTATIONS AND WARRANTIES**

33
34 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
35 representations and warranties for the benefit of the County as of the date of this Agreement.

- 36
37 1) Franchisee is duly organized and validly existing as a corporation in good standing under
38 the laws of the State of California.
39
40 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
41 Agreement, and has duly authorized the execution and delivery of this Agreement.
42
43 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
44 Franchisee to do so, and this Agreement has been duly executed and delivered by
45 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
46 against Franchisee in accordance with its terms.
47
48 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
49 court or governmental entity against Franchisee or affecting Franchisee, wherein an

1 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
2 of this Agreement, or which would have a material adverse effect on the financial condition
3 of Franchisee.
4

- 5 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
6 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
7 parent company's financial circumstances since the date of the most recent financial
8 statements submitted to the Environmental Health Department ("Department"). Prior to
9 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
10 most recent annual financial statements. The Department may at its discretion specify the
11 contents and form of such statements. The Director of Environmental Health may inspect
12 the financial records of the Franchisee at any reasonable time for any reasonable purpose
13 relevant to the performance of this contract.
14
- 15 6) Franchisee has the expert, professional, and technical capability to perform all of its
16 obligations under this Agreement.
17

18 **B. Representations and Warranties of the County.**
19

20 Prior to commencement of any services hereunder, the County hereby makes the following
21 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
22

- 23 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
24 This Agreement constitutes the legal, valid and binding Agreement of the County and is
25 enforceable against the County in accordance with its terms.
26
- 27 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
28 County before any court or governmental entity wherein an unfavorable decision, ruling or
29 finding would adversely affect the validity or enforceability of this Agreement.
30

31 **SECTION 2. DEFINITIONS**
32

33 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
34 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
35 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
36 Agreement. In the event of conflict between the definition of a term as found in the California Public
37 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
38 supersede the definition found in the Public Resources Code or in County ordinances.
39

40 A. Agreement means this Agreement between the County and Franchisee for the Collection and
41 transportation of Solid Waste and other specified services, including all exhibits, and any future
42 amendments.
43

44 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
45 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
46 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
47 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
48

49 C. Board means the Riverside County Board of Supervisors.

1
2 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
3 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
4 plumbing, small household appliances, and other similar items, commonly known as “white goods”); wood
5 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
6 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
7 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
8 containing chlorofluorocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
9 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
10 Persons.

11
12 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
13 this Agreement and its transportation to an appropriate Solid Waste Facility.

14
15 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
16 residential and Multi-Residential Units.

17
18 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
19 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
20 commercial units are required to subscribe to refuse collection.

21
22 H. County means the County of Riverside, State of California.

23
24 I. Department means the Riverside County Department of Environmental Health.

25
26 J. Director means the Director of the Riverside County Department of Environmental Health or
27 their designee.

28
29 K. Diversion (or any variation thereof including “Divert”) means activities which reduce or
30 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
31 recycling, and composting.

32
33 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
34 date it is executed by the Board of Supervisors.

35
36 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
37 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
38 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
39 B.

40
41 N. Franchise Area means the geographic territory defined in Exhibit B.

42
43 O. Generator means the owner or occupant of premises, including residences or businesses, which
44 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

45
46 P. Green Waste means organic waste generated from any landscaping including grass clippings,
47 leaves, prunings, tree trimmings, weeds, branches, and brush.

1 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
2 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
3 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
4 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
5 of State or other governmental agencies.

6
7 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
8 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
9 of the following:

- 10 1) Rural, sparsely populated areas,
- 11 2) Hilly or mountainous terrain,
- 12 3) Poorly paved or unpaved roads which may be unpassable in poor weather,
- 13 4) Large, uninhabited areas between pockets of homes,
- 14 5) Unusually heavy waste due to large properties, livestock, etc.,
- 15 6) Limited access on a private street or alley.

16 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
17 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
18 "Hard to Service"

19
20 S. Integrated Waste Management Act (IWMA) means the California Integrated Waste
21 Management Act of 1989 (AB 939), including all subsequent amendments.

22
23 T. Multi-Residential Units mean permanent buildings containing three or more Residential Units
24 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
25 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.

26
27 U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
28 wood waste, and food-soiled paper waste that is mixed in with food waste.

29
30 V. Recyclable Materials means material which has been segregated from other Solid Waste
31 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
32 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
33 Recyclables consisting of two or more of the above-referenced material types separated from non-
34 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
35 than five (5) percent Solid Waste by weight.

36
37 W. Residential Unit means an occupied dwelling within the unincorporated area of the County
38 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
39 or domestic light and power services are being supplied thereto. This definition shall apply also to
40 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
41 two (2) attached Residential Units.

42
43 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
44 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
45 A of this Agreement.

46
47 Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
48 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
49 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste

1 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
2 Waste, Recyclable Materials or Organic Waste.

3
4 Z. Term means the Term of this Agreement, as provided for in Section 3.

5
6 AA. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee
7 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
8 to specified System Facilities and kept on file with the DWR.

9
10 BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
11 discarded processed wood materials, and large tree limbs.

12
13 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**

14
15 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
16 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
17 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
18 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
19 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
20 purposes.

21
22 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
23 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
24 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
25 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
26 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
27 Organic Waste.

28
29 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
30 the Exclusive Franchise, to the extent provided for in state and federal law.

31
32 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
33 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
34 provided in Sections 9 and 10 hereof.

35
36 D. Franchisee will commence services under this Agreement on January 1, 2022.

37
38 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
39 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
40 taken.

41
42 **SECTION 4. FRANCHISE AREA**

43
44 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
45 County defined in Exhibit B, "Franchise Area."

1 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**

2
3 A. General.

4
5 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
6 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which
7 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
8 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
9 Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels of Solid Waste service to
10 be provided under this Agreement are defined below, however, no residential or commercial or business
11 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
12 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
13 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
14 provisions of Section 16 (B) (2) related to "service complaints."
15

16 B. Single Family Residential.

17
18 Weekly Service. Not less often than once per week, and more frequently if required to handle the
19 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials (except
20 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
21 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
22 Collection time. Solid Waste must be placed within containers at curbside without obstructions so as to
23 permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
24 Franchisee may negotiate special pickup procedures, above and beyond the normal services described
25 above, with customers for an additional fee in an amount provided in Exhibit D.
26

27 C. Commercial, Industrial, and Multi-Residential.

- 28
29 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
30 if required to handle the waste stream of the premises where the Bins are located,
31 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
32 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
33 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
34
35 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
36 frequently if required to handle the waste stream of the premises where the Bins are located,
37 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
38 Collection in Solid Waste Bins at Commercial Units.
39

40 D. Construction and Temporary Bin/Rolloff Services.

41
42 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
43 Exhibit D.
44

45 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 46
47 1) Upon verbal or written customer request, made a minimum of two business days prior to
48 the customer's regular service day, Franchisee shall provide on-call Single Family
49 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within

1 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
2 customer. Franchisee and County agree that this service is intended to allow residents to
3 safely discard of large household items such as furniture and whitegoods or other large
4 household items that do not fit in their regular weekly trash containers. Each Single
5 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
6 Household Waste Collection Services per calendar year with a maximum of four (4) items
7 at each collection occurrence. The total amount of annual allowable items per household
8 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
9 (4) tires per collection request. Bulky Household Waste items do not include items such as
10 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
11 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
12 service shall be subject to the bulky item rates established on the rate sheets approved by
13 the Board of Supervisors.

- 14
- 15 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
16 designee to respond to organized community clean up efforts at no charge. Franchisee shall
17 deliver containers to agreed upon collection points and shall cooperate with the Director
18 and designated community leaders to remove containers and dispose of collected Solid
19 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
20 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
21 The DWR will arrange that there shall be no charge of disposal fees for such Solid Waste
22 delivered in separate vehicles to the System Facilities.

23

24 F. Illegal Dumping Retrieval Services

25

26 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

- 27
- 28 1) If Requested by the County the Franchisee shall turn in a report of illegal dumping of trash
29 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as
30 tires, couches, and appliances) noticed within or along the Roadway in the franchise area.
31 For the purpose of this provision, the Roadway shall include public rights of way within
32 twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of
33 unpaved roadways.
- 34
- 35 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
36 reports of illegal dumping reported by citizens to the Department, Department of
37 Transportation, or the DWR.
- 38
- 39 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
40 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof
41 (excluding weekends and holidays) except for remote areas, as approved by the director,
42 for which the removal shall occur within five working days. The Franchisee may request
43 that specified roads, determined by the franchisee to be inaccessible for waste removal, be
44 considered by the Director for revised waste removal requirements.
- 45
- 46 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
47 or appliances as well as hazardous, medical and other wastes requiring special handling are
48 exempt from the retrieval requirements set forth herein, provided, however, that of these
49 exempted items noted within the Roadway are to be immediately reported to the Director.

- 1
2 5) The Franchisee shall, upon request of private property owners, the Director or the
3 Departments of County Transportation and Land Management Agency, provide removal
4 services for waste illegally disposed of on their private property, excluding those wastes
5 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
6 D.
7
8 6) Illegally disposed materials along Roadways within one mile of disposal sites within
9 Riverside County are exempt from the retrieval requirements set forth herein.
10

11 G. Collection of Used Motor Oil.
12

13 Franchisee shall collect used motor oil from single family residential customers in accordance with
14 California Public Resources Code Section 48691.
15

16 H. Collection and Equipment
17

18 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
19 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
20 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
21 inspection at the request of the Department.
22

- 23 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
24 the Department of Motor Vehicles of the State of California, shall be kept clean and in
25 good repair, and shall be uniformly painted.
26
27 2) A local or toll free telephone number, and vehicle number shall be clearly visible on all
28 required vehicles.
29

30 **SECTION 6. OWNERSHIP OF SOLID WASTE**
31

32 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
33 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
34 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
35 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
36 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
37 Franchisee.
38

39 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**
40

41 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
42 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
43 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
44 Delivery Agreement to be effective on the same date as this Agreement.
45
46
47
48

1 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

2
3 **A. Indemnification of County**

4
5 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
6 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
7 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
8 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
9 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
10 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
11 reasonable costs and expenses of investigating and defending against same; provided, however, that
12 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
13 negligence or misconduct of County or their agents, officers, or employees.

14
15 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
16 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
17 survive the term of the franchise.

18
19 **B. Hazardous Substances Indemnification.**

20
21 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
22 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
23 counsel approved by County, protect and hold harmless County and their respective employees, agents,
24 assigns, and any successor or successors to County's interest from and against all claims, actual damages
25 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
26 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
27 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
28 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
29 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
30 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
31 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
32 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
33 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
34 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
35 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
36 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
37 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.

38
39 **C. Minimum Diversion Requirements**

40
41 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
42 California Public Resources Code, Section 41780 and any other current or future California Statute that
43 requires the County to divert material from landfills. In the event that the State of California alters the
44 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
45 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
46 associated with any additional recycling programs.

47
48 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
49 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.

1 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
2 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
3 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
4 against any third party as a means of meeting its obligation under this section.
5

6 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
7 by the Director as set forth in Section 9.A. of this agreement.
8

9 D. Worker's Compensation Insurance.
10

11 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
12 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
13 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
14 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
15 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
16 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
17 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
18 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
19 arise from work performed by the named insured for the County.
20

21 E. Public Liability Insurance.
22

23 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
24 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
25 six million dollars (6,000,000.00) aggregate and three million dollars (3,000,000.00) per occurrence for
26 bodily injury and property damage. Said insurance shall protect Franchisee, the County, and their elected
27 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
28 accidental death, as well as from any claim for property damage which may arise from operations performed
29 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
30 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
31 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
32 of the insurance policies required by this Section:
33

- 34 1) "This policy shall be considered primary insurance as respects any other valid and
35 collectible insurance the County may possess including any self-insured retention the
36 County may have, and any other insurance the County does possess shall be considered
37 excess insurance and shall not contribute with it."
38
- 39 2) "This insurance shall act for each insured, as though a separate policy had been written for
40 each. This, however, shall not act to increase the limit of liability of the insuring company."
41
- 42 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
43 certificate(s) of insurance showing that such insurance is in full force and effect, and
44 County are named as additional insureds with respect to this Franchise and the obligations
45 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
46 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
47 modification, cancellation or reduction in coverage of such insurance. In the event of any
48 such modification, cancellation or reduction in coverage and on the effective date thereof,
49 this Franchise shall terminate forthwith, unless County receive prior to such effective date

1 another certificate from an insurance carrier that the insurance required herein is in full
2 force and effect.
3

4 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
5 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
6 shall be named as additional insureds on all policies and endorsements.
7

8 F. Performance Bond or Letter of Credit.
9

10 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
11 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
12 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
13 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
14 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
15 California.
16

17 G. Modification.
18

19 The insurance requirements provided herein may be modified or waived in writing by the Board upon
20 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
21 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
22 provided by the parent company of Franchisee.
23

24 **SECTION 9. DEFAULT AND REMEDIES**
25

26 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
27 breached its obligation, the provisions of this Agreement, the requirements of the CalRecycle, including,
28 but not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
29 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
30 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Wastes and
31 other wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies.
32 The Director may, in such written instrument, set a reasonable time within which correction of all such
33 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
34 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
35 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
36 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
37 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
38 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
39 below.
40

41 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
42 perform its obligations under this Agreement.
43

44 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
45 therefor, not later than 6 months following the date of said hearing at which a majority vote of the board
46 determines it is in the public interest to do so:
47

- 48 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
49

- 1 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
2 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 3
- 4 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
5 compensation, liability, indemnification coverage, and performance bond as required by
6 the Agreement.
- 7
- 8 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
9 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
10 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
11 which case no breach of the franchise shall be deemed to have occurred.
- 12
- 13 5) If the Franchisee ceases to provide Collection services as required under this Agreement
14 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
15 for any reason within the control of the Franchisee.
- 16
- 17 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
18 refuses to provide County with required information, reports, and/or test results in a timely
19 manner as provided in the Franchise Agreement.
- 20
- 21 7) For any other act or omission by the Franchisee which materially violates the terms,
22 conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other
23 county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation
24 issued thereunder and which is not corrected or remedied within the time set in the written
25 notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach
26 within the time set forth in such notice, if the Franchisee should fail to commence to correct
27 or remedy such violation within the time set forth in such notice and diligently effect such
28 correction or remedy thereafter.
- 29
- 30 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
31 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
32 related to the performance of this Agreement, or of felonious conduct related to anti-trust
33 activities, illegal transport or disposal of hazardous waste or materials, or violation of
34 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
- 35

36 D. Professional Conduct

- 37
- 38 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
39 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
40 court in the United States, or is otherwise alleged to have participated in any criminal
41 activity directly or indirectly associated with the solid waste management business,
42 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
43 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
44 description of the indictment, complaint or allegation, as well as a copy of such indictment
45 or complaint or other matters of public record related thereto. In addition to the foregoing,
46 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
47 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
48 securities laws, including quarterly and annual reports.
- 49

1 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
2 interest, who has any responsibility for any aspect of the franchisee's operations under this
3 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
4 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
5 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
6 upon request of the County be immediately removed from any assignment whatsoever,
7 directly associated with operations under this contract during the pendency of trial and/or
8 following conviction.
9

10 E. This Agreement is subject to all present and future laws, regulations and orders of Federal, State,
11 County, and City governments and any instrumentalities thereof. Should either of the parties hereto at any
12 time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or orders,
13 to do any act that substantially impairs the party's ability to perform under this Agreement, then such party
14 shall notify the other party of such order or requirement and the law, regulation or order on which such
15 order or requirement is based. Unless the parties agree in writing to continue this Agreement, or to
16 renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order becomes
17 effective, then this Agreement shall terminate on the thirty-first day following the date said law, regulation
18 or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's sole
19 expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
20 restrict either party's right to legally contest the validity of such law, regulation or order.
21

22 **SECTION 10. DISRUPTIONS IN SERVICE**

23
24 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
25 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
26 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
27 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
28 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
29 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
30 by such conditions with an estimate of when service will be resumed.
31

32 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
33 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
34 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
35 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
36 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
37 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
38 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
39 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
40 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
41 County's sole negligence in providing such substitute service. Employees of Franchisee, including
42 management employees, may be employed by County during any period in which County temporarily
43 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
44 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
45 between Franchisee and its employees at the time Franchisee's service was interrupted.
46

47 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
48 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
49 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee

1 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
2 be primarily reserved for use by County access while County or its designated representative is performing
3 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
4 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
5 accordance with the provisions of this Agreement.

6
7 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES**
8

9 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
10 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
11

12 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
13 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
14 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
15 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
16 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
17 Arbitration and Mediation Services.
18

19 C. The hearing shall be conducted according to the provisions of California Government Code Section
20 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
21 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
22 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
23 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
24 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
25 reasonably related to the seriousness of the breach of the Agreement.
26

27 D. The party losing the hearing shall be liable for the hearing officer's fees.
28

29 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
30 a material breach of the Agreement, and may be grounds for termination of the Agreement.
31

32 F. Any party to the hearing may issue a request to compel reasonable document production from the
33 other party. Disputes concerning the scope of document production and enforcement of document requests
34 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
35 document request, then by disposition by order of the hearing officer. Any such document request shall be
36 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
37 procedures to protect such rights.
38

39 G. Neither party may communicate separately with the hearing officer after the hearing officer has
40 been selected. All subsequent communications between a party and a hearing officer shall be
41 simultaneously delivered to the other party. This provision shall not apply to communications made to
42 schedule a hearing or request a continuance.
43

44 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
45 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
46 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
47 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
48 the party subject thereto acted with substantial justification or if the interests of justice so require.
49

1 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
2

3 **SECTION 12. FRANCHISE TRANSFERABILITY**
4

5 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
6 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
7 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
8 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
9 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
10 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
11 such a request using such criteria as it deems necessary including, but not limited to, those listed in
12 Subsection C.
13

14 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
15 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
16 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
17 this Agreement.
18

19 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
20 meet the following requirements:
21

22 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
23 investigation costs necessary to investigate the suitability of any proposed transferee, and
24 to review and finalize any documentation required as a condition for approving any such
25 transfer.
26

27 2) The Franchisee shall furnish the County with audited financial statements of the
28 proposed transferee's operations for the immediately preceding three (3) operating years.
29

30 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the
31 proposed transferee has at least five (5) years of solid waste management experience of a
32 scale equal to or exceeding the scale of operations conducted by Franchisee under this
33 Agreement; (ii) that in the last five (5) years, the proposed transferee has not suffered any
34 citations or other censure from any federal, state or local agency having jurisdiction over
35 its waste management operations due to any significant failure to comply with state, federal
36 or local waste management laws. Franchisee shall supply the County with a complete list
37 of such citations and censures; (iii) that the proposed transferee has at all times conducted
38 its operations in an environmentally safe and conscientious fashion; (iv) that the proposed
39 transferee conducts its solid waste management practices in accordance with sound waste
40 management practices in full compliance with all federal, state and local laws regulating
41 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
42 insurance and bonds; and (vii) of other material as may be requested by the County.
43

44 D. This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County
45 without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The
46 foregoing is not intended to prevent the County from exercising its right to terminate the agreement
47 consistent with Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
48
49

1 **SECTION 13. REPORTS**
2

3 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
4 recovery and disposal specified in Exhibit C of this Agreement.
5

6 B. Franchisee shall make its customer base and records available to the Department for audit at
7 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
8 Agreement.
9

10 **SECTION 14. COMPENSATION**
11

12 A. Franchisee Rates.
13

14 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
15 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
16 are included in this Exclusive Franchise to the extent provided in state and federal law.
17

18 B. Modification and Adjustment of Rates.
19

20 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
21 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
22 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
23 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
24 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
25 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
26 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.
27

28 C. Notice of Rate Changes
29

30 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
31 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
32 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
33 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
34 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
35 Services at least forty-five (45) days in advance of the anticipated rate changes.
36

37 D. Resolution of Disputes Regarding Rate Adjustments
38

39 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
40 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
41 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
42 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
43 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
44 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
45 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate.

1 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
2 County's compulsory collection ordinance.

3
4 E. Billing and Payment.
5

6 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
7 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
8 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
9 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
10 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
11 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
12 of Franchisee's billing dates.

13
14 F. Delinquent Accounts.
15

16 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
17 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
18 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
19 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
20 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
21 Franchisee operating in a Compulsory Collection area shall be subject to all applicable provisions in the
22 Compulsory Collection ordinance.

23
24 G. Refunds.
25

26 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
27 such customer for service not provided when service is discontinued by written notification to Franchisee
28 by the customer.

29
30 **SECTION 15. FRANCHISE FEES**
31

32 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
33 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
34 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
35 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
36 be due for fees not submitted within the thirty (30) day time period.

37
38 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
39 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
40 accordance with Exhibit D.

1 **SECTION 16. OTHER REQUIREMENTS**

2
3 A. Privacy

4
5 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
6 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
7 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
8 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
9 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
10 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
11 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
12 that Franchisee may provide such lists to authorized employees and authorized representatives of the
13 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
14 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.

15
16 B. Public Access to the Franchisee

- 17
18 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
19 Monday through Friday. A representative of Franchisee shall be available during office
20 hours for communication with the public at Franchisee's principal office. In the event that
21 normal business cannot be conducted over the telephone, a representative of Franchisee
22 shall agree to meet with the public at a location agreeable to Franchisee and the public.
23 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
24 shall also maintain a local or toll free after-hours telephone number for use during other
25 than normal business hours. Franchisee shall have a representative or answering device or
26 system available at said after-hours telephone number during all hours other than normal
27 office hours.
28
29 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
30 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
31 Person, by close of business of the second business (waste Collection) day following the
32 date on which such complaint is received. Service complaints may be investigated by the
33 Director or a designee. Franchisee shall maintain records listing the date of customer
34 complaints, the customer, describing the nature of the complaint or request, and when and
35 what action was taken by the Franchisee to resolve the complaint. All such records shall
36 be maintained and shall be available for inspection by County.
37
38 3) Government Liaison Person. The Franchisee shall designate a "government liaison
39 Person" who shall be responsible for working with the Department to resolve customer
40 complaints.
41

42 C. Resolution of Disputed Customer Complaints.

43
44 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
45 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
46 Procedures for resolution of disputed claims shall be as follows:

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- 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the County to review the complaint. To obtain this review, the customer may request County review within thirty (30) days of receipt of Franchisee's response to the Complaint, or within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee has failed to respond to the complaint. The County may extend the time to request its review for good cause.
 - 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the Franchisee fails to cure the complaint within ten (10) days, the Director shall review the customer's complaint and determine if further action is warranted. The Director may request written statements from the Franchisee and customer, and/or oral presentations.
 - 3) The Director 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 Franchise Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in addition to any actual damages.
 - 4) The Director may delegate these duties to a designee. The decision of the Director or a designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee may seek review pursuant to Section 11 above.

25 D. Hazardous Materials and Waste Handling and Disposal

26
27 The Franchisee shall comply with the procedures detailed in State Law.

28
29 **SECTION 17. FORCE MAJEURE**

30
31 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so long as,
32 it is impossible or extremely impractical for it to perform its obligations in whole or in part for any of the
33 following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the Solid
34 Waste facilities used by Franchisee:

- 35 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
36 earthquakes, tornados, or other catastrophic events;
37 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
38 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
39 other event leading to the imposition of quarantines, travel or movement restrictions, social
40 distancing, or public health advisories restricting large gatherings;
41 D. Accident or other catastrophic event including fire or explosion;
42 E. Strikes and labor disputes;
43 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
44 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
45

1 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event later
2 than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall describe
3 in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure event, the
4 expected length of time that Franchisee expects to be prevented from performing, the steps which
5 Franchisee intends to take to restore its ability to perform, and such other information as the County may
6 reasonably request.

7
8 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure of
9 the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right to
10 use the facilities of any public utility where such failure is due solely to the acts or omissions of the
11 Franchisee.

12
13 **SECTION 18. OTHER PROVISIONS**

14
15 A. Independent Contractor.

16
17 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
18 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
19 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
20 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
21 retirement or other benefits which accrue to County employees.

22
23 B. Property Damage.

24
25 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
26 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
27 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

28
29 C. Right of Entry.

30
31 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
32 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
33 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
34 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

35
36 D. Law to Govern.

37
38 The law of the State of California shall govern this Franchise Agreement.

39
40 E. Gratuities.

41
42 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
43 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
44 Franchise Agreement.

1
2 F. Compliance with Franchise Agreement.
3

4 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
5 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
6 the Term of this Franchise Agreement.
7

8 G. Notices.
9

10 All notices required or permitted to be given under this franchise shall be in writing and shall be
11 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
12 receipt requested, and addressed as follows:
13

14 To County: County of Riverside
15 Attn: Department of Environmental Health
16 4065 County Circle Drive
17 Riverside, CA 92503
18

19 Copy to: County Counsel
20

21 To Franchisee: Douglas E Corcoran
22 Vice President
23 USA Waste of California, Inc. dba Waste Management of The Inland
24 Empire
25 9081 Tujunga Ave.
26 Sun Valley, CA 91352
27 United States
28

29 Copy to: Lily Quiroa
30 Public Sector Services Regional Manager
31 800 S. Temescal Street
32 Corona, CA 92879
33

34 or to such other address as either party may from time to time designate by notice to the other given in
35 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
36 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
37 receipt of confirmation of delivery which confirmation may be transmitted by fax.
38

39 H. Exhibits Incorporated.
40

41 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
42 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
43 Agreement, the language of the Exhibit shall prevail.

1
2 I. Nondiscrimination.
3

4 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
5 on the ground of race, sex, age, creed, color, religion or national origin.
6

7 J. Laws and Licenses.
8

9 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
10 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
11 to perform the services hereunder and maintain the same in full force and effect.
12

13 K. Waiver.
14

15 No waiver by either party of any one or more defaults or breaches by the other in the performance of
16 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
17 like or different character.
18

19 **SECTION 19. SEVERABILITY**
20

21 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
22 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
23 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
24 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
25 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
26 Agreement.
27

28 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
29 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
30 enforceability of any of the remaining provisions of this Franchise Agreement.
31

32 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
33

34 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
35 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
36 and all other communications, representations, proposals, understandings or Agreements, either written or
37 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
38 or amended, in whole or in part, except by writing signed by both parties hereto.
39

40 At least once every 5 years, or more often as required by a significant change in law, starting from the
41 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
42 or required amendments.
43
44
45

1 **SECTION 21. CONSTRUCTION OF FRANCHISE**

2
3 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
4 attorneys, and no provision contained herein shall be construed against County solely because it prepared
5 this agreement in its executed forms.

6
7 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

8
9 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
10 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
11 another company, all service levels and rates of this contract shall at the discretion of the Board of
12 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____.

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones

10

Director

11

Riverside County

12

Department of Environmental Health

13

14 FRANCHISEE

15

16

BY: _____

17

Douglas E Corcoran

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Vice President

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USA Waste of California, Inc. dba Waste

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Management of The Inland Empire

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EXHIBIT B

FRANCHISE AREA #3

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

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EXHIBIT B

HAULER FRANCHISE AREA 3

(Northeast)

Beginning at a point on the boundary of Riverside County, said point being also the Northeast Corner of section 7, T. 2 S., R. 3 W, S.B.M.;

Thence Westerly along the Northerly county boundary to the intersection of the Riverside City Limits;

Thence Southeasterly along the city limits of Riverside to the Northerly line of section 28, T. 2 S., R.4 W.;

Thence Easterly along the Northerly section lines of sections 28 and 27 T. 2 S., R. 4 W, to the intersection of Box Springs Mountain Rd;

Thence Northerly along the centerline of Box Springs Mountain Rd to a ridge line that intersects said Box Springs Mountain Rd at the approximate elevation of 2200 feet;

Thence following said ridge line through sections 22, 15, 14, 13 and 24 of said T. 2 S., R. 4 W., to the Northerly city limits of Moreno Valley, said point being located in the vicinity of the center of said section 24, T. 2 S., R. 4 W.;

Thence Easterly along said Northerly city limits of Moreno Valley to the Westerly line of section 20 T. 2 S., R. 3 W.;

Thence Southerly along the Westerly line said section 20 to the southwest Corner thereof;

Thence Easterly along the Southerly line of section 20 and 21 to the southeast Corner of section 21 T. 2 S., R.3 W.;

Thence Northerly along the Easterly line of section 21 to the Northeast Corner thereof;

Thence Westerly along the Northerly line of section 21 to the Northwest Corner thereof;

Thence Northerly along the Easterly line of section 17 T. 2 S., R. 3 W., to the Northerly county boundary of Riverside County;

Thence Northwesterly, along the county boundary to the Northeast Corner of section 7 T. 2 S., R. 3 W., to the point of beginning.

(Northwest)

Beginning at the intersection of Placentia Ln and the Northerly boundary of Riverside County, said point also being located on the city limits of Riverside;

Thence in a general southwesterly direction following along the city limits of Riverside to the intersection of the East line of section 11 T. 2 S., R.5 W.;

Thence Northerly along the East line of Section 11 to the Northerly boundary of Riverside County;

Thence Easterly along the Northerly county boundary to the point of beginning.

1
2 (South)
3 Beginning at the West Quarter Corner of Section 8 T.6 S., R.3 W., also being on the city limits of the City
4 of Lake Elsinore and also being on the centerline of Craig Ave;
5
6 Thence Easterly, along the centerline of Craig Ave to the East line of section 10 T.6 S., R. 3 W.;
7
8 Thence Southerly, along the East line of Sections 10, 15, 22 and 27 to the Southeast Corner of Section 27
9 T.6 S., R.3 W., also being on the Northerly city limits of the City of Murrieta;
10
11 Thence Southwesterly, along the city limits of the City of Murrieta to its intersection with Interstate 15;
12
13 Thence Northwesterly, along the centerline of Interstate 15 to its intersection with the city limits of the
14 City of Lake Elsinore;
15
16 Thence Easterly, along the city limits of the City of Lake Elsinore to the West Quarter Corner of Section
17 8 T.6 S., R. 3 W., the point of beginning.
18
19 (Southwest)
20 Beginning at the intersection of the Westerly boundary of the County of Riverside and the Center Section
21 line of section 6 T. 5 S., R.6 W.;
22
23 Thence Northerly, along the Center line of section 6 T.5 S., R.6 W., to the South line of T. 4 S., R. 6 W.;
24
25 Thence Easterly, along the South Township Line to the Southern Quarter Corner of section 32 T. 4 S., R.
26 6 W;
27
28 Thence Northerly, along the Center Section lines of sections 32 and 29 to the Northern Quarter Corner of
29 Section 29 T. 4 S., R.6 W;
30
31 Thence Easterly, along the North line of Sections 29 and 28 T. 4 S., R.6 W., to the intersection of Section
32 28 and Interstate 15;
33
34 Thence Northwesterly, along the centerline of Interstate 15 to the intersection of Cajalco Rd;
35
36 Thence Easterly, along the centerline of Cajalco Rd to the intersection of Wood Rd;
37
38 Thence Southerly, along the centerline of Wood Rd to the Northwest Corner of Section 20 T.4 S., R. 4 W;
39
40 Thence Easterly, along the North lines of Section 20, 21, 22, 23 and 24 of T.4 S., R.4 W., to the Northeast
41 Corner of Section 24, also being the Northwest Corner of Section 19 T. 4 S., R.3 W;
42
43 Thence Easterly, along the North line of Section 19 T. 4 S., R. 3 W., to its intersection with the city limits
44 of the city of Perris;
45
46 Thence Southerly, along the city limits of the City of Perris to its intersection with the city limits of the
47 City of Canyon Lake;
48
49 Thence Westerly, along the city limits of the City of Canyon Lake to its intersection with the city limits
50 of the City of Lake Elsinore, also being the Northeast Corner of Section 34 T. 5 S., R. 4 W;
51

1 Thence Westerly along the city limits of the City of Lake Elsinore to the Southeast Corner of Section 29
2 T. 5 S., R.5 W;
3
4 Thence Westerly, along the Southerly lines of Sections 29 and 30 T. 5 S., R. 5 W., to the Southwest Corner
5 of Section 30, also being on the West Township line of T. 5 S., R. 5 W.;;
6
7 Thence Southerly, along the West line of T. 5 S., R.5 W., to its intersection with the Westerly boundary
8 of the County of Riverside;
9
10 Thence Northwesterly, along the Westerly boundary of the County of Riverside to its intersection with
11 the Center Section line of Section 6 T.5 S., R. 6 W., the point of beginning.
12
13 Excluding from said franchise area are the customer addresses lying adjacent to and on both sides of the
14 following boundary streets:
15
16 Orange Ave between Interstate 215 and Patterson Ave Cajalco Rd, between its intersection with the
17 Westerly line of Section 15 T.4 S., E. 6 W. S. B. M. and Interstate 15
18
19 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
20 in areas 1, 2,4, 5,6, 7, 8, 9, 10, 11,12 and 13.
21
22 Also excludes any areas within city boundaries.

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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

Collection Summary

The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste and Recyclable

1 Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not
2 available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall
3 clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density
4 factors.

6 **Education and Outreach**

8 The Franchisee shall submit copies of public education materials sent to customers or provided
9 electronically on their websites or social media outlets.

10 **Service Performance**

11
12 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
13 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
14 shall identify the total number of all written or oral Customer comments and shall provide the number of
15 comments received in the following categories: praises, litter or property damage complaints, misplacement
16 of containers, stolen containers, personnel complaints, missed pickups, and other.

18 **Container Contamination Monitoring**

19
20 The Franchisee shall provide a summary of container contamination monitoring activities including
21 information on efforts to minimize container contamination. When applicable a separate detailed report
22 shall be provided to the Department identifying sites that are out of compliance and require additional
23 enforcement by the County.

25 **4. ANNUAL REPORTS**

26
27 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
28 Franchisee will be responsible for providing the following reports:

- 30 1. Summary reports
- 31 2. Equipment inventory
- 32 3. Program implementation
- 33 4. Future programs
- 34 5. Litigation information
- 35 6. Education and Outreach

37 **Summary Reports**

38
39 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
40 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
41 provided shall include quantities of materials collected, and if processed by non-system facilities, the
42 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
43 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
44 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
45 experiences, and any problems in program operation and how they were resolved.

47 **Equipment Inventory**

48
49 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.

1 The inventory list shall indicate the age of the equipment.

2

3 **Program Implementation**

4

5 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
6 for the year. The report shall address how the problems and barriers were overcome or the proposed
7 resolutions and schedule for correcting the problem.

8

9 **Future Programs**

10

11 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
12 but have not been planned for.

13

14 **Litigation Information**

15

16 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
17 against the parent company and all subsidiaries of parent company that may have an effect on the
18 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

19

20 **Education and Outreach**

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22 The Franchisee shall submit copies of public education materials sent to customers or provided
23 electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by

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the County.

3. The District directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 4. The County modifies the franchise fee.
 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 6. Significant increases in the number of customer accounts due to development or growth.
 7. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #4

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1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND USA WASTE OF CALIFORNIA, INC. DBA WASTE MANAGEMENT OF THE INLAND
4 EMPIRE WASTE MANAGEMENT OF INLAND EMPIRE, A DIVISION OF USA WASTE OF
5 CALIFORNIA, INC. WASTE MANAGEMENT COLLECTIONS AND RECYCLING, INC.
6 FOR THE COLLECTION AND TRANSPORTATION
7 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND OTHER SPECIFIED
8 SERVICES RECYCLABLE MATERIALS
9

10 This Franchise Agreement ("Franchise Agreement"), by and between the County of Riverside
11 ("County") and USA Waste of California, Inc. dba Waste Management of The Inland Empire
12 ("Franchisee"), for the Collection and transportation of Solid Waste, Recyclable Materials, Organic Waste,
13 and construction debris and other specified services, originally entered into on April 36, 1998, and most
14 recently amended on September 27, 2016, is hereby amended and restated on December 7, 2021. is entered
15 into this 6th day of April, 1998 and amended on September 27, 2016, by and between the County of
16 Riverside ("County") and Waste Management of Inland Empire, A Division of USA Waste of California,
17 Inc. Waste Management Collections and Recycling, Inc. ("Franchisee"), for the Collection and
18 transportation of Solid Waste, Recyclable Materials, Organic Waste, and construction debris and other
19 specified services.
20

21 **RECITALS**

22
23 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
24 Ordinance 657 the County of Riverside ("County") has determined that the public health, safety, and well-
25 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for
26 waste management services for residential, commercial, and industrial customers in the County of
27 Riverside; and
28

29 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
30 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
31 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
32 recovery and disposal; and
33

34 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
35 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
36

37 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

38
39 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
40

41 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
42 representations and warranties for the benefit of the County as of the date of this Agreement.
43

- 44 1) Franchisee is duly organized and validly existing as a corporation in good standing under
45 the laws of the State of California.
- 46
- 47 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
48 Agreement, and has duly authorized the execution and delivery of this Agreement.
49

- 1 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
2 Franchisee to do so, and this Agreement has been duly executed and delivered by
3 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
4 against Franchisee in accordance with its terms.
5
6 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
7 court or governmental entity against Franchisee or affecting Franchisee, wherein an
8 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
9 of this Agreement, or which would have a material adverse effect on the financial condition
10 of Franchisee.
11
12 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
13 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
14 parent company's financial circumstances since the date of the most recent financial
15 statements submitted to the Environmental Health Department ("Department"). Prior to
16 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
17 most recent annual financial statements. The Department may at its discretion specify the
18 contents and form of such statements. The Director of Environmental Health may inspect
19 the financial records of the Franchisee at any reasonable time for any reasonable purpose
20 relevant to the performance of this contract.
21
22 6) Franchisee has the expert, professional, and technical capability to perform all of its
23 obligations under this Agreement.
24

25 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
26 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
27 ~~annual financial statements, as provided in Exhibit C.~~
28

29 B. Representations and Warranties of the County.
30

31 Prior to commencement of any services hereunder, the County hereby makes the following
32 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
33

- 34 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
35 This Agreement constitutes the legal, valid and binding Agreement of the County and is
36 enforceable against the County in accordance with its terms.
37
38 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
39 County before any court or governmental entity wherein an unfavorable decision, ruling or
40 finding would adversely affect the validity or enforceability of this Agreement.
41

42 **SECTION 2. DEFINITIONS**
43

44 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
45 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
46 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
47 Agreement. In the event of conflict between the definition of a term as found in the California Public
48 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
49 supersede the definition found in the Public Resources Code or in County ordinances.

1
2 A. Agreement means this Agreement between the County and Franchisee for the Collection and
3 transportation of Solid Waste and other specified services, including all exhibits, and any future
4 amendments.

5
6 B. Bins ~~shall~~ mean those containers provided by Franchisee for commercial, industrial,
7 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~4~~2 to 6 cubic yards in
8 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
9 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.

10
11 C. Board ~~shall~~ means the Riverside County Board of Supervisors.

12
13 ~~C.D. Bulky Items means discarded furniture (including chairs, sofas, mattresses, carpet, and other~~
14 ~~similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,~~
15 ~~plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood~~
16 ~~wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in~~
17 ~~length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per~~
18 ~~Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items~~
19 ~~containing chlorofluorocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.~~
20 ~~Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)~~
21 ~~Persons.~~

22
23 ~~D. Bulky Waste shall mean large, heavy or otherwise difficult to handle items, including, but not~~
24 ~~limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large concrete and~~
25 ~~asphalt chunks, tree stumps, or other waste materials with weights or volumes greater than those allowed~~
26 ~~for containers.~~

27
28 E. Collection means Collection of Solid Waste, recyclable material, or other material specified
29 in this Agreement and its transportation to an appropriate Solid Waste Facility.

30
31 ~~F. Commercial Units shall~~ mean all commercial, industrial, institutional or other facilities, except
32 residential and Multi-Residential Units.

33
34 ~~F. Compost means a stable humus like product that results from the biological decomposition of~~
35 ~~organic materials occurring under controlled conditions.~~

36
37 ~~H. Compost Facility means a Solid Waste Facility that processes Organic Waste, Wood Waste or~~
38 ~~other organic materials to produce Compost or mulch.~~

39
40 ~~I.G. Comprehensive Compulsory Collection Areas shall~~ mean specific portions or areas of the
41 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
42 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.

43
44 ~~J.H. County~~ means the County of Riverside, State of California.

45
46 ~~K.I. Department~~ means the Riverside County Department of Environmental Health.

47
48 J. Director ~~shall~~ means the Director of the Riverside County Department of Environmental
49 Health or ~~his or her~~their designee.

1
2 ~~L.K.~~ Diversion (or any variation thereof including "Divert") means activities which reduce or
3 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
4 recycling, and composting.

5
6 ~~M. District.~~ means the Riverside County Waste Resources Management District.

7
8 ~~N.L. Effective Date.~~ means the date on which this Agreement becomes effective, which shall be the
9 date it is executed by the Board of Supervisors.

10
11 ~~O.M. Exclusive Franchise.~~ means the rights granted to the Franchisee under the terms and conditions
12 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
13 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
14 B.

15
16 ~~P. Extremely Hazardous Waste.~~ shall mean any Hazardous Waste or mixture of Hazardous
17 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
18 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.

19
20 ~~Q.N. Franchise Area.~~ means the geographic territory defined in Exhibit B.

21
22 ~~R. Franchise Documents.~~ shall mean the Agreement (as herein defined), the separately executed
23 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
24 under this Agreement.

25
26 ~~S.O. Generator.~~ means the owner or occupant of premises, including residences or businesses, which
27 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

28
29 ~~T.P. Green Waste.~~ means organic waste generated from any landscaping including grass clippings,
30 leaves, prunings, tree trimmings, weeds, branches, and brush.

31
32 ~~U.Q. Gross Receipts.~~ means all monies received by Franchisee for providing franchise services
33 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
34 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
35 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
36 of State or other governmental agencies.

37
38 ~~V.R. Hard-to-Service.~~ may refer to any service area that is not standard curb and gutter service or
39 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
40 of the following:

- 41 1) Rural, sparsely populated areas,
- 42 2) Hilly or mountainous terrain,
- 43 3) Poorly paved or unpaved roads which may be unpassable in poor weather,
- 44 4) Large, uninhabited areas between pockets of homes,
- 45 5) Unusually heavy waste due to large properties, livestock, etc.,
- 46 6) Limited access on a private street or alley.

47 5) Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every
48 twenty-four (24) months, or more frequently as requested by the County, in order to verify that those areas
49 remain "Hard to Service"

1
2 ~~W. — Hazardous Waste shall mean any waste material or mixture of wastes which is defined or~~
3 ~~otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an~~
4 ~~irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a~~
5 ~~waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,~~
6 ~~or as a proximate result of any disposal of such wastes or mixture of wastes. The term “toxic”, “corrosive”,~~
7 ~~“flammable”, “irritant”, or “strong sensitizer” shall be given the same meaning as found in the California~~
8 ~~Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.~~
9

10 ~~X.S. Integrated Waste Management Act (IWMA) shall means~~ the California Integrated Waste
11 Management Act of 1989 (AB 939), including all subsequent amendments.
12

13 ~~Y. — Materials Recovery Facility means a facility intended primarily for recovery and processing~~
14 ~~of Recyclable Materials that are source-separated, or a facility intended to recover Recyclable Materials~~
15 ~~from Solid Waste. Such a facility may also function as a Transfer Station.~~
16

17 ~~Z.T. Multi-Residential Units shall mean~~ permanent buildings containing three or more Residential
18 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
19 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
20

21 ~~AA.U. Organic Waste means~~ food waste, green waste, landscape and pruning waste, nonhazardous
22 wood waste, and food-soiled paper waste that is mixed in with food waste.
23

24 ~~BB. — Permitted Hauler means a Solid Waste service provider who has a valid permit to operate~~
25 ~~within all, or a portion of, the unincorporated County.~~
26

27 ~~CC. — Person shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,~~
28 ~~trust, association, or corporation whether for profit or non-profit.~~
29
30

31 ~~DD.V. Recyclable Materials means~~ material which has been segregated from other Solid Waste
32 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
33 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
34 Recyclables consisting of two or more of the above-referenced material types separated from non-
35 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
36 than five (5) percent Solid Waste by weight.
37

38 ~~EE.W. Residential Unit shall means~~ an occupied dwelling within the unincorporated area of the
39 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
40 either water or domestic light and power services are being supplied thereto. This definition shall apply also
41 to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to
42 be two (2) attached Residential Units.
43

44 ~~FF.X. Roadways means~~ all County maintained roadways in the unincorporated area of the County
45 or private roadways, accessible by the Franchisee and used for providing routine service as defined in
46 Exhibit A of this Agreement.
47

48 ~~GG. — Solid Waste means all putrescible and non putrescible solid, semisolid and liquid wastes,~~
49 ~~including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction~~

1 wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,
2 and other discarded solid and semisolid wastes.

3
4 Solid Waste does not include any of the following wastes:

5 ~~○ Hazardous waste, as defined in Public Resources Code Section 40141.~~

6 ~~○ Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8
7 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety
8 Code).~~

9 ~~○ Medical waste regulated pursuant to the Medical Waste Management Act (Part 14
10 (commencing with Section 117600) of Division 104 of the Health and Safety Code).
11 Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in
12 Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall
13 be regulated pursuant to this division.~~

14
15 ~~HH. — Solid Waste Facility. means any facility that is licensed, permitted or otherwise approved by
16 all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,
17 Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material
18 recovery, composting, waste to energy, or landfill facilities.~~

19
20 ~~II.Y. System Facility. means a Solid Waste Facility that is owned and/or operated by the Riverside
21 County Department of Waste Resources (DWR) District, or with which the District DWR has entered into
22 an Agreement, and that for the purposes of this Agreement is designated by the District DWR through a
23 separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery
24 and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.~~

25
26 ~~II.Z. Term. means the Term of this Agreement, as provided for in Section 3.~~

27
28 ~~KK. — Transfer Station. shall include those intermediate waste handling facilities where Solid Wastes
29 are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof
30 may undergo incidental processing, recycling or further handling before transportation to a disposal site,
31 Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer
32 station":~~

33 ~~1) Locations where less than 15 cubic yards of combined container volume are
34 provided to serve as community or multi residence receptacles for residential refuse.~~

35 ~~2) Storage receptacles for waste from multi-residential buildings or for commercial
36 Solid Wastes.~~

37 ~~3) A container used to store construction or demolition wastes at the place of
38 generation.~~

39 ~~4) Containers used to store salvaged materials.~~

40
41 ~~LL.AA. Waste Delivery Agreement. means the contract entered into by the District DWR and the
42 Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to
43 be directed to specified System Facilities and kept on file with the DWR.;~~

44
45 ~~MM.BB. Wood Waste. means industrial dimension lumber, pallets, shipping dunnage, and similar
46 discarded processed wood materials, and large tree limbs.~~

47
48 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**

1 A. Pursuant to Ordinance 657745, and the IWMA, and subject to the terms and conditions of this
2 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
3 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
4 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
5 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
6 purposes.

7
8 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
9 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
10 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
11 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
12 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
13 Organic Waste; ~~(3) to the cancellation, upon the Effective Date of this Agreement, of any permit or other~~
14 ~~authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable~~
15 ~~Materials, or Organic Waste for the portion of the unincorporated county permit area covered by Exclusive~~
16 ~~Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code~~
17 ~~section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for~~
18 ~~those areas represented by Exclusive Franchise Agreements.~~

19
20 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to~~
21 ~~its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement~~
22 ~~and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in~~
23 ~~accordance with the provisions of this Agreement.~~

24
25 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
26 the Exclusive Franchise, to the extent provided for in state and federal law.

27
28 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the~~
29 ~~Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of~~
30 ~~this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior~~
31 ~~thereto either the County or the Franchisee gives written notice of non renewal to the other party. Only one~~
32 ~~notice of non renewal shall be required hereunder. Notice of non renewal need not be based on cause.~~ The
33 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
34 notice for nonperformance, as provided in Sections 9 and 10 hereof.

35
36 D. Franchisee will commence services under this Agreement on January ~~1st, 1999~~, 1, 2022.

37
38 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
39 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
40 taken.

41
42
43 **SECTION 4. FRANCHISE AREA**

44
45 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
46 County defined in Exhibit B, "Franchise Area."

47
48 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**

1 A. General.

2
3 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
4 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which
5 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
6 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
7 Exhibit A, and the rates set forth in accordance with Exhibit ED. Minimum levels of Solid Waste service
8 to be provided under this Agreement are defined below, however, no residential or commercial or business
9 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
10 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
11 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
12 provisions of Section 16 (B) (2) related to "service complaints."
13

14 B. Single Family Residential.

15
16 Weekly Service. Not less often than once per week, and more frequently if required to handle the
17 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials (except
18 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
19 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
20 Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without obstructions so as
21 to permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
22 ~~Franchisee may supply containers, and/or may require the use of specific containers as specified in Exhibit~~
23 ~~A.~~ Franchisee may negotiate special pickup procedures, above and beyond the normal services described
24 above, with customers for an additional fee in an amount provided in Exhibit ED.
25

26 C. Commercial, Industrial, and Multi-Residential.

- 27
28 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
29 if required to handle the waste stream of the premises where the Bins are located,
30 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
31 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
32 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
33
34 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
35 frequently if required to handle the waste stream of the premises where the Bins are located,
36 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
37 Collection in Solid Waste Bins at Commercial Units.
38

39 D. Construction and Temporary Bin/Rolloff Services.

40
41 Franchisee shall provide construction and temporary bin/rolloff services using rates reflected
42 in established per Exhibit ED.
43

44 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 45
46 ~~1) At least twice a year, Franchisee shall provide a one (1) day cleanup service to all~~
47 ~~Residential Unit customers on its routes wherein all bulky materials left on the curb, or~~
48 ~~other designated location on or adjacent to customer's property, up to a maximum of one~~
49 ~~and one-half cubic yards, will be removed and disposed. Cost for this service, excluding~~

1 the cost of disposal, shall be included within the normal monthly rates for Residential Unit
2 Solid Waste Collection as specified in Exhibit E. When feasible, the bulky material will
3 be collected in a vehicle separate from the one used to pick up the residential unit's Solid
4 Waste on a weekly basis so that it can be readily identified as not requiring tipping fees
5 when it arrives at the designated landfill. Franchisee will make a good faith effort to divert
6 the bulky material away from the designated landfill and to another facility where it can be
7 either recycled or refurbished for reuse. Collection of heavy waste materials such as dirt,
8 rock, concrete, and asphalt are not included in this service.
9

10 Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service arranged
11 at the request of the customer for large household appliances or furniture or multiple smaller
12 items not exceeding one and one-half cubic yards. Collection of heavy waste materials such as
13 dirt, rock, concrete, and asphalt are not included in this service. Franchisee shall advertise the
14 availability of the Bulky Wastes Collection service and shall provide the Bulky Waste Collection
15 service within seven (7) working days of request by customer. Franchisee shall bill the customer
16 for Bulky Waste Collection at the rate established in Exhibit E. Standard disposal rates shall be
17 paid by franchisee at System Facility.

18 2)1) Upon verbal or written customer request, made a minimum of two business days
19 prior to the customer's regular service day, Franchisee shall provide on-call Single Family
20 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
21 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
22 customer. Franchisee and County agree that this service is intended to allow residents to
23 safely discard of large household items such as furniture and whitegoods or other large
24 household items that do not fit in their regular weekly trash containers. Each Single
25 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
26 Household Waste Collection Services per calendar year with a maximum of four (4) items
27 at each collection occurrence. The total amount of annual allowable items per household
28 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
29 (4) tires per collection request. Bulky Household Waste items do not include items such as
30 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
31 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
32 service shall be subject to the bulky item rates established on the rate sheets approved by
33 the Board of Supervisors.
34

35 3)2) Franchisee shall provide large rolloff refuse containers requested by the Director
36 or his designee to respond to organized community clean up efforts at no charge.
37 Franchisee shall deliver containers to agreed upon collection points and shall cooperate
38 with the Director and designated community leaders to remove containers and dispose of
39 collected Solid Waste. Franchisee is obligated to provide the equivalent of two 40-cubic
40 yard bins/loads per year for each 1,000 Residential Unit customers serviced within the
41 Franchise Area. The ~~District DWR~~ will arrange that there shall be no charge of disposal
42 fees for such Solid Waste delivered in separate vehicles to the System Facilities.
43

44 F. Illegal Dumping Retrieval Services

45 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:
46
47

- 1) ~~If Requested by the County the~~ Franchisee shall turn in ~~to County~~ a ~~monthly~~ report of illegal dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as tires, couches, and appliances) noticed within or along the Roadway in the franchise area. For the purpose of this provision, the Roadway shall include public rights of way within twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of unpaved roadways.
- 2) Franchisee shall anticipate and arrange to receive daily by ~~facsimile~~ electronic methods, copies of reports of illegal dumping reported by citizens to the ~~Department of Environmental Health~~, Department of Transportation, or the ~~Waste Resources Management District~~ DWR.
- 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped materials on the Roadway within ~~forty-eight (48)~~ seventy-two (72) hours of the receipt of reports thereof (excluding weekends and holidays) except for remote areas, as approved by the director, for which the removal shall occur within five working days. The Franchisee may request that specified roads, determined by the franchisee to be inaccessible for waste removal, be considered by the Director for revised waste removal requirements.
- ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at County disposal sites at the time of delivery of the corresponding loads of illegally dumped debris. Nothing herein shall prevent the immediate pickup, delivery and reporting thereof, as part of the normal route collection activities, of illegally discarded material.~~
- ~~5) 4) _____~~ Abandoned vehicles and objects or appliances larger than conventional household furniture or appliances as well as hazardous, medical and other wastes requiring special handling are exempt from the retrieval requirements set forth herein, provided, however, that of these exempted items noted within the Roadway are to be immediately reported to the Director.
- ~~6) 5) _____~~ The Franchisee shall, upon request of private property owners, the Director or the Departments of County Transportation and Land Management Agency, provide removal services for waste illegally disposed of on their private property, excluding those wastes described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit ED.
- ~~7) 6) _____~~ Illegally disposed materials along Roadways within one mile of disposal sites within Riverside County are exempt from the retrieval requirements set forth herein.
- ~~8) For sixty (60) days from the effective date of this contract, the County will arrange that there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall pay the usual fees charged for comparable types and quantities of Solid Waste.~~
- ~~9) Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit to the Director an accurate accounting of its costs to provide Illegal Dumping Retrieval Service.~~

G. Collection of Used Motor Oil.

1 Franchisee shall collect used motor oil from single family residential customers in accordance with ~~the~~
2 ~~Reeycled Oil Collection and Storage Standards pursuant to Riverside County Ordinance 657 and Riverside~~
3 ~~County Resolution 90-668.~~ California Public Resources Code Section 48691.
4

5 ~~H. Diversion Services~~

6

7 ~~1) Diversion services proposed by Franchisee as described in Exhibit H shall be provided~~
8 ~~throughout the duration of this contract.~~
9

10 ~~2) At any time during the term of this Agreement, upon one hundred eighty (180) days written~~
11 ~~notice from the Director, Franchisee shall provide collection of Green Waste or Organic~~
12 ~~Waste from Residential Units throughout, or in designated portions of its Exclusive~~
13 ~~Franchise Area. Franchisee's rates for this service shall be as established in Exhibit E as~~
14 ~~adjusted by the methodology established in Exhibit F.~~
15

16 ~~I.H. Collection and Equipment~~

17

18 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
19 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
20 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
21 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~ The equipment of
22 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
23 ~~Department on an annual basis at the request of the Department.~~
24

25 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
26 the Department of Motor Vehicles of the State of California, shall be kept clean and in
27 good repair, and shall be uniformly painted.
28

29 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
30 ~~days.~~
31

32 ~~3) A local or toll free telephone number, and vehicle number shall be clearly visibly~~
33 ~~displayed on all required vehicles, in letters and figures no less than three inches (3") high.~~
34

34 ~~2)~~

35 SECTION 6. OWNERSHIP OF SOLID WASTE

36

37 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
38 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
39 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
40 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
41 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
42 Franchisee.
43

44 SECTION 7. DIRECTION OF COLLECTED MATERIALS

45

46 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
47 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)

1 and the ~~District~~DWR. The rates ~~shown-referenced~~ in Exhibit ~~E-D~~ are based on the _____facility(ies)
2 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.
3

4 SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND

5

6 A. Indemnification of County ~~and District~~.

7

8 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
9 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
10 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
11 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
12 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
13 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
14 reasonable costs and expenses of investigating and defending against same; provided, however, that
15 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
16 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.
17

18 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
19 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
20 survive the term of the franchise.
21

22 B. Hazardous Substances Indemnification.

23

24 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
25 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
26 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
27 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
28 damages (including, but not limited to, special and consequential damages), natural resources damage,
29 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
30 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
31 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
32 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
33 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
34 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
35 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
36 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
37 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
38 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
39 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
40 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
41 from liability.
42

43 C. Minimum Diversion Requirements

44

45 _____
46 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
47 California Public Resources Code, Section 41780 and any other current or future California Statute that
48 requires the County to divert material from landfills. In the event that the State of California alters the
49 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or

1 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
2 associated with any additional recycling programs.

3
4 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
5 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
6 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
7 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
8 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
9 against any third party as a means of meeting its obligation under this section.

10
11 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
12 by the Director as set forth in Section 9.A. of this agreement.

13 ~~The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in~~
14 ~~programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner~~
15 ~~which entitles County to diversion credit as specified in California Public Resources Code, Section 41780~~
16 ~~measured on a calendar year basis beginning January 1st, 1999 ("Minimum Diversion Requirement")~~
17 ~~provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.~~
18 ~~Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing~~
19 ~~to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it~~
20 ~~had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for~~
21 ~~calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum~~
22 ~~Diversion Requirements two (2) times after the execution of the agreement, County may terminate this~~
23 ~~Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,~~
24 ~~finds that additional programs are necessary to meet any IWMA required diversion goals the County, or~~
25 ~~District on behalf of the County, may require proposals for additional diversion programs to meet the~~
26 ~~diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if~~
27 ~~agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon~~
28 ~~one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid~~
29 ~~Waste, Recyclable Materials, and/or Organic Waste, and/or to independently implement programs that may~~
30 ~~be needed to meet the minimum diversion requirement.~~

31
32 ~~— If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
33 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
34 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
35 ~~Diversion Requirement, which shall not be unreasonably denied.~~

36
37 D. Worker's Compensation Insurance.

38
39 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
40 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
41 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
42 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
43 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
44 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
45 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
46 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
47 losses which arise from work performed by the named insured for the County.

48
49 E. Public Liability Insurance.

1
2 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
3 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
4 ~~three-six~~ million dollars ~~(\$3,000,000.00)(6,000,000.00)~~ aggregate and ~~one-three~~ million ~~five hundred~~
5 ~~thousand~~ dollars ~~(\$1,500,000.00)(3,000,000.00)~~ per occurrence for bodily injury and property damage.
6 Said insurance shall protect Franchisee, the County, ~~the District~~, and their elected or appointed officials,
7 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
8 as from any claim for property damage which may arise from operations performed pursuant to this
9 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
10 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
11 the Director. All of the following endorsements are required to be made a part of the insurance policies
12 required by this Section:
13

- 14 1) "This policy shall be considered primary insurance as respects any other valid and
15 collectible insurance the County may possess including any self-insured retention the
16 County may have, and any other insurance the County ~~or District~~ does possess shall be
17 considered excess insurance and shall not contribute with it."
18
- 19 2) "This insurance shall act for each insured, as though a separate policy had been written for
20 each. This, however, shall not act to increase the limit of liability of the insuring company."
21
- 22 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
23 with certificate(s) of insurance showing that such insurance is in full force and effect, and
24 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
25 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
26 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
27 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
28 the event of any such modification, cancellation or reduction in coverage and on the
29 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
30 receive prior to such effective date another certificate from an insurance carrier that the
31 insurance required herein is in full force and effect.
32

33 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
34 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
35 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.
36

37 F. Performance Bond or Letter of Credit.
38

39 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
40 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
41 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
42 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
43 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
44 California.
45

46 G. Modification.
47

48 The insurance requirements provided herein may be modified or waived in writing by the Board upon
49 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest

1 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
2 provided by the parent company of Franchisee.

3
4 **SECTION 9. DEFAULT AND REMEDIES**

5
6 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
7 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
8 provisions of this Agreement, the requirements of the ~~California Integrated Waste Management~~
9 ~~Board~~CalRecycle, including, but not limited to, requirements for source reduction and recycling (as to the
10 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
11 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
12 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
13 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
14 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
15 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
16 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
17 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
18 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
19 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
20 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or~~ refer the matter to a hearing
21 officer as provided in Section 11, below. ~~Where the County and the Franchisee have claims pending against~~
22 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~

23
24 ~~B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
25 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the hearing,~~
26 ~~the Board shall consider the report of the Director indicating the deficiencies, and shall give the Franchisee,~~
27 ~~or its representatives and any other interested Person, a reasonable opportunity to be heard.~~

28
29 ~~C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
30 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record, the~~
31 ~~Board determines that the performance of Franchisee is in breach of any material Term of this Agreement~~
32 ~~or any material provision of any applicable Federal, State, or local statute, ordinance or regulation, or is~~
33 ~~deficient with respect to prevailing industry standards, the Board in the exercise of its sole discretion, may~~
34 ~~terminate forthwith, this Agreement. Franchisee's performance under its franchise is not excused during~~
35 ~~the period of time prior to the Board's final determination as to whether such performance is deficient.~~

36
37 D.B. The right of termination is in addition to any other rights of County upon failure of
38 Franchisee to perform its obligations under this Agreement.

39
40 E.C. The County further reserves the right to terminate Franchisee's franchise, following public
41 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
42 board determines it is in the public interest to do so:

- 43
44 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
45
46 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
47 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
48

- 1 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
2 compensation, liability, indemnification coverage, and performance bond as required by
3 the Agreement.
4
5 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
6 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
7 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
8 which case no breach of the franchise shall be deemed to have occurred.
9
10 5) If the Franchisee ceases to provide Collection services as required under this Agreement
11 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
12 for any reason within the control of the Franchisee.
13
14 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
15 refuses to provide County with required information, reports, and/or test results in a timely
16 manner as provided in the Franchise Agreement.
17
18 7) For any other act or omission by the Franchisee which materially violates the terms,
19 conditions, or requirements of this franchise, Ordinance ~~657745~~, successor ordinance,
20 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
21 regulation issued thereunder and which is not corrected or remedied within the time set in
22 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
23 the breach within the time set forth in such notice, if the Franchisee should fail to
24 commence to correct or remedy such violation within the time set forth in such notice and
25 diligently effect such correction or remedy thereafter.
26
27 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
28 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
29 related to the performance of this Agreement, or of felonious conduct related to anti-trust
30 activities, illegal transport or disposal of hazardous waste or materials, or violation of
31 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
32

33 F.D. Professional Conduct
34

- 35 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
36 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
37 court in the United States, or is otherwise alleged to have participated in any criminal
38 activity directly or indirectly associated with the solid waste management business,
39 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
40 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
41 description of the indictment, complaint or allegation, as well as a copy of such indictment
42 or complaint or other matters of public record related thereto. In addition to the foregoing,
43 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
44 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
45 securities laws, including quarterly and annual reports.
46
47 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
48 interest, who has any responsibility for any aspect of the franchisee's operations under this
49 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony

1 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
2 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
3 upon request of the County be immediately removed from any assignment whatsoever,
4 directly associated with operations under this contract during the pendency of trial and/or
5 following conviction.
6

7 G.E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
8 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
9 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
10 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
11 such party shall notify the other party of such order or requirement and the law, regulation or order on
12 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
13 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of such said~~
14 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
15 following the date following the Effective Date of such said law, regulation or order becomes effective.
16 Nothing in this Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking
17 to obtain modification or repeal of such law, regulation or order or restrict either party's right to legally
18 contest the validity of such law, regulation or order.
19

20 SECTION 10. DISRUPTIONS IN SERVICE

21
22 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
23 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
24 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
25 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
26 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
27 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
28 by such conditions with an estimate of when service will be resumed.
29

30 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
31 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
32 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
33 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
34 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
35 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
36 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
37 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
38 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
39 County's sole negligence in providing such substitute service. Employees of Franchisee, including
40 management employees, may be employed by County during any period in which County temporarily
41 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
42 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
43 between Franchisee and its employees at the time Franchisee's service was interrupted.
44

45 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
46 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
47 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
48 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
49 be primarily reserved for use by County access while County or its designated representative is performing

1 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
2 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
3 accordance with the provisions of this Agreement.
4

5 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES 6

7 A. Should Franchisee or the County contend that the County-other party is in breach of this Franchise
8 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
9

10 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
11 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
12 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
13 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
14 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
15 Arbitration and Mediation Services.
16

17 C. The hearing shall be conducted according to the provisions of California Government Code Section
18 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
19 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
20 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
21 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
22 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
23 reasonably related to the seriousness of the breach of the Agreement.
24

25 D. The party losing the hearing shall be liable for the hearing officer's fees.
26

27 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
28 a material breach of the Agreement, and may be grounds for termination of the Agreement.
29

30 F. Any party to the hearing may issue a request to compel reasonable document production from the
31 other party. Disputes concerning the scope of document production and enforcement of document requests
32 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
33 document request, then by disposition by order of the hearing officer. Any such document request shall be
34 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
35 procedures to protect such rights.
36

37 G. Neither party may communicate separately with the hearing officer after the hearing officer has
38 been selected. All subsequent communications between a party and a hearing officer shall be
39 simultaneously delivered to the other party. This provision shall not apply to communications made to
40 schedule a hearing or request a continuance.
41

42 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
43 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
44 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
45 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
46 the party subject thereto acted with substantial justification or if the interests of justice so require.
47

48 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
49

1 **SECTION 12. FRANCHISE TRANSFERABILITY**
2

3 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
4 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
5 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
6 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
7 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
8 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
9 such a request using such criteria as it deems necessary including, but not limited to, those listed in
10 Subsection C.
11

12 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
13 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
14 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
15 this Agreement.
16

17 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
18 meet the following requirements:
19

20 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
21 investigation costs necessary to investigate the suitability of any proposed transferee, and
22 to review and finalize any documentation required as a condition for approving any such
23 transfer.
24

25 2) The Franchisee shall furnish the County with audited financial statements of the
26 proposed transferee's operations for the immediately preceding three (3) operating years.
27

28 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the
29 proposed transferee has at least five (5) years of solid waste management experience of a
30 scale equal to or exceeding the scale of operations conducted by Franchisee under this
31 Agreement; (ii) that in the last five (5) years, the proposed transferee has not suffered any
32 citations or other censure from any federal, state or local agency having jurisdiction over
33 its waste management operations due to any significant failure to comply with state, federal
34 or local waste management laws. Franchisee shall supply the County with a complete list
35 of such citations and censures; (iii) that the proposed transferee has at all times conducted
36 its operations in an environmentally safe and conscientious fashion; (iv) that the proposed
37 transferee conducts its solid waste management practices in accordance with sound waste
38 management practices in full compliance with all federal, state and local laws regulating
39 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
40 insurance and bonds; and (vii) of other material as may be requested by the County.
41

42 D. This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County
43 without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The
44 foregoing is not intended to prevent the County from exercising its right to terminate the agreement
45 consistent with Section 3, and for the County to seek a new franchisee at the expiration of this
46 Agreement. This franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned
47 by the County to any Public Agency having the authority to provide solid waste collection services if the
48 Board determines it is in the public interest to do so.
49

1 SECTION 13. REPORTS

2
3 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
4 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.

5
6 B. Franchisee shall make its customer base and records available to the Department for audit at
7 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
8 Agreement.

9
10 SECTION 14. COMPENSATION

11
12 A. Franchisee Rates.

13
14 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
15 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
16 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
17 ~~the maximum rate to be charged for such materials.~~

18
19 B. Modification and Adjustment of Rates.

20
21 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
22 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
23 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
24 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or ~~District~~
25 ~~DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
26 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates ~~set~~
27 ~~forth on Exhibit E~~ shall remain in effect until adjusted by County following a public hearing as provided in
28 Exhibit ~~FD~~.

29
30 C. Notice of Rate Changes

31
32 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
33 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
34 from County regarding approved changes in landfill fees and CPI adjustments. ~~If requested by the~~
35 ~~Department, the Franchisee will provide a copy of the written notice for review. The wording of the notice~~
36 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
37 ~~prior to release.~~—County shall provide Franchisee with written notice of changes in System Facility,
38 franchise, or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated
39 rate changes.

40
41 D. Resolution of Disputes Regarding Rate Adjustments

42
43 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
44 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
45 the Director or his representative. If resolution can-not be reached, the Director shall refer the matter to the

1 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
2 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
3 resolution of such dispute. The ~~Effective D~~ate of any dispute resolution, whether retroactive or
4 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
5 appropriate. Any Franchisee operating in a ~~Comprehensive-Compulsory~~ Collection Area shall be subject
6 to all applicable provisions in the County's ~~comprehensive-compulsory~~ collection ordinance.
7

8 E. Billing and Payment.
9

10 Franchisee may bill and receive payment as provided ~~in Exhibit E~~herein. In cases where Franchisee
11 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
12 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
13 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
14 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
15 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
16 of Franchisee's billing dates.
17

18
19 F. Delinquent Accounts.
20

21 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
22 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
23 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
24 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
25 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
26 Franchisee operating in a ~~comprehensive-Compulsory e~~Collection area shall be subject to all applicable
27 provisions in the ~~comprehensive-Compulsory e~~Collection ordinance.
28

29 G. Refunds.
30

31 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
32 such customer for service not provided when service is discontinued by written notification to Franchisee
33 by the customer.
34

35 **SECTION 15. FRANCHISE FEES**
36

37 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
38 ~~Transfer Station Tipping Fees,~~ shall be payable by Franchisee to the Department thirty (30) days after the
39 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
40 to be paid for revenues generated by the collection or sale of Recyclable Materials and Organic Waste
41 collected by the Franchisee, ~~or for the provision of construction roll-off services.~~ A penalty of ten (10)
42 percent shall be due for fees not submitted within the thirty (30) day time period.
43

1 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
2 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
3 accordance with Exhibit ~~FD~~.

4
5 **SECTION 16. OTHER REQUIREMENTS**

6
7 A. Privacy

8
9 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
10 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
11 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
12 statute, or upon valid authorization of the customer. —This provision shall not be construed to preclude
13 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
14 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
15 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
16 that Franchisee may provide such lists to authorized employees and authorized representatives of the
17 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
18 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.

19
20 B. Public Access to the Franchisee

- 21
22 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
23 Monday through Friday. A representative of Franchisee shall be available during office
24 hours for communication with the public at Franchisee's principal office. In the event that
25 normal business cannot be conducted over the telephone, a representative of Franchisee
26 shall agree to meet with the public at a location agreeable to Franchisee and the public.
27 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
28 shall also maintain a local or toll free after-hours telephone number for use during other
29 than normal business hours. Franchisee shall have a representative or answering device or
30 system available at said after-hours telephone number during all hours other than normal
31 office hours.
32
33 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
34 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
35 Person, by close of business of the second business (waste Collection) day following the
36 date on which such complaint is received. Service complaints may be investigated by the
37 Director or a designee. Franchisee shall maintain records listing the date of customer
38 complaints, the customer, describing the nature of the complaint or request, and when and
39 what action was taken by the Franchisee to resolve the complaint. All such records shall
40 be maintained and shall be available for inspection by County.
41
42 3) Government Liaison Person. The Franchisee shall designate a "government liaison
43 Person" who shall be responsible for working with the Department to resolve customer
44 complaints.
45

46 C. Resolution of Disputed Customer Complaints.

1
2 The Franchisee shall ~~notify-supply, upon~~ customers ~~request, a copy~~ of this complaint arbitration
3 procedure at the time ~~a customer~~ applies for or ~~are~~ provided service, and subsequently, ~~annually~~
4 ~~requested by the customer~~. Procedures for resolution of disputed claims shall be as follows:

- 5
6 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
7 County to review the complaint. To obtain this review, the customer may request County
8 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
9 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
10 has failed to respond to the complaint. The County may extend the time to request its
11 review for good cause.
12
13 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
14 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
15 customer's complaint and determine if further action is warranted. The Director may
16 request written statements from the Franchisee and customer, and/or oral presentations.
17
18 3) The Director shall determine if the Customer's complaint is justified, and if so, what
19 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
20 of customer charges related to the period of breach of any of the terms of this Franchise
21 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
22 addition to any actual damages.
23
24 4) The Director may delegate these duties to a designee. The decision of the Director or a
25 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
26 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
27 may seek review pursuant to Section 11 above.
28

29 D. Hazardous Materials and Waste Handling and Disposal

30
31 The Franchisee shall comply with the procedures detailed ~~in Exhibit G of this Agreement~~ in State Law.

32
33 **SECTION 17. FORCE MAJEURE**

34
35 ~~Franchisee shall not be in default under this Franchise Agreement in the event that the services provided~~
36 ~~by the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,~~
37 ~~sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,~~
38 ~~landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are~~
39 ~~beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability~~
40 ~~of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from~~
41 ~~other governmental agencies or the right to use the facilities of any public utility where such failure is due~~
42 ~~solely to the acts or omissions of the Franchisee.~~

43
44 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so long as,
45 it is impossible or extremely impractical for it to perform its obligations in whole or in part for any of the

1 following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the Solid
2 Waste facilities used by Franchisee:

3 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
4 earthquakes, tornados, or other catastrophic events;

5 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;

6 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
7 other event leading to the imposition of quarantines, travel or movement restrictions, social
8 distancing, or public health advisories restricting large gatherings;

9 D. Accident or other catastrophic event including fire or explosion;

10 E. Strikes and labor disputes;

11 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.

12 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.

13
14 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event later
15 than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall describe
16 in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure event, the
17 expected length of time that Franchisee expects to be prevented from performing, the steps which
18 Franchisee intends to take to restore its ability to perform, and such other information as the County may
19 reasonably request.

20
21 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure of
22 the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right to
23 use the facilities of any public utility where such failure is due solely to the acts or omissions of the
24 Franchisee.

25 26 **SECTION 18. OTHER PROVISIONS**

27 28 **A. Independent Contractor.**

29
30 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
31 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
32 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
33 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
34 retirement or other benefits which accrue to County employees.

35 36 **B. Property Damage.**

37
38 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
39 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
40 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

41 42 **C. Right of Entry.**

1 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
2 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
3 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
4 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

5
6 D. Law to Govern.

7
8 The law of the State of California shall govern this Franchise Agreement.

9
10 E. Gratuities.

11
12 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
13 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
14 Franchise Agreement.

15
16 F. Compliance with Franchise Agreement.

17
18 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and 745~~, or any
19 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
20 during the Term of this Franchise Agreement.

21
22 G. Notices.

23
24 All notices required or permitted to be given under this franchise shall be in writing and shall be
25 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
26 receipt requested, and addressed as follows:

27
28 To County: County of Riverside
29 Attn: Department of Environmental Health
30 4065 County Circle Drive
31 Riverside, CA 92503

32
33 Copy to: County Counsel

34
35 To Franchisee: Douglas E Corcoran
36 Vice President
37 USA Waste of California, Inc. dba Waste Management of The Inland
38 Empire~~Waste Management of Inland Empire, A Division of USA Waste~~
39 ~~of California, Inc., Waste Management Collections and Recycling, Inc.~~
40 9081 Tujunga Ave.
41 Sun Valley, CA 91352
42 United States

43
44 Copy to: Lily Quiroa

1 Public Sector Services Regional Manager
2 800 S. Temescal Street
3 Corona, CA 92879
4

5 or to such other address as either party may from time to time designate by notice to the other given in
6 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
7 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
8 receipt of confirmation of delivery which confirmation may be transmitted by fax.
9

10 H. Exhibits Incorporated.
11

12 Exhibits A through ~~F-D~~ are attached to and incorporated in the Franchise Agreement by reference. In
13 the event of differences or conflicts between the language of an Exhibit and the language of the Franchise
14 Agreement, the language of the Exhibit shall prevail.
15

16 I. Nondiscrimination.
17

18 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
19 on the ground of race, sex, age, creed, color, religion or national origin.
20

21 J. Laws and Licenses.
22

23 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
24 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
25 to perform the services hereunder and maintain the same in full force and effect.
26

27 K. Waiver.
28

29 No waiver by either party of any one or more defaults or breaches by the other in the performance of
30 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
31 like or different character.
32

33 **SECTION 19. SEVERABILITY**
34

35 A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit~~
36 ~~referenced in this agreement~~ is a material part of the franchise agreement, itself, and is not severable from
37 it. Franchisee agrees not to challenge the validity or enforceability of the Waste Delivery Agreement or
38 any term or provision found in such agreement. If for any reason this Waste Delivery Agreement or any
39 part thereof is found to be void or unenforceable ~~or any part thereof~~ by a court of law, then, the County may
40 consider termination or amendment of the Franchise Agreement~~the Franchise agreement, itself, is deemed~~
41 ~~to be terminated thereupon and to be of no further force or effect.~~
42

43 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
44 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
45 enforceability of any of the remaining provisions of this Franchise Agreement.

1
2 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
3

4 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
5 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
6 and all other communications, representations, proposals, understandings or Agreements, either written or
7 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
8 or amended, in whole or in part, except by writing signed by both parties hereto.

9
10 At least once every 5 years, or more often as required by a significant change in law, starting from the
11 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
12 or required amendments.
13

14 **SECTION 21. CONSTRUCTION OF FRANCHISE**
15

16 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
17 attorneys, and no provision contained herein shall be construed against County solely because it prepared
18 this agreement in its executed forms.
19

20 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
21

22 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
23 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
24 another company, all service levels and rates of this contract shall at the discretion of the Board of
25 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on ~~September 27, 2016~~ _____.

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

~~Keith Jones~~ ~~Steve Van Stockum~~

10

Director

11

12

Riverside County

13

Department of Environmental Health

14

15 FRANCHISEE

16

17

BY: _____

18

Douglas E Corcoran

19

Vice President

20

~~USA Waste of California, Inc. dba Waste~~

21

~~Management of The Inland Empire~~

22

~~Management of Inland Empire, A Division of~~

23

~~USA Waste of California, Inc., Waste~~

24

~~Management Collections and Recycling, Inc.~~

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EXHIBIT B

FRANCHISE AREA #4

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: ~~(To be provided before contract is executed by County)~~

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

~~B. Commercial Account Exceptions:~~

- ~~1. All other Commercial accounts for which a contract for refuse collection services with another franchisee exists, only for the duration of those contracts, which in no event shall exceed 1999.~~

~~C. Planned Unit Development (P.U.D.) Exceptions:~~

~~All P.U.D. accounts ** in unincorporated areas as defined in Resolution 94 143 where Franchisee holds contracts for service; See attached list (Exhibit B2) to be provided by Franchisee~~

~~** Franchisee agrees to work with the Director to negotiate a transfer of these P.U.D. accounts to Franchisee where P.U.D. is located when possible. Evidence of existing contracts may be required by County. If exchanges can not be negotiated, service provisions remain on a competitive basis under the current Refuse Rate Resolution and Ordinance 657.~~

Hauler Franchise Area 4

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{North)
Beginning at the intersection of the Westerly boundary of the county of Riverside and the centerline of Bellegrave Ave;
Thence Northeasterly along the centerline of said Bellegrave Ave to Dodd St;
Thence Southerly along the centerline of Dodd St to Limonite Ave;
Thence Easterly along the centerline of Limonite Ave to the Northeast Corner of Section 28 of T. 2 S., R. 6 W., S.B.M.;
Thence Southerly along the Easterly boundary of Section 28, T. 2 S., R. 6 W., to the Southeast corner thereof, said point being on the Northerly city limits of the City of Riverside;
Thence Southwesterly, along the Northwesterly city limits of the City of Riverside to the intersection with the Northerly limits of the city of Norco;
Thence continuing Southwesterly along the Northwesterly city limits of the City of Norco to the intersection with the Northerly limits of the city of Corona;
Thence continuing Southeasterly, along the city limits of the City of Corona to the intersection of the Northerly Right of Way of State Highway 91;
Thence Westerly, along the Northerly Right of Way of State Highway 91 to the intersection of the Westerly boundary of the County of Riverside;
Thence Northwesterly along the various courses of the county boundary to the point of beginning.
(South)
Beginning at the intersection of La Sierra Ave and Cleveland Ave, also being a point on the Southerly boundary of the city limits of the City of Riverside;
Thence in a general Easterly direction along the Southerly boundary of the city limits of the City of Riverside through its various courses to the intersection of Wood Rd and Krameria Ave, Said point also being on the city boundary of the City of Riverside;
Thence Easterly, along the centerline of Krameria Ave to the intersection of Barton St;
Thence Southerly, along the centerline Barton St to the intersection of Nandina Ave;
Thence Easterly, along the centerline of Nandina Ave to the intersection of Brown St;
Thence Southerly, along the centerline of Brown St to the intersection of Myron St;
Thence Westerly, along the centerline of Myron St to the intersection of Barton St, also being on the East line of Section 8 T. 4 S., R. 4 W., S.B.M.;
Thence Southerly, along the East line of Sections 8 and 17 T. 4 S., R. 4 W., to the Southeast Corner of Section 17;

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Thence Westerly, along the Southerly line of Section 17 to the Southwest Corner of Section 17;

Thence Northerly, along the West line of Sections 17 and 8 T. 4 S., R. 4 W., to the intersection of Section 8 and Cajalco Rd;

Thence Westerly, along the centerline of Cajalco Rd to the intersection of the East line of Section 15 T. 4 S., R.6 W.;

Thence Northerly, along the East line of Sections 15 and 10 T. 4 S., R.6 W., to the East Quarter Corner of Section 10, Said point also being on the city boundary of the City of Corona;

Thence Northwesterly, along the city limits of the City of Corona through its various courses, to the intersection with the Southerly limits of the City of Riverside;

Thence Easterly, along the city limits of the City of Riverside through its various courses to the intersection of La Sierra Ave and Cleveland Ave, also being the point of beginning.

Included within said franchise area are the customer addresses lying adjacent to and on both sides of the following boundary streets

- Myron St between Brown Ave and Barton Rd.
- Bellegrave Ave between Hamner Ave and Dodd St
- Dodd St between Bellegrave Ave and Limonite Ave

The boundaries described herein specifically exclude any territory assigned by franchises to other haulers in areas 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12 and 13.

Also excludes any areas within City boundaries.

EXHIBIT B
FRANCHISE AREA 4 PLUS

COUNTY LIST

Area 1

13550 MAGNOLIA AVE	428 DENVER ST
412 GLEN ST	13684 MAGNOLIA AVE
1140 VILLA ST	18690 VAN BUREN BLVD
3762 PLACENTIA LN	4474 PEDLEY RD
286 IOWA AVE	120 IOWA AVE
11152 HERCULES WAY	1212 W CHURCH ST
3655 PLACENTIA LN	681 W LA CADENA DR
3627 LINDSAY ST	1162 FOUNTAIN AVE
723 W LA CADENA DR	8800 LIMONITE AVE
18410 COMPTON AVE	281 IOWA AVE
3655 PLACENTIA LN LOT #19	22125 BARTON RD
407 IOWA AVE	3043 AVON ST
21657 TEMESCAL CANYON RD	9114 MISSION BLVD
8590 BEDFORD MOTOR WAY	1270 CENTER ST
11420 DAWSON RD	249 W LA CADENA DR
4075 BROOKHOLLOW CIR	5504 ETIWANDA AVE
781 W LA CADENA DR	2050 FRONTAGE RD
480 N MAIN ST	466 E LA CADENA DR
9741 59 TH ST	929 W LA CADENA DR
12530 MAGNOLIA AVE	220 E LA CADENA DR
13550 MAGNOLIA AVE	250 IOWA AVE
9254 GALENA ST	590 N MAIN ST #B
13627 MAGNOLIA AVE	3229 KLUX LN
20310 TEMESCAL CANYON RD	195 N MCKINLEY ST
14970 CHANDLER ST	6304 WILLIAMS AVE
323 W LA CADENA DR	4710 GREEN RIVER DR
1130 CENTER DR	3232 W CENTER ST STE #C
425 W LA CADENA DR	12500 MAGNOLIA AVE
1152 VILLA ST (1168)	10264 JURUPA RD
3636 VAN BUREN BLVD	3228 KLUK LN
8664 MISSION BLVD	13370 MAGNOLIA LN
26330 LESTER CIR	10410 LIMONITE AVE
6645 MISSION BLVD	2222 FRONTAGE RD STE #A
9215 ORCO PARKWAY	4821 PEDLEY RD
3487 CAMPBELL ST	9330 LIMONITE AVE
3955 PLACENTIA DR LOT #13	3955 PLACENTIA DR LOT #18
9231 51 ST ST	10810 LIMONITE AVE
175 N MCKINLEY ST	24130 WARM SPRINGS DR
287 W LA CADENA DR	10421 OLD LIMONITE WAY
13575 MAGNOLIA AVE	6670 NATHENE LN
8925 MISSION BLVD	7072 MISSION BLVD
19970 GRANT ST	9640 JURUPA RD
17460 IDALEONA RD	3655 PLACENTIA LN LOT #10

1	2150 FRONTAGE RD	451 IOWA AVE
2	21501 TEMESCAL CANYON RD	10520 JURUPA RD
3	22700 LINDA LN	19470 ENVOY AVE
4	8979 BOLD RULER LN	6597 WILLIAM AVE
5	9255 BEAZLEY LN	435 PACIFIC AVE
6	9028 MISSION BLVD	350 STEPHENS AVE
7	19630 TEMESCAL CANYON RD	8720 VAN BUREN BLVD
8	1260 CENTER ST	469 CENTER ST
9	23220 PARK CANYON DR	12701 MAGNOLIA AVE #A
10	19877 TEMESCAL CANYON RD	351 N ORANGE ST
11	3670 PLACENTIA LN	6631 CLAY ST
12	5430 RIDGEVIEW AVE	1138 CENTER ST
13	11981 CANAL ST	7940 LIMONITE AVE
14	13558 MAGNOLIA AVE	2110 FRONTAGE RD
15	485 W LA CADENA DR	20625 TEMESCAL CANYON RD
16	12500 MAGNOLIA AVE #G J	807 CENTER ST
17	10235 SAN SEVAINE WAY	20625 TEMESCAL CANYON RD
18	4901 GREEN RIVER RD	983 W LA CADENA DR
19	7721 MISSION BLVD	3900 TEMESCAL CANYON RD
20		
21		

**EXHIBIT B
FRANCHISE AREA 4 PLUS**

COUNTY LIST

AREA 2

18720 VAN BUREN BLVD	18810 BERT RD
18710 VAN BUREN BLVD	18111 HAINES
17945 VAN BUREN BLVD	17024 VAN BUREN BLVD #A
20031 SANTA ROSA MINE RD	18885 VAN BUREN BLVD #3-B
21300 RIVER RD	15181 VAN BUREN BLVD
15950 WINCHESTER WAY	16273 RANCHO ESCONDIDO DR
16435 GREY LN	18885 VAN BUREN BLVD #5-A
22707 SAN JACINTO AVE	18400 VAN BUREN BLVD
17850 VISTA DEL LAGO DR	16991 VAN BUREN BLVD
28081 RANCHO DR	18888 VAN BUREN BLVD
21320 SLTER RD	16045 WOOD RED #5
22495 VAN BUREN BLVD	9303 WOOD RD
22200 RIVER RD	

COUNTY LIST AREA 3

28455 HWY 74	32395 HWY 74
24195 ORANGE ST	SANTA ROSA DISTRICT

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EXHIBIT DC

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the District-DWR reserve the right to request additional information as necessary to meet their needs, ~~including but not limited to the AB-939 reporting requirements and to comply with applicable State Law.~~ Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit ~~all~~ completed ticket transactions to the District-DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the District-DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the District-DWR and placed on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No. 1.~~

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary ~~Summary~~ reports
2. ~~Equipment inventory~~
3. ~~Future programs~~
2. Litigation information Education and Outreach
3. Service Performance
4. Container contamination monitoring

1
2 **Collection ~~Information~~Summary**

3
4 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material
5 collected by month and the number of accounts serviced monthly. The quantities of solid waste, ~~recyclables~~
6 and green waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
7 tonnage information is not available). The Department may, at its discretion, also require reporting by
8 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
9 information such as density factors.

10
11 **Education and Outreach**

12
13 The Franchisee shall submit copies of public education materials sent to customers or provided
14 electronically on their websites or social media outlets.

15 **Service Performance**

16
17 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
18 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
19 shall identify the total number of all written or oral Customer comments and shall provide the number of
20 comments received in the following categories: praises, litter or property damage complaints, misplacement
21 of containers, stolen containers, personnel complaints, missed pickups, and other.

22
23 **Container Contamination Monitoring**

24
25 The Franchisee shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.

29
30 **~~Program Implementation~~**

31
32 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
33 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
34 ~~resolutions and schedule for correcting the problem.~~

35
36 **4. ANNUAL REPORTS**

37
38 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
39 Franchisee will be responsible for providing the following reports:

- 40
41 1. Summary reports
42 2. Equipment inventory
43 3. Program implementation
44 3-4. Future programs
45 5. Litigation information
46 4-6. Education and Outreach

47
48 **Summary Reports**

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.
8

9 **Equipment Inventory**

10
11 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
12 The inventory list shall indicate the age of the equipment.
13

14 Program Implementation

15
16 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
17 for the quarter year. The report shall address how the problems and barriers were overcome or the proposed
18 resolutions and schedule for correcting the problem.
19

20 **Future Programs**

21
22 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
23 but have not been planned for.
24

25 **Litigation Information**

26
27 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
28 against the parent company and all subsidiaries of parent company that may have an effect on the
29 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.
30

31 Education and Outreach

32
33 The Franchisee shall submit copies of public education materials sent to customers or provided
34 electronically on their websites or social media outlets.

1 EXHIBIT ~~FD~~

2
3 RATES AND RATE ADJUSTMENT MECHANISM

4
5 1. RATES

6
7 The rates approved by the Riverside County Board of Supervisors, for all services provided by the
8 Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates
9 approved by the Board or assess a rate that has not been first approved by the Board.

10
11 2. HARD-TO-SERVICE RATES

12
13 Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-
14 Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee
15 may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating
16 Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted
17 in Section 2 of the Franchise Agreement.

18
19 All Rate adjustments must receive approval by the Board of Supervisors following public hearings.

20
21 1.3. ANNUAL RATE ADJUSTMENT

22
23 The Schedule of Approved Rates ~~provided referenced in Exhibit E Section 1~~ shall be adjusted annually
24 following public hearings and according to the following methodology. The rate shall be adjusted annually
25 each July 1st ~~with the first such adjustment occurring July 1, 1999.~~ Said adjustment shall be no greater
26 than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the ~~Los~~
27 ~~Angeles/Anaheim/Riverside-Riverside-San Bernardino-Ontario~~ Metropolitan Area ~~or equivalent successor~~
28 ~~index, (1982-84 = 100),~~ as published by the United States Department of Labor, Bureau of Labor
29 Statistics (BLS). ~~For those residential curbside accounts for which a reduce rate is provided pursuant to~~
30 ~~Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three~~
31 ~~percentage points until such time as those rates have equaled the regular curbside residential rates for each~~
32 ~~type of service.~~ Said change shall be measured for the twelve (12) month period as posted by the BLS in
33 the first CPI-U report for each year January through December. The first adjustment shall be effective July
34 1, 1999, based upon changes in the Consumer Price Index formula for the period January 1998 through
35 December 1998. In calculating the rate changes, the change in the CPI shall not be applied to the portions
36 of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste
37 diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees.
38 District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive
39 days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or
40 distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this
41 latter instance will only impact the rate for a one year period in order to recover any additional costs incurred
42 by Franchisee during the previous year.

43
44 Pass through items shall be adjusted based upon the actual expenses or costs related to that item. ~~Revisions~~
45 to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts
46 as determined through the disposal tonnage tracking requirements.

47
48
49 2. PERIODIC RATE ADJUSTMENT MECHANISM

1 ~~The Department reserves the right to review the Franchisee's rates every three years from the effective date~~
2 ~~of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in~~
3 ~~comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that~~
4 ~~the Department makes such a determination the Franchisee's rates may be adjusted to any level at or above~~
5 ~~the average rates in the comparable jurisdictions.~~

6
7 3.4. EXTRAORDINARY RATE REVIEW

8
9 A. The Director or Franchisee may initiate a special rate review by the Department should an
10 extraordinary event or circumstance arise which has a significant impact on the economic operation
11 of the Franchisee or the rates charged to customer as follows:

- 12
13 1. An event or circumstance (including changes in law) occurs which is beyond the control of
14 Franchisee or County.
15
16 2. Changes to operations mandated by the County or proposed by Franchisee and approved by
17 the County.

18
19 ~~3. Any change in disposal/Green Waste tip fees.~~

20
21 4.3. The District directs Franchisee to use a different System Facility for more than thirty (30) days
22 that involves a change in round trip time or distance.

23
24 5.4. The County modifies the franchise fee.

25
26 6.5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.

27
28 7.6. Significant increases in the number of customer accounts due to development or growth.

29
30 8.7. Other circumstances at the discretion of the Director or the Board of Supervisors.

31
32 B. Should Franchisee request a special rate review only those costs related to the circumstance(s)
33 which warrant consideration of a special rate review, as specified above, will be reviewed and
34 considered.

35
36 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
37 operational information at least three months prior to the proposed effective date of any rate
38 adjustment.
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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #4

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1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND USA WASTE OF CALIFORNIA, INC. DBA WASTE MANAGEMENT OF THE INLAND
4 EMPIRE
5 FOR THE COLLECTION AND TRANSPORTATION
6 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
7

8 This Franchise Agreement ("Franchise Agreement"), by and between the County of Riverside
9 ("County") and USA Waste of California, Inc. dba Waste Management of The Inland Empire
10 ("Franchisee"), for the Collection and transportation of Solid Waste, Recyclable Materials, Organic Waste,
11 and construction debris and other specified services, originally entered into on April 3, 1998, and most
12 recently amended on September 27, 2016, is hereby amended and restated on December 7, 2021.
13

14 **RECITALS**

15
16 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
17 Ordinance 657 the County of Riverside ("County") has determined that the public health, safety, and well-
18 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for
19 waste management services for residential, commercial, and industrial customers in the County of
20 Riverside; and
21

22 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
23 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
24 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
25 recovery and disposal; and
26

27 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
28 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
29

30 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

31
32 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
33

34 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
35 representations and warranties for the benefit of the County as of the date of this Agreement.
36

- 37 1) Franchisee is duly organized and validly existing as a corporation in good standing under
38 the laws of the State of California.
39
- 40 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
41 Agreement, and has duly authorized the execution and delivery of this Agreement.
42
- 43 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
44 Franchisee to do so, and this Agreement has been duly executed and delivered by
45 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
46 against Franchisee in accordance with its terms.
47
- 48 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
49 court or governmental entity against Franchisee or affecting Franchisee, wherein an

1 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
2 of this Agreement, or which would have a material adverse effect on the financial condition
3 of Franchisee.
4

5 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
6 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
7 parent company's financial circumstances since the date of the most recent financial
8 statements submitted to the Environmental Health Department ("Department"). Prior to
9 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
10 most recent annual financial statements. The Department may at its discretion specify the
11 contents and form of such statements. The Director of Environmental Health may inspect
12 the financial records of the Franchisee at any reasonable time for any reasonable purpose
13 relevant to the performance of this contract.
14

15 6) Franchisee has the expert, professional, and technical capability to perform all of its
16 obligations under this Agreement.
17

18 **B. Representations and Warranties of the County.**
19

20 Prior to commencement of any services hereunder, the County hereby makes the following
21 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
22

- 23 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
24 This Agreement constitutes the legal, valid and binding Agreement of the County and is
25 enforceable against the County in accordance with its terms.
26
- 27 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
28 County before any court or governmental entity wherein an unfavorable decision, ruling or
29 finding would adversely affect the validity or enforceability of this Agreement.
30

31 **SECTION 2. DEFINITIONS**
32

33 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
34 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
35 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
36 Agreement. In the event of conflict between the definition of a term as found in the California Public
37 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
38 supersede the definition found in the Public Resources Code or in County ordinances.
39

40 A. Agreement means this Agreement between the County and Franchisee for the Collection and
41 transportation of Solid Waste and other specified services, including all exhibits, and any future
42 amendments.
43

44 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
45 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
46 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
47 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
48

49 C. Board means the Riverside County Board of Supervisors.

1
2 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
3 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
4 plumbing, small household appliances, and other similar items, commonly known as “white goods”); wood
5 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
6 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
7 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
8 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
9 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
10 Persons.

11
12 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
13 this Agreement and its transportation to an appropriate Solid Waste Facility.

14
15 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
16 residential and Multi-Residential Units.

17
18 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
19 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
20 commercial units are required to subscribe to refuse collection.

21
22 H. County means the County of Riverside, State of California.

23
24 I. Department means the Riverside County Department of Environmental Health.

25
26 J. Director means the Director of the Riverside County Department of Environmental Health or
27 their designee.

28
29 K. Diversion (or any variation thereof including “Divert”) means activities which reduce or
30 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
31 recycling, and composting.

32
33 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
34 date it is executed by the Board of Supervisors.

35
36 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
37 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
38 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
39 B.

40
41 N. Franchise Area means the geographic territory defined in Exhibit B.

42
43 O. Generator means the owner or occupant of premises, including residences or businesses, which
44 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

45
46 P. Green Waste means organic waste generated from any landscaping including grass clippings,
47 leaves, prunings, tree trimmings, weeds, branches, and brush.

1 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
2 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
3 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
4 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
5 of State or other governmental agencies.
6

7 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
8 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
9 of the following:

- 10 1) Rural, sparsely populated areas,
- 11 2) Hilly or mountainous terrain,
- 12 3) Poorly paved or unpaved roads which may be unpassable in poor weather,
- 13 4) Large, uninhabited areas between pockets of homes,
- 14 5) Unusually heavy waste due to large properties, livestock, etc.,
- 15 6) Limited access on a private street or alley.

16 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
17 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
18 "Hard to Service"
19

20 S. Integrated Waste Management Act (IWMA) means the California Integrated Waste
21 Management Act of 1989 (AB 939), including all subsequent amendments.
22

23 T. Multi-Residential Units mean permanent buildings containing three or more Residential Units
24 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
25 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
26

27 U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
28 wood waste, and food-soiled paper waste that is mixed in with food waste.
29

30 V. Recyclable Materials means material which has been segregated from other Solid Waste
31 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
32 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
33 Recyclables consisting of two or more of the above-referenced material types separated from non-
34 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
35 than five (5) percent Solid Waste by weight.
36

37 W. Residential Unit means an occupied dwelling within the unincorporated area of the County
38 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
39 or domestic light and power services are being supplied thereto. This definition shall apply also to
40 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
41 two (2) attached Residential Units.
42

43 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
44 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
45 A of this Agreement.
46

47 Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
48 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
49 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste

1 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
2 Waste, Recyclable Materials or Organic Waste.

3
4 Z. Term means the Term of this Agreement, as provided for in Section 3.

5
6 AA. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee
7 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
8 to specified System Facilities and kept on file with the DWR.

9
10 BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
11 discarded processed wood materials, and large tree limbs.

12
13 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**

14
15 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
16 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
17 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
18 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
19 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
20 purposes.

21
22 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
23 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
24 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
25 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
26 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
27 Organic Waste.

28
29 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
30 the Exclusive Franchise, to the extent provided for in state and federal law.

31
32 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
33 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
34 provided in Sections 9 and 10 hereof.

35
36 D. Franchisee will commence services under this Agreement on January 1, 2022.

37
38 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
39 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
40 taken.

41
42
43 **SECTION 4. FRANCHISE AREA**

44
45 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
46 County defined in Exhibit B, "Franchise Area."

1 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**
2

3 A. General.
4

5 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
6 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which
7 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
8 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
9 Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels of Solid Waste service to
10 be provided under this Agreement are defined below, however, no residential or commercial or business
11 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
12 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
13 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
14 provisions of Section 16 (B) (2) related to "service complaints."
15

16 B. Single Family Residential.
17

18 Weekly Service. Not less often than once per week, and more frequently if required to handle the
19 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials (except
20 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
21 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
22 Collection time. Solid Waste must be placed within containers at curbside without obstructions so as to
23 permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
24 Franchisee may negotiate special pickup procedures, above and beyond the normal services described
25 above, with customers for an additional fee in an amount provided in Exhibit D.
26

27 C. Commercial, Industrial, and Multi-Residential.
28

- 29 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
30 if required to handle the waste stream of the premises where the Bins are located,
31 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
32 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
33 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
34
35 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
36 frequently if required to handle the waste stream of the premises where the Bins are located,
37 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
38 Collection in Solid Waste Bins at Commercial Units.
39

40 D. Construction and Temporary Bin/Rolloff Services.
41

42 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
43 Exhibit D.
44

45 E. Semi-Annual Cleanup and Bulky Wastes Collection.
46

- 47 1) Upon verbal or written customer request, made a minimum of two business days prior to
48 the customer's regular service day, Franchisee shall provide on-call Single Family
49 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within

1 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
2 customer. Franchisee and County agree that this service is intended to allow residents to
3 safely discard of large household items such as furniture and whitegoods or other large
4 household items that do not fit in their regular weekly trash containers. Each Single
5 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
6 Household Waste Collection Services per calendar year with a maximum of four (4) items
7 at each collection occurrence. The total amount of annual allowable items per household
8 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
9 (4) tires per collection request. Bulky Household Waste items do not include items such as
10 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
11 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
12 service shall be subject to the bulky item rates established on the rate sheets approved by
13 the Board of Supervisors.

- 14
- 15 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
16 designee to respond to organized community clean up efforts at no charge. Franchisee shall
17 deliver containers to agreed upon collection points and shall cooperate with the Director
18 and designated community leaders to remove containers and dispose of collected Solid
19 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
20 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
21 The DWR will arrange that there shall be no charge of disposal fees for such Solid Waste
22 delivered in separate vehicles to the System Facilities.

23

24 F. Illegal Dumping Retrieval Services

25

26 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

- 27
- 28 1) If Requested by the County the Franchisee shall turn in a report of illegal dumping of trash
29 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as
30 tires, couches, and appliances) noticed within or along the Roadway in the franchise area.
31 For the purpose of this provision, the Roadway shall include public rights of way within
32 twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of
33 unpaved roadways.
- 34
- 35 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
36 reports of illegal dumping reported by citizens to the Department, Department of
37 Transportation, or the DWR.
- 38
- 39 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
40 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof
41 (excluding weekends and holidays) except for remote areas, as approved by the director,
42 for which the removal shall occur within five working days. The Franchisee may request
43 that specified roads, determined by the franchisee to be inaccessible for waste removal, be
44 considered by the Director for revised waste removal requirements.
- 45
- 46 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
47 or appliances as well as hazardous, medical and other wastes requiring special handling are
48 exempt from the retrieval requirements set forth herein, provided, however, that of these
49 exempted items noted within the Roadway are to be immediately reported to the Director.

- 1
2 5) The Franchisee shall, upon request of private property owners, the Director or the
3 Departments of County Transportation and Land Management Agency, provide removal
4 services for waste illegally disposed of on their private property, excluding those wastes
5 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
6 D.
7
8 6) Illegally disposed materials along Roadways within one mile of disposal sites within
9 Riverside County are exempt from the retrieval requirements set forth herein.
10

11 G. Collection of Used Motor Oil.
12

13 Franchisee shall collect used motor oil from single family residential customers in accordance with
14 California Public Resources Code Section 48691.
15

16 H. Collection and Equipment
17

18 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
19 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
20 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
21 inspection at the request of the Department.
22

- 23 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
24 the Department of Motor Vehicles of the State of California, shall be kept clean and in
25 good repair, and shall be uniformly painted.
26
27
28 2) A local or toll free telephone number, and vehicle number shall be clearly visible on all
29 required vehicles.
30

31 **SECTION 6. OWNERSHIP OF SOLID WASTE**
32

33 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
34 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
35 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
36 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
37 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
38 Franchisee.
39

40 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**
41

42 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
43 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
44 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
45 Delivery Agreement to be effective on the same date as this Agreement.
46
47
48

1 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

2
3 A. Indemnification of County

4
5 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
6 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
7 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
8 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
9 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
10 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
11 reasonable costs and expenses of investigating and defending against same; provided, however, that
12 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
13 negligence or misconduct of County or their agents, officers, or employees.

14
15 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
16 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
17 survive the term of the franchise.

18
19 B. Hazardous Substances Indemnification.

20
21 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
22 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
23 counsel approved by County, protect and hold harmless County and their respective employees, agents,
24 assigns, and any successor or successors to County's interest from and against all claims, actual damages
25 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
26 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
27 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
28 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
29 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
30 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
31 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
32 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
33 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
34 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
35 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
36 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
37 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.

38
39 C. Minimum Diversion Requirements

40
41 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
42 California Public Resources Code, Section 41780 and any other current or future California Statute that
43 requires the County to divert material from landfills. In the event that the State of California alters the
44 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
45 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
46 associated with any additional recycling programs.

47
48 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
49 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.

1 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
2 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
3 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
4 against any third party as a means of meeting its obligation under this section.
5

6 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
7 by the Director as set forth in Section 9.A. of this agreement.
8

9 D. Worker's Compensation Insurance.

10
11 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
12 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
13 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
14 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
15 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
16 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
17 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
18 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
19 arise from work performed by the named insured for the County.
20

21 E. Public Liability Insurance.

22
23 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
24 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
25 six million dollars (6,000,000.00) aggregate and three million dollars (3,000,000.00) per occurrence for
26 bodily injury and property damage. Said insurance shall protect Franchisee, the County, and their elected
27 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
28 accidental death, as well as from any claim for property damage which may arise from operations performed
29 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
30 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
31 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
32 of the insurance policies required by this Section:
33

- 34 1) "This policy shall be considered primary insurance as respects any other valid and
35 collectible insurance the County may possess including any self-insured retention the
36 County may have, and any other insurance the County does possess shall be considered
37 excess insurance and shall not contribute with it."
38
- 39 2) "This insurance shall act for each insured, as though a separate policy had been written for
40 each. This, however, shall not act to increase the limit of liability of the insuring company."
41
- 42 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
43 certificate(s) of insurance showing that such insurance is in full force and effect, and
44 County are named as additional insureds with respect to this Franchise and the obligations
45 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
46 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
47 modification, cancellation or reduction in coverage of such insurance. In the event of any
48 such modification, cancellation or reduction in coverage and on the effective date thereof,
49 this Franchise shall terminate forthwith, unless County receive prior to such effective date

1 another certificate from an insurance carrier that the insurance required herein is in full
2 force and effect.
3

4 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
5 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
6 shall be named as additional insureds on all policies and endorsements.
7

8 F. Performance Bond or Letter of Credit.
9

10 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
11 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
12 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
13 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
14 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
15 California.
16

17 G. Modification.
18

19 The insurance requirements provided herein may be modified or waived in writing by the Board upon
20 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
21 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
22 provided by the parent company of Franchisee.
23

24 **SECTION 9. DEFAULT AND REMEDIES**
25

26 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
27 breached its obligation, the provisions of this Agreement, the requirements of the CalRecycle, including,
28 but not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
29 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
30 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Wastes and
31 other wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies.
32 The Director may, in such written instrument, set a reasonable time within which correction of all such
33 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
34 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
35 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
36 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
37 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
38 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
39 below.
40

41 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
42 perform its obligations under this Agreement.
43

44 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
45 therefor, not later than 6 months following the date of said hearing at which a majority vote of the board
46 determines it is in the public interest to do so:
47

- 48 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
49

- 1 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
2 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 3
- 4 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
5 compensation, liability, indemnification coverage, and performance bond as required by
6 the Agreement.
- 7
- 8 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
9 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
10 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
11 which case no breach of the franchise shall be deemed to have occurred.
- 12
- 13 5) If the Franchisee ceases to provide Collection services as required under this Agreement
14 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
15 for any reason within the control of the Franchisee.
- 16
- 17 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
18 refuses to provide County with required information, reports, and/or test results in a timely
19 manner as provided in the Franchise Agreement.
- 20
- 21 7) For any other act or omission by the Franchisee which materially violates the terms,
22 conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other
23 county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation
24 issued thereunder and which is not corrected or remedied within the time set in the written
25 notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach
26 within the time set forth in such notice, if the Franchisee should fail to commence to correct
27 or remedy such violation within the time set forth in such notice and diligently effect such
28 correction or remedy thereafter.
- 29
- 30 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
31 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
32 related to the performance of this Agreement, or of felonious conduct related to anti-trust
33 activities, illegal transport or disposal of hazardous waste or materials, or violation of
34 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.

35
36 **D. Professional Conduct**

- 37
- 38 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
39 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
40 court in the United States, or is otherwise alleged to have participated in any criminal
41 activity directly or indirectly associated with the solid waste management business,
42 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
43 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
44 description of the indictment, complaint or allegation, as well as a copy of such indictment
45 or complaint or other matters of public record related thereto. In addition to the foregoing,
46 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
47 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
48 securities laws, including quarterly and annual reports.
- 49

1 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
2 interest, who has any responsibility for any aspect of the franchisee's operations under this
3 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
4 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
5 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
6 upon request of the County be immediately removed from any assignment whatsoever,
7 directly associated with operations under this contract during the pendency of trial and/or
8 following conviction.
9

10 E. This Agreement is subject to all present and future laws, regulations and orders of Federal, State,
11 County, and City governments and any instrumentalities thereof. Should either of the parties hereto at any
12 time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or orders,
13 to do any act that substantially impairs the party's ability to perform under this Agreement, then such party
14 shall notify the other party of such order or requirement and the law, regulation or order on which such
15 order or requirement is based. Unless the parties agree in writing to continue this Agreement, or to
16 renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order becomes
17 effective, then this Agreement shall terminate on the thirty-first day following the date said law, regulation
18 or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's sole
19 expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
20 restrict either party's right to legally contest the validity of such law, regulation or order.
21

22 **SECTION 10. DISRUPTIONS IN SERVICE**

23

24 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
25 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
26 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
27 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
28 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
29 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
30 by such conditions with an estimate of when service will be resumed.
31

32 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
33 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
34 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
35 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
36 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
37 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
38 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
39 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
40 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
41 County's sole negligence in providing such substitute service. Employees of Franchisee, including
42 management employees, may be employed by County during any period in which County temporarily
43 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
44 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
45 between Franchisee and its employees at the time Franchisee's service was interrupted.
46

47 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
48 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
49 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee

1 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
2 be primarily reserved for use by County access while County or its designated representative is performing
3 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
4 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
5 accordance with the provisions of this Agreement.

6
7 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES**
8

9 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
10 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
11

12 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
13 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
14 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
15 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
16 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
17 Arbitration and Mediation Services.
18

19 C. The hearing shall be conducted according to the provisions of California Government Code Section
20 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
21 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
22 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
23 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
24 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
25 reasonably related to the seriousness of the breach of the Agreement.
26

27 D. The party losing the hearing shall be liable for the hearing officer's fees.
28

29 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
30 a material breach of the Agreement, and may be grounds for termination of the Agreement.
31

32 F. Any party to the hearing may issue a request to compel reasonable document production from the
33 other party. Disputes concerning the scope of document production and enforcement of document requests
34 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
35 document request, then by disposition by order of the hearing officer. Any such document request shall be
36 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
37 procedures to protect such rights.
38

39 G. Neither party may communicate separately with the hearing officer after the hearing officer has
40 been selected. All subsequent communications between a party and a hearing officer shall be
41 simultaneously delivered to the other party. This provision shall not apply to communications made to
42 schedule a hearing or request a continuance.
43

44 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
45 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
46 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
47 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
48 the party subject thereto acted with substantial justification or if the interests of justice so require.
49

1 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
2

3 **SECTION 12. FRANCHISE TRANSFERABILITY**
4

5 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
6 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
7 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
8 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
9 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
10 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
11 such a request using such criteria as it deems necessary including, but not limited to, those listed in
12 Subsection C.
13

14 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
15 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
16 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
17 this Agreement.
18

19 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
20 meet the following requirements:
21

22 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
23 investigation costs necessary to investigate the suitability of any proposed transferee, and
24 to review and finalize any documentation required as a condition for approving any such
25 transfer.
26

27 2) The Franchisee shall furnish the County with audited financial statements of the
28 proposed transferee's operations for the immediately preceding three (3) operating years.
29

30 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the
31 proposed transferee has at least five (5) years of solid waste management experience of a
32 scale equal to or exceeding the scale of operations conducted by Franchisee under this
33 Agreement; (ii) that in the last five (5) years, the proposed transferee has not suffered any
34 citations or other censure from any federal, state or local agency having jurisdiction over
35 its waste management operations due to any significant failure to comply with state, federal
36 or local waste management laws. Franchisee shall supply the County with a complete list
37 of such citations and censures; (iii) that the proposed transferee has at all times conducted
38 its operations in an environmentally safe and conscientious fashion; (iv) that the proposed
39 transferee conducts its solid waste management practices in accordance with sound waste
40 management practices in full compliance with all federal, state and local laws regulating
41 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
42 insurance and bonds; and (vii) of other material as may be requested by the County.
43

44 D. This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County
45 without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The
46 foregoing is not intended to prevent the County from exercising its right to terminate the agreement
47 consistent with Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
48
49

1 **SECTION 13. REPORTS**
2

3 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
4 recovery and disposal specified in Exhibit C of this Agreement.
5

6 B. Franchisee shall make its customer base and records available to the Department for audit at
7 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
8 Agreement.
9

10 **SECTION 14. COMPENSATION**
11

12 A. Franchisee Rates.
13

14 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
15 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
16 are included in this Exclusive Franchise to the extent provided in state and federal law.
17

18 B. Modification and Adjustment of Rates.
19

20 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
21 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
22 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
23 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
24 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
25 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
26 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.
27

28 C. Notice of Rate Changes
29

30 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
31 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
32 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
33 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
34 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
35 Services at least forty-five (45) days in advance of the anticipated rate changes.
36

37 D. Resolution of Disputes Regarding Rate Adjustments
38

39 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
40 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
41 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
42 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
43 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
44 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
45 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate.

1 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
2 County's compulsory collection ordinance.

3
4 E. Billing and Payment.
5

6 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
7 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
8 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
9 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
10 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
11 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
12 of Franchisee's billing dates.

13
14 F. Delinquent Accounts.
15

16 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
17 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
18 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
19 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
20 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
21 Franchisee operating in a Compulsory Collection area shall be subject to all applicable provisions in the
22 Compulsory Collection ordinance.

23
24 G. Refunds.
25

26 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
27 such customer for service not provided when service is discontinued by written notification to Franchisee
28 by the customer.
29

30 **SECTION 15. FRANCHISE FEES**
31

32 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
33 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
34 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
35 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
36 be due for fees not submitted within the thirty (30) day time period.
37

38 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
39 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
40 accordance with Exhibit D.
41
42
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44

1 **SECTION 16. OTHER REQUIREMENTS**

2
3 A. Privacy

4
5 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
6 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
7 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
8 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
9 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
10 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
11 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
12 that Franchisee may provide such lists to authorized employees and authorized representatives of the
13 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
14 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
15

16 B. Public Access to the Franchisee

- 17
18 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
19 Monday through Friday. A representative of Franchisee shall be available during office
20 hours for communication with the public at Franchisee's principal office. In the event that
21 normal business cannot be conducted over the telephone, a representative of Franchisee
22 shall agree to meet with the public at a location agreeable to Franchisee and the public.
23 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
24 shall also maintain a local or toll free after-hours telephone number for use during other
25 than normal business hours. Franchisee shall have a representative or answering device or
26 system available at said after-hours telephone number during all hours other than normal
27 office hours.
28
29 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
30 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
31 Person, by close of business of the second business (waste Collection) day following the
32 date on which such complaint is received. Service complaints may be investigated by the
33 Director or a designee. Franchisee shall maintain records listing the date of customer
34 complaints, the customer, describing the nature of the complaint or request, and when and
35 what action was taken by the Franchisee to resolve the complaint. All such records shall
36 be maintained and shall be available for inspection by County.
37
38 3) Government Liaison Person. The Franchisee shall designate a "government liaison
39 Person" who shall be responsible for working with the Department to resolve customer
40 complaints.
41

42 C. Resolution of Disputed Customer Complaints.

43
44 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
45 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
46 Procedures for resolution of disputed claims shall be as follows:

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- 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the County to review the complaint. To obtain this review, the customer may request County review within thirty (30) days of receipt of Franchisee's response to the Complaint, or within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee has failed to respond to the complaint. The County may extend the time to request its review for good cause.
 - 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the Franchisee fails to cure the complaint within ten (10) days, the Director shall review the customer's complaint and determine if further action is warranted. The Director may request written statements from the Franchisee and customer, and/or oral presentations.
 - 3) The Director 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 Franchise Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in addition to any actual damages.
 - 4) The Director may delegate these duties to a designee. The decision of the Director or a designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee may seek review pursuant to Section 11 above.

25 D. Hazardous Materials and Waste Handling and Disposal

26
27 The Franchisee shall comply with the procedures detailed in State Law.

28
29 **SECTION 17. FORCE MAJEURE**

30
31 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so long as,
32 it is impossible or extremely impractical for it to perform its obligations in whole or in part for any of the
33 following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the Solid
34 Waste facilities used by Franchisee:

- 35 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
36 earthquakes, tornados, or other catastrophic events;
37 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
38 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
39 other event leading to the imposition of quarantines, travel or movement restrictions, social
40 distancing, or public health advisories restricting large gatherings;
41 D. Accident or other catastrophic event including fire or explosion;
42 E. Strikes and labor disputes;
43 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
44 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
45

1 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event later
2 than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall describe
3 in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure event, the
4 expected length of time that Franchisee expects to be prevented from performing, the steps which
5 Franchisee intends to take to restore its ability to perform, and such other information as the County may
6 reasonably request.

7
8 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure of
9 the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right to
10 use the facilities of any public utility where such failure is due solely to the acts or omissions of the
11 Franchisee.

12 13 **SECTION 18. OTHER PROVISIONS**

14 15 A. Independent Contractor.

16
17 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
18 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
19 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
20 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
21 retirement or other benefits which accrue to County employees.

22 23 B. Property Damage.

24
25 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
26 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
27 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

28 29 C. Right of Entry.

30
31 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
32 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
33 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
34 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

35 36 D. Law to Govern.

37
38 The law of the State of California shall govern this Franchise Agreement.

39 40 E. Gratuities.

41
42 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
43 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
44 Franchise Agreement.

1
2 F. Compliance with Franchise Agreement.
3

4 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
5 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
6 the Term of this Franchise Agreement.
7

8 G. Notices.
9

10 All notices required or permitted to be given under this franchise shall be in writing and shall be
11 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
12 receipt requested, and addressed as follows:
13

14 To County: County of Riverside
15 Attn: Department of Environmental Health
16 4065 County Circle Drive
17 Riverside, CA 92503
18

19 Copy to: County Counsel
20

21 To Franchisee: Douglas E Corcoran
22 Vice President
23 USA Waste of California, Inc. dba Waste Management of The Inland
24 Empire
25 9081 Tujunga Ave.
26 Sun Valley, CA 91352
27 United States
28

29 Copy to: Lily Quiroa
30 Public Sector Services Regional Manager
31 800 S. Temescal Street
32 Corona, CA 92879
33

34 or to such other address as either party may from time to time designate by notice to the other given in
35 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
36 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
37 receipt of confirmation of delivery which confirmation may be transmitted by fax.
38

39 H. Exhibits Incorporated.
40

41 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
42 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
43 Agreement, the language of the Exhibit shall prevail.

1
2 I. Nondiscrimination.
3

4 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
5 on the ground of race, sex, age, creed, color, religion or national origin.
6

7 J. Laws and Licenses.
8

9 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
10 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
11 to perform the services hereunder and maintain the same in full force and effect.
12

13 K. Waiver.
14

15 No waiver by either party of any one or more defaults or breaches by the other in the performance of
16 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
17 like or different character.
18

19 **SECTION 19. SEVERABILITY**
20

21 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
22 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
23 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
24 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
25 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
26 Agreement.
27

28 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
29 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
30 enforceability of any of the remaining provisions of this Franchise Agreement.
31

32 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
33

34 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
35 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
36 and all other communications, representations, proposals, understandings or Agreements, either written or
37 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
38 or amended, in whole or in part, except by writing signed by both parties hereto.
39

40 At least once every 5 years, or more often as required by a significant change in law, starting from the
41 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
42 or required amendments.
43
44
45

1 **SECTION 21. CONSTRUCTION OF FRANCHISE**

2

3 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
4 attorneys, and no provision contained herein shall be construed against County solely because it prepared
5 this agreement in its executed forms.

6

7 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

8

9 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
10 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
11 another company, all service levels and rates of this contract shall at the discretion of the Board of
12 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones

10

Director

11

Riverside County

12

Department of Environmental Health

13

14 FRANCHISEE

15

16

BY: _____

17

Douglas E Corcoran

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Vice President

19

USA Waste of California, Inc. dba Waste

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Management of The Inland Empire

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EXHIBIT B

FRANCHISE AREA #4

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description:

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

Hauler Franchise Area 4

{North}

Beginning at the intersection of the Westerly boundary of the county of Riverside and the centerline of Bellegrave Ave;

Thence Northeasterly along the centerline of said Bellegrave Ave to Dodd St;

Thence Southerly along the centerline of Dodd St to Limonite Ave;

Thence Easterly along the centerline of Limonite Ave to the Northeast Corner of Section 28 of T. 2 S., R. 6 W., S.B.M.;

Thence Southerly along the Easterly boundary of Section 28, T. 2 S., R. 6 W., to the Southeast corner thereof, said point being on the Northerly city limits of the City of Riverside;

Thence Southwesterly, along the Northwesterly city limits of the City of Riverside to the intersection with the Northerly limits of the city of Norco;

Thence continuing Southwesterly along the Northwesterly city limits of the City of Norco to the intersection with the Northerly limits of the city of Corona;

Thence continuing Southeasterly, along the city limits of the City of Corona to the intersection of the Northerly Right of Way of State Highway 91;

Thence Westerly, along the Northerly Right of Way of State Highway 91 to the intersection of the Westerly boundary of the County of Riverside;

Thence Northwesterly along the various courses of the county boundary to the point of beginning.

{South}

Beginning at the intersection of La Sierra Ave and Cleveland Ave, also being a point on the Southerly boundary of the city limits of the City of Riverside;

Thence in a general Easterly direction along the Southerly boundary of the city limits of the City of Riverside through its various courses to the intersection of Wood Rd and Krameria Ave, Said point also being on the city boundary of the City of Riverside;

Thence Easterly, along the centerline of Krameria Ave to the intersection of Barton St;

Thence Southerly, along the centerline Barton St to the intersection of Nandina Ave;

Thence Easterly, along the centerline of Nandina Ave to the intersection of Brown St;

Thence Southerly, along the centerline of Brown St to the intersection of Myron St;

Thence Westerly, along the centerline of Myron St to the intersection of Barton St, also being on the East line of Section 8 T. 4 S., R. 4 W., S.B.M.;

Thence Southerly, along the East line of Sections 8 and 17 T. 4 S., R, 4 W., to the Southeast Corner of Section 17;

- 1
2 Thence Westerly, along the Southerly line of Section 17 to the Southwest Corner of Section 17;
3
4 Thence Northerly, along the West line of Sections 17 and 8 T. 4 S., R. 4 W., to the intersection of Section
5 8 and Cajalco Rd;
6
7 Thence Westerly, along the centerline of Cajalco Rd to the intersection of the East line of Section 15 T. 4
8 S., R.6 W.;
9
10 Thence Northerly, along the East line of Sections 15 and 10 T. 4 S., R.6 W., to the East Quarter Corner of
11 Section 10, Said point also being on the city boundary of the City of Corona;
12
13 Thence Northwesterly, along the city limits of the City of Corona through its various courses, to the
14 intersection with the Southerly limits of the City of Riverside;
15
16 Thence Easterly, along the city limits of the City of Riverside through its various courses to the intersection
17 of La Sierra Ave and Cleveland Ave, also being the point of beginning.
18
19
20 Included within said franchise area are the customer addresses lying adjacent to and on both sides of the
21 following boundary streets
22
23 Myron St between Brown Ave and Barton Rd.
24 Bellegrave Ave between Hamner Ave and Dodd St
25 Dodd St between Bellegrave Ave and Limonite Ave
26
27 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
28 in areas 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12 and 13.
29
30 Also excludes any areas within City boundaries.

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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

Collection Summary

The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste and Recyclable

1 Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not
2 available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall
3 clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density
4 factors.

5 6 **Education and Outreach**

7
8 The Franchisee shall submit copies of public education materials sent to customers or provided
9 electronically on their websites or social media outlets.

10 **Service Performance**

11
12 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
13 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
14 shall identify the total number of all written or oral Customer comments and shall provide the number of
15 comments received in the following categories: praises, litter or property damage complaints, misplacement
16 of containers, stolen containers, personnel complaints, missed pickups, and other.

17 18 **Container Contamination Monitoring**

19
20 The Franchisee shall provide a summary of container contamination monitoring activities including
21 information on efforts to minimize container contamination. When applicable a separate detailed report
22 shall be provided to the Department identifying sites that are out of compliance and require additional
23 enforcement by the County.

24 25 26 **4. ANNUAL REPORTS**

27
28 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
29 Franchisee will be responsible for providing the following reports:

- 30
- 31 1. Summary reports
- 32 2. Equipment inventory
- 33 3. Program implementation
- 34 4. Future programs
- 35 5. Litigation information
- 36 6. Education and Outreach

37 38 **Summary Reports**

39
40 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
41 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
42 provided shall include quantities of materials collected, and if processed by non-system facilities, the
43 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
44 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
45 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
46 experiences, and any problems in program operation and how they were resolved.

1 **Equipment Inventory**

2

3 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
4 The inventory list shall indicate the age of the equipment.

5

6 **Program Implementation**

7

8 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
9 for the year. The report shall address how the problems and barriers were overcome or the proposed
10 resolutions and schedule for correcting the problem.

11

12 **Future Programs**

13

14 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
15 but have not been planned for.

16

17 **Litigation Information**

18

19 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
20 against the parent company and all subsidiaries of parent company that may have an effect on the
21 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

22

23 **Education and Outreach**

24

25 The Franchisee shall submit copies of public education materials sent to customers or provided
26 electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.

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3. The District directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 4. The County modifies the franchise fee.
 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 6. Significant increases in the number of customer accounts due to development or growth.
 7. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION

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AGREEMENT

8

FOR FRANCHISE

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AREA #5

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EXHIBITS

A. SERVICES

B. FRANCHISE AREA

C. REPORTING

D. RATES AND RATE ADJUSTMENT MECHANISM

1 AMMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE AND CR&R INCORPORATED
3 FOR THE COLLECTION AND TRANSPORTATION
4 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
5

6 This Franchise Agreement ("Franchise Agreement") by and between the County of Riverside
7 ("County") and CR&R Incorporated ("Franchisee"), for the Collection and transportation of Solid Waste,
8 Recyclable Materials, Organic Waste, and construction debris and other specified services, originally
9 entered into on April 3, 1998, and most recently amended on May 5, 2016, is hereby amended and restated
10 on December 7, 2021.
11

12 **RECITALS**
13

14 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
15 Ordinance 745 the County of Riverside ("County") has determined that the public health, safety, and well-
16 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for waste
17 management services for residential, commercial, and industrial customers in the County of Riverside; and
18

19 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
20 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
21 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
22 recovery and disposal; and
23

24 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
25 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
26

27 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
28

29 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
30

31 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
32 representations and warranties for the benefit of the County as of the date of this Agreement.
33

- 34 1) Franchisee is duly organized and validly existing as a corporation in good standing under
35 the laws of the State of California.
- 36
- 37 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
38 Agreement, and has duly authorized the execution and delivery of this Agreement.
39
- 40 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
41 Franchisee to do so, and this Agreement has been duly executed and delivered by
42 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
43 against Franchisee in accordance with its terms.
44
- 45 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
46 court or governmental entity against Franchisee or affecting Franchisee, wherein an
47 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
48 of this Agreement, or which would have a material adverse effect on the financial condition
49 of Franchisee.
50

- 1 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
2 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
3 parent company's financial circumstances since the date of the most recent financial
4 statements submitted to the Environmental Health Department ("Department"). Prior to
5 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
6 most recent annual financial statements. The Department may at its discretion specify the
7 contents and form of such statements. The Director of Environmental Health may inspect
8 the financial records of the Franchisee at any reasonable time for any reasonable purpose
9 relevant to the performance of this contract.
10
11 6) Franchisee has the expert, professional, and technical capability to perform all of its
12 obligations under this Agreement.
13

14 **B. Representations and Warranties of the County.**

15
16 Prior to commencement of any services hereunder, the County hereby makes the following
17 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
18

- 19 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
20 This Agreement constitutes the legal, valid and binding Agreement of the County and is
21 enforceable against the County in accordance with its terms.
22
23 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
24 County before any court or governmental entity wherein an unfavorable decision, ruling or
25 finding would adversely affect the validity or enforceability of this Agreement.
26

27 **SECTION 2. DEFINITIONS**

28
29 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
30 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
31 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
32 Agreement. In the event of conflict between the definition of a term as found in the California Public
33 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
34 supersede the definition found in the Public Resources Code or in County ordinances.
35

36 A. Agreement means this Agreement between the County and Franchisee for the Collection and
37 transportation of Solid Waste and other specified services, including all exhibits, and any future
38 amendments.
39

40 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
41 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
42 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
43 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
44

45 C. Board means the Riverside County Board of Supervisors.
46

47 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
48 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
49 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
50 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in

1 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
2 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
3 containing chlorofluorocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
4 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
5 Persons.
6

7 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
8 this Agreement and its transportation to an appropriate Solid Waste Facility.
9

10 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
11 residential and Multi-Residential Units.
12

13 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
14 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
15 commercial units are required to subscribe to refuse collection.
16

17 H. County means the County of Riverside, State of California.
18

19 I. Department means the Riverside County Department of Environmental Health.
20

21 J. Director means the Director of the Riverside County Department of Environmental Health or
22 their designee.
23

24 K. Diversion (or any variation thereof including "Divert") means activities which reduce or
25 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
26 recycling, and composting.
27

28 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
29 date it is executed by the Board of Supervisors.
30

31 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
32 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
33 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
34 B.
35

36 N. Franchise Area means the geographic territory defined in Exhibit B.
37

38 O. Generator means the owner or occupant of premises, including residences or businesses, which
39 initially produces Solid Waste, Recyclable Materials, or Organic Waste.
40

41 P. Green Waste means organic waste generated from any landscaping including grass clippings,
42 leaves, prunings, tree trimmings, weeds, branches, and brush.
43

44 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
45 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
46 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
47 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
48 of State or other governmental agencies.
49

1 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
2 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
3 of the following:

- 4 1) Rural, sparsely populated areas,
- 5 2) Hilly or mountainous terrain,
- 6 3) Poorly paved or unpaved roads which may be impassable in poor weather,
- 7 4) Large, uninhabited areas between pockets of homes,
- 8 5) Unusually heavy waste due to large properties, livestock, etc.
- 9 6) Limited access on a private street or alley.

10 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
11 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
12 "Hard to Service"

13
14 S. Integrated Waste Management Act (IWMA) means the California Integrated Waste
15 Management Act of 1989 (AB 939), including all subsequent amendments.

16
17 T. Multi-Residential Units mean permanent buildings containing three or more Residential Units
18 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
19 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.

20
21 U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
22 wood waste, and food-soiled paper waste that is mixed in with food waste.

23
24 V. Recyclable Materials mean material which has been segregated from other Solid Waste
25 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
26 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
27 Recyclables consisting of two or more of the above-referenced material types separated from non-
28 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
29 than five (5) percent Solid Waste by weight.

30
31 W. Residential Unit means an occupied dwelling within the unincorporated area of the County
32 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
33 or domestic light and power services are being supplied thereto. This definition shall apply also to
34 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
35 two (2) attached Residential Units.

36
37 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
38 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
39 A of this Agreement.

40
41 Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
42 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
43 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste
44 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
45 Waste, Recyclable Materials or Organic Waste.

46
47 Z. Term means the Term of this Agreement, as provided for in Section 3.
48

1 AA. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee
2 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
3 to specified System Facilities and kept on file with the DWR.
4

5 BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
6 discarded processed wood materials, and large tree limbs.
7

8 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE 9

10 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
11 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
12 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
13 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
14 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
15 purposes.
16

17 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
18 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
19 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
20 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
21 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
22 Organic Waste.
23

24 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
25 the Exclusive Franchise, to the extent provided for in state and federal law.
26

27 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
28 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
29 provided in Sections 9 and 10 hereof.
30

31 D. Franchisee will commence services under this Agreement on January 1, 2022.
32

33 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
34 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
35 taken.
36

37 SECTION 4. FRANCHISE AREA 38

39 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
40 County defined in Exhibit B, "Franchise Area."
41

42 SECTION 5. SERVICES PROVIDED BY FRANCHISEE 43

44 A. General. 45

46 Franchisee shall provide the Collection and transportation of Solid Waste and
47 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
48 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
49 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
50 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels
51 of Solid Waste service to be provided under this Agreement are defined below, however, no residential or

1 commercial or business customer shall be refused service, if that party is willing to pay for such service and
2 is current in payment. Disputes arising over the terms on which a particular customer may be serviced
3 because of remoteness of location, difficulty of access, particular needs of the customer, etc. shall be
4 decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
5

6 B. Single Family Residential.
7

8 Weekly Service. Not less often than once per week, and more frequently if required to handle the
9 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
10 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
11 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
12 Collection time. Solid Waste must be placed within containers at curbside without obstructions so as to
13 permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
14 Franchisee may negotiate special pickup procedures, above and beyond the normal services described
15 above, with customers for an additional fee in an amount provided in Exhibit D.
16

17 C. Commercial, Industrial, and Multi-Residential.
18

- 19 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
20 if required to handle the waste stream of the premises where the Bins are located,
21 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
22 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
23 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
24
25 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
26 frequently if required to handle the waste stream of the premises where the Bins are located,
27 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
28 Collection in Solid Waste Bins at Commercial Units.
29

30 D. Construction and Temporary Bin/Rolloff Services.
31

32 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
33 Exhibit D.
34

35 E. Semi-Annual Cleanup and Bulky Wastes Collection.
36

- 37 1) Upon verbal or written customer request, made a minimum of two business days prior to
38 the customer's regular service day, Franchisee shall provide on-call Single Family
39 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
40 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
41 customer. Franchisee and County agree that this service is intended to allow residents to
42 safely discard of large household items such as furniture and whitegoods or other large
43 household items that do not fit in their regular weekly trash containers. Each Single
44 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
45 Household Waste Collection Services per calendar year with a maximum of four (4) items
46 at each collection occurrence. The total amount of annual allowable items per household
47 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
48 (4) tires per collection request. Bulky Household Waste items do not include items such as
49 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
50 boats, campers, trailers or household hazardous waste. Additional requests for bulky item

1 service shall be subject to the bulky item rates established on the rate sheets approved by
2 the Board of Supervisors.
3

- 4 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
5 designee to respond to organized community clean up efforts at no charge. Franchisee shall
6 deliver containers to agreed upon collection points and shall cooperate with the Director
7 and designated community leaders to remove containers and dispose of collected Solid
8 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
9 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
10 The DWR will arrange that there shall be no charge of disposal fees for such Solid Waste
11 delivered in separate vehicles to the System Facilities.
12

13 F. Illegal Dumping Retrieval Services
14

15 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:
16

- 17 1) If requested by the County the Franchisee shall turn in a report of illegal dumping of trash
18 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as
19 tires, couches, and appliances) noticed within or along the Roadway in the franchise area.
20 For the purpose of this provision, the Roadway shall include public rights of way within
21 twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of
22 unpaved roadways.
23
- 24 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
25 reports of illegal dumping reported by citizens to the Department, Department of
26 Transportation, or the DWR.
27
- 28 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
29 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof
30 (excluding weekends and holidays) except for remote areas, as approved by the director,
31 for which the removal shall occur within five working days. The Franchisee may request
32 that specified roads, determined by the franchisee to be inaccessible for waste removal, be
33 considered by the Director for revised waste removal requirements.
34
- 35 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
36 or appliances as well as hazardous, medical, and other wastes requiring special handling
37 are exempt from the retrieval requirements set forth herein, provided, however, that of
38 these exempted items noted within the Roadway are to be immediately reported to the
39 Director.
40
- 41 5) The Franchisee shall, upon request of private property owners, the Director or the
42 Departments of County Transportation and Land Management Agency, provide removal
43 services for waste illegally disposed of on their private property, excluding those wastes
44 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
45 D.
46
- 47 6) Illegally disposed materials along Roadways within one mile of disposal sites within
48 Riverside County are exempt from the retrieval requirements set forth herein.
49
50

1 G. Collection of Used Motor Oil.
2

3 Franchisee shall collect used motor oil from single family residential customers in accordance with
4 California Public Resources Code Section 48691.
5

6 H. Collection and Equipment
7

8 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
9 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
10 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
11 inspection at the request of the Department.
12

- 13 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
14 the Department of Motor Vehicles of the State of California, shall be kept clean and in
15 good repair, and shall be uniformly painted.
16
17 2) A local or toll free telephone number, and vehicle number shall be clearly visibly displayed
18 on all required vehicles.
19

20 **SECTION 6. OWNERSHIP OF SOLID WASTE**
21

22 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
23 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
24 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
25 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
26 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
27 Franchisee.
28

29 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**
30

31 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
32 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
33 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
34 Delivery Agreement to be effective on the same date as this Agreement.
35

36 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**
37

38 A. Indemnification of County
39

40 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
41 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
42 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
43 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
44 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
45 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
46 reasonable costs and expenses of investigating and defending against same; provided, however, that
47 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
48 negligence or misconduct of County or their agents, officers, or employees.
49

1 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
2 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
3 survive the term of the franchise.
4

5 B. Hazardous Substances Indemnification.
6

7 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
8 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
9 counsel approved by County, protect and hold harmless County and their respective employees, agents,
10 assigns, and any successor or successors to County's interest from and against all claims, actual damages
11 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
12 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
13 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
14 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
15 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
16 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
17 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
18 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
19 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
20 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
21 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
22 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
23 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.
24

25 C. Minimum Diversion Requirements
26

27 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
28 California Public Resources Code, Section 41780 and any other current or future California Statute that
29 requires the County to divert material from landfills. In the event that the State of California alters the
30 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
31 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
32 associated with any additional recycling programs.
33

34 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
35 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
36 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
37 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
38 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
39 against any third party as a means of meeting its obligation under this section.
40

41 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
42 by the Director as set forth in Section 9.A. of this agreement.
43

44 D. Worker's Compensation Insurance.
45

46 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
47 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
48 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
49 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
50 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
51 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt

1 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
2 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
3 arise from work performed by the named insured for the County.
4

5 E. Public Liability Insurance.
6

7 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
8 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
9 six million dollars (\$6,000,000.00) aggregate and three million dollars (\$3,000,000.00) per occurrence for
10 bodily injury and property damage. Said insurance shall protect Franchisee, the County and their elected
11 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
12 accidental death, as well as from any claim for property damage which may arise from operations performed
13 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
14 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
15 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
16 of the insurance policies required by this Section:
17

- 18 1) "This policy shall be considered primary insurance as respects any other valid and
19 collectible insurance the County may possess including any self-insured retention the
20 County may have, and any other insurance the County does possess shall be considered
21 excess insurance and shall not contribute with it."
22
- 23 2) "This insurance shall act for each insured, as though a separate policy had been written for
24 each. This, however, shall not act to increase the limit of liability of the insuring company."
25
- 26 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
27 certificate(s) of insurance showing that such insurance is in full force and effect, and
28 County are named as additional insureds with respect to this Franchise and the obligations
29 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
30 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
31 modification, cancellation or reduction in coverage of such insurance. In the event of any
32 such modification, cancellation or reduction in coverage and on the effective date thereof,
33 this Franchise shall terminate forthwith, unless County receive prior to such effective date
34 another certificate from an insurance carrier that the insurance required herein is in full
35 force and effect.
36

37 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
38 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
39 shall be named as additional insureds on all policies and endorsements.
40

41 F. Performance Bond or Letter of Credit.
42

43 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
44 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
45 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
46 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
47 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
48 California.
49
50
51

1 G. Modification.
2

3 The insurance requirements provided herein may be modified or waived in writing by the Board upon
4 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
5 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
6 provided by the parent company of Franchisee.
7

8 **SECTION 9. DEFAULT AND REMEDIES**
9

10 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
11 breached its obligation, the provisions of this Agreement, the requirements of CalRecycle, including, but
12 not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
13 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
14 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Waste and other
15 wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies. The
16 Director may, in such written instrument, set a reasonable time within which correction of all such
17 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
18 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
19 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
20 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
21 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
22 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
23 below.
24

25 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
26 perform its obligations under this Agreement.
27

28 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
29 therefor, not later than 6 months following the date of said hearing at which a majority vote of the board
30 determines it is in the public interest to do so:
31

- 32 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 33
- 34 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
35 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 36
- 37 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
38 compensation, liability, indemnification coverage, and performance bond as required by
39 the Agreement.
- 40
- 41 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
42 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
43 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
44 which case no breach of the franchise shall be deemed to have occurred.
- 45
- 46 5) If the Franchisee ceases to provide Collection services as required under this Agreement
47 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
48 for any reason within the control of the Franchisee.
49

- 1 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
2 refuses to provide County with required information, reports, and/or test results in a timely
3 manner as provided in the Franchise Agreement.
4
5 7) For any other act or omission by the Franchisee which materially violates the terms,
6 conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other
7 county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation
8 issued thereunder and which is not corrected or remedied within the time set in the written
9 notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach
10 within the time set forth in such notice, if the Franchisee should fail to commence to correct
11 or remedy such violation within the time set forth in such notice and diligently effect such
12 correction or remedy thereafter.
13
14 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
15 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
16 related to the performance of this Agreement, or of felonious conduct related to anti-trust
17 activities, illegal transport or disposal of hazardous waste or materials, or violation of
18 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
19

20 D. Professional Conduct
21

- 22 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
23 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
24 court in the United States, or is otherwise alleged to have participated in any criminal
25 activity directly or indirectly associated with the solid waste management business,
26 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
27 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
28 description of the indictment, complaint or allegation, as well as a copy of such indictment
29 or complaint or other matters of public record related thereto. In addition to the foregoing,
30 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
31 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
32 securities laws, including quarterly and annual reports.
33
34 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
35 interest, who has any responsibility for any aspect of the franchisee's operations under this
36 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
37 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
38 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
39 upon request of the County be immediately removed from any assignment whatsoever,
40 directly associated with operations under this contract during the pendency of trial and/or
41 following conviction.
42

43 E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
44 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
45 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
46 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
47 such party shall notify the other party of such order or requirement and the law, regulation or order on
48 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
49 or to renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order
50 becomes effective, then this Agreement shall terminate on the thirty-first day following the date said law,
51 regulation or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's

1 sole expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
2 restrict either party's right to legally contest the validity of such law, regulation or order.
3

4 **SECTION 10. DISRUPTIONS IN SERVICE**
5

6 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
7 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
8 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
9 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
10 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
11 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
12 by such conditions with an estimate of when service will be resumed.
13

14 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
15 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
16 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
17 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
18 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
19 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
20 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
21 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
22 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
23 County's sole negligence in providing such substitute service. Employees of Franchisee, including
24 management employees, may be employed by County during any period in which County temporarily
25 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
26 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
27 between Franchisee and its employees at the time Franchisee's service was interrupted.
28

29 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
30 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
31 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
32 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
33 be primarily reserved for use by County access while County or its designated representative is performing
34 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
35 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
36 accordance with the provisions of this Agreement.
37

38 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES**
39

40 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
41 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
42

43 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
44 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
45 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
46 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
47 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
48 Arbitration and Mediation Services.
49

50 C. The hearing shall be conducted according to the provisions of California Government Code Section
51 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a

1 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
2 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
3 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
4 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
5 reasonably related to the seriousness of the breach of the Agreement.

6
7 D. The party losing the hearing shall be liable for the hearing officer's fees.

8
9 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
10 a material breach of the Agreement, and may be grounds for termination of the Agreement.

11
12 F. Any party to the hearing may issue a request to compel reasonable document production from the
13 other party. Disputes concerning the scope of document production and enforcement of document requests
14 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
15 document request, then by disposition by order of the hearing officer. Any such document request shall be
16 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
17 procedures to protect such rights.

18
19 G. Neither party may communicate separately with the hearing officer after the hearing officer has
20 been selected. All subsequent communications between a party and a hearing officer shall be
21 simultaneously delivered to the other party. This provision shall not apply to communications made to
22 schedule a hearing or request a continuance.

23
24 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
25 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
26 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
27 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
28 the party subject thereto acted with substantial justification or if the interests of justice so require.

29
30 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.

31
32 **SECTION 12. FRANCHISE TRANSFERABILITY**

33
34 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
35 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
36 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
37 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
38 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
39 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
40 such a request using such criteria as it deems necessary including, but not limited to, those listed in
41 Subsection C.

42
43 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
44 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
45 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
46 this Agreement.

47
48 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
49 meet the following requirements:

- 1 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
2 investigation costs necessary to investigate the suitability of any proposed transferee, and
3 to review and finalize any documentation required as a condition for approving any such
4 transfer.
5
6 2) The Franchisee shall furnish the County with audited financial statements of the proposed
7 transferee's operations for the immediately preceding three (3) operating years.
8
9 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
10 transferee has at least five (5) years of solid waste management experience of a scale equal
11 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
12 that in the last five (5) years, the proposed transferee has not suffered any citations or other
13 censure from any federal, state or local agency having jurisdiction over its waste
14 management operations due to any significant failure to comply with state, federal or local
15 waste management laws. Franchisee shall supply the County with a complete list of such
16 citations and censures; (iii) that the proposed transferee has at all times conducted its
17 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
18 transferee conducts its solid waste management practices in accordance with sound waste
19 management practices in full compliance with all federal, state and local laws regulating
20 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
21 insurance and bonds; and (vii) of other material as may be requested by the County.
22

23 This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County without the
24 prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The foregoing
25 is not intended to prevent the County from exercising its right to terminate the agreement consistent with
26 Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
27

28 **SECTION 13. REPORTS**

29
30 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
31 recovery and disposal specified in Exhibit C of this Agreement.
32

33 B. Franchisee shall make its customer base and records available to the Department for audit at
34 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
35 Agreement.
36

37 **SECTION 14. COMPENSATION**

38 39 A. Franchisee Rates.

40
41 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
42 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
43 are included in this Exclusive Franchise to the extent provided in state and federal law.
44

45 B. Modification and Adjustment of Rates.

46
47 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
48 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
49 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste

1 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
2 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
3 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
4 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.

5
6 C. Notice of Rate Changes
7

8 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
9 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
10 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
11 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
12 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
13 Services at least forty-five (45) days in advance of the anticipated rate changes.
14

15 D. Resolution of Disputes Regarding Rate Adjustments
16

17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
23 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate. Any
24 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
25 County's Compulsory Collection ordinance.
26

27 E. Billing and Payment.
28

29 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
30 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
31 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
32 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
33 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.
36

37 F. Delinquent Accounts.
38

39 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
40 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
41 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
42 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
43 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
44 Franchisee operating in a Compulsory Collection area shall be subject to all applicable provisions in the
45 Compulsory Collection ordinance.

1
2 G. Refunds.
3

4 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
5 such customer for service not provided when service is discontinued by written notification to Franchisee
6 by the customer.
7

8 **SECTION 15. FRANCHISE FEES**
9

10 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
11 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
12 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
13 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
14 be due for fees not submitted within the thirty (30) day time period.
15

16 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
17 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
18 accordance with Exhibit D.
19

20 **SECTION 16. OTHER REQUIREMENTS**
21

22 A. Privacy
23

24 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
25 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
26 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
27 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
28 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
29 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
30 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
31 that Franchisee may provide such lists to authorized employees and authorized representatives of the
32 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
33 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
34

35 B. Public Access to the Franchisee
36

- 37 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
38 Monday through Friday. A representative of Franchisee shall be available during office
39 hours for communication with the public at Franchisee's principal office. In the event that
40 normal business cannot be conducted over the telephone, a representative of Franchisee
41 shall agree to meet with the public at a location agreeable to Franchisee and the public.
42 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
43 shall also maintain a local or toll free after-hours telephone number for use during other
44 than normal business hours. Franchisee shall have a representative or answering device or
45 system available at said after-hours telephone number during all hours other than normal
46 office hours.

1
2 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
3 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
4 Person, by close of business of the second business (waste Collection) day following the
5 date on which such complaint is received. Service complaints may be investigated by the
6 Director or a designee. Franchisee shall maintain records listing the date of customer
7 complaints, the customer, describing the nature of the complaint or request, and when and
8 what action was taken by the Franchisee to resolve the complaint. All such records shall
9 be maintained and shall be available for inspection by County.

10
11 3) Government Liaison Person. The Franchisee shall designate a "government liaison
12 Person" who shall be responsible for working with the Department to resolve customer
13 complaints.
14

15 C. Resolution of Disputed Customer Complaints.
16

17 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
18 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
19 Procedures for resolution of disputed claims shall be as follows:
20

- 21 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
22 County to review the complaint. To obtain this review, the customer may request County
23 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
24 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
25 has failed to respond to the complaint. The County may extend the time to request its
26 review for good cause.
27
- 28 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
29 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
30 customer's complaint and determine if further action is warranted. The Director may
31 request written statements from the Franchisee and customer, and/or oral presentations.
32
- 33 3) The Director shall determine if the Customer's complaint is justified, and if so, what
34 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
35 of customer charges related to the period of breach of any of the terms of this Franchise
36 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
37 addition to any actual damages.
38
- 39 4) The Director may delegate these duties to a designee. The decision of the Director or a
40 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
41 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
42 may seek review pursuant to Section 11 above.
43

44 D. Hazardous Materials and Waste Handling and Disposal
45

46 The Franchisee shall comply with the procedures detailed in State Law.
47
48
49

1 **SECTION 17. FORCE MAJEURE**

2
3 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
4 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
5 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
6 Solid Waste facilities used by Franchisee:

- 7 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
8 earthquakes, tornados, or other catastrophic events;
9 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
10 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
11 other event leading to the imposition of quarantines, travel or movement restrictions, social
12 distancing, or public health advisories restricting large gatherings;
13 D. Accident or other catastrophic event including fire or explosion;
14 E. Strikes and labor disputes;
15 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
16 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.

17
18 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
19 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
20 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
21 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
22 Franchisee intends to take to restore its ability to perform, and such other information as the County may
23 reasonably request.

24
25 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
26 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
27 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
28 Franchisee.

29
30 **SECTION 18. OTHER PROVISIONS**

31
32 A. Independent Contractor.

33
34 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
35 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
36 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
37 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
38 retirement or other benefits which accrue to County employees.

39
40 B. Property Damage.

41
42 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
43 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
44 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

1
2 C. Right of Entry.
3

4 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
5 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
6 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
7 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
8

9 D. Law to Govern.
10

11 The law of the State of California shall govern this Franchise Agreement.
12

13 E. Gratuities.
14

15 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
16 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
17 Franchise Agreement.
18

19 F. Compliance with Franchise Agreement.
20

21 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
22 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
23 the Term of this Franchise Agreement.
24

25 G. Notices.
26

27 All notices required or permitted to be given under this franchise shall be in writing and shall be
28 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
29 receipt requested, and addressed as follows:
30

31 To County: County of Riverside
32 Attn: Department of Environmental Health
33 4065 County Circle Drive
34 Riverside, CA 92503
35

36 Copy to: County Counsel
37

38 To Franchisee: CR&R Incorporated
39 Attn: Senior Regional Vice President
40 P.O. Box 1208
41 Perris, CA 92572
42

43 Copy to: CR&R Incorporated
44 Attn: David Ronnenberg, President
45 11292 Western Ave

1 Stanton, CA 90680

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3 or to such other address as either party may from time to time designate by notice to the other given in
4 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
5 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
6 receipt of confirmation of delivery which confirmation may be transmitted by fax.
7

8 H. Exhibits Incorporated.
9

10 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
11 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
12 Agreement, the language of the Exhibit shall prevail.
13

14 I. Nondiscrimination.
15

16 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
17 on the ground of race, sex, age, creed, color, religion or national origin.
18

19 J. Laws and Licenses.
20

21 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
22 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
23 to perform the services hereunder and maintain the same in full force and effect.
24

25 K. Waiver.
26

27 No waiver by either party of any one or more defaults or breaches by the other in the performance of
28 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
29 like or different character.
30

31 **SECTION 19. SEVERABILITY**
32

33 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
34 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
35 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
36 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
37 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
38 Agreement.
39

40 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
41 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
42 enforceability of any of the remaining provisions of this Franchise Agreement.
43
44
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46

1 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
2

3 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
4 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
5 and all other communications, representations, proposals, understandings or Agreements, either written or
6 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
7 or amended, in whole or in part, except by writing signed by both parties hereto.
8

9 At least once every 5 years, or more often as required by a significant change in law, starting from the
10 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
11 or required amendments.
12

13 **SECTION 21. CONSTRUCTION OF FRANCHISE**
14

15 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
16 attorneys, and no provision contained herein shall be construed against County solely because it prepared
17 this agreement in its executed forms.
18

19 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
20

21 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
22 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
23 another company, all service levels and rates of this contract shall at the discretion of the Board of
24 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

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BY: _____

16

Clifford Ronnenberg

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Chairman and CEO

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CR&R Incorporated

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EXHIBIT B

FRANCHISE AREA #5

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description:

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

Hauler Franchise Area 5

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Beginning at the intersection of the westerly line of section 31, T. 5S., R. 5 W, S.B.M. with the Westerly boundary of the County of Riverside;

Thence Northerly, along the west line of Section 31 T. 5S., R. 5 W, to the Northwest Corner of Said Section;

Thence Easterly, along the Northerly lines of Sections 31 and 32 T. 5S., R. 5 W, to the Northeast Corner of Section 32;

Thence Southerly, along the East line of Section 32 T. 5S., R. 5 W, to the Southeast Corner of Said Section, Said point also being on the Westerly city limits of the City of Lake Elsinore;

Thence Southeasterly along the city limits of Lake Elsinore to its intersection with the centerline of Interstate 15 lying within Section 15, T. 6 S., R. 4 W, S.B.M.;

Thence Southeasterly, along the centerline of Interstate 15 to the Northwesterly city limits of the City of Murrieta;

Thence Southeasterly along the city limits of the city of Murrieta to its intersection with the City limits of Temecula;

Thence Southwesterly, along the City limits of Temecula to the intersection of the centerline of Interstate 15;

Thence Southerly and Southwesterly, along the centerline of Interstate 15 to the Southerly boundary of the County of Riverside;

Thence Westerly along the county boundary of the County of Riverside to the intersection with the westerly line of Section 31, T 5 S, R 5 W, The point of beginning.

The boundaries described herein specifically exclude any territory assigned by franchises to other haulers in areas 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, and 13.

Also excludes any areas within City boundaries.

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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

Collection Summary

The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not

1 available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall
2 clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density
3 factors.

4 5 **Education and Outreach**

6
7 The Franchisee shall submit copies of public education materials sent to customers or provided
8 electronically on their websites or social media outlets.

9 **Service Performance**

10
11 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
12 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
13 shall identify the total number of all written or oral Customer comments and shall provide the number of
14 comments received in the following categories: praises, litter or property damage complaints, misplacement
15 of containers, stolen containers, personnel complaints, missed pickups, and other.

16 17 **Container Contamination Monitoring**

18
19 The Franchisee shall provide a summary of container contamination monitoring activities including
20 information on efforts to minimize container contamination. When applicable a separate detailed report
21 shall be provided to the Department identifying sites that are out of compliance and require additional
22 enforcement by the County.

23 24 **4. ANNUAL REPORTS**

25
26 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
27 Franchisee will be responsible for providing the following reports:

- 28
29 1. Summary reports
- 30 2. Equipment inventory
- 31 3. Program implementation
- 32 4. Future programs
- 33 5. Litigation information
- 34 6. Education and Outreach

35 36 **Summary Reports**

37
38 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
39 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
40 provided shall include quantities of materials collected, and if processed by non-system facilities, the
41 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
42 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
43 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
44 experiences, and any problems in program operation and how they were resolved.

45 46 **Equipment Inventory**

47
48 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
49 The inventory list shall indicate the age of the equipment.

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Program Implementation

The Franchisee shall submit a report summarizing the problems or barriers to implementation of services for the year. The report shall address how the problems and barriers were overcome or the proposed resolutions and schedule for correcting the problem.

Future Programs

The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed but have not been planned for.

Litigation Information

The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation against the parent company and all subsidiaries of parent company that may have an effect on the Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

Education and Outreach

The Franchisee shall submit copies of public education materials sent to customers or provided electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. DWR direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.

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3. The DWR directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 4. The County modifies the franchise fee.
 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 6. Significant increases in the number of customer accounts due to development or growth.
 7. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION

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AGREEMENT

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FOR FRANCHISE

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AREA #5

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- 1 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
2 court or governmental entity against Franchisee or affecting Franchisee, wherein an
3 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
4 of this Agreement, or which would have a material adverse effect on the financial condition
5 of Franchisee.
6
7 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
8 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
9 parent company's financial circumstances since the date of the most recent financial
10 statements submitted to the Environmental Health Department ("Department"). Prior to
11 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
12 most recent annual financial statements. The Department may at its discretion specify the
13 contents and form of such statements. The Director of Environmental Health may inspect
14 the financial records of the Franchisee at any reasonable time for any reasonable purpose
15 relevant to the performance of this contract.
16
17 6) Franchisee has the expert, professional, and technical capability to perform all of its
18 obligations under this Agreement.
19
20 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
21 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
22 ~~annual financial statements, as provided in Exhibit C.~~

23
24 B. Representations and Warranties of the County.
25

26 Prior to commencement of any services hereunder, the County hereby makes the following
27 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
28

- 29 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
30 This Agreement constitutes the legal, valid and binding Agreement of the County and is
31 enforceable against the County in accordance with its terms.
32
33 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
34 County before any court or governmental entity wherein an unfavorable decision, ruling or
35 finding would adversely affect the validity or enforceability of this Agreement.
36

37 **SECTION 2. DEFINITIONS**
38

39 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
40 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
41 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
42 Agreement. In the event of conflict between the definition of a term as found in the California Public
43 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
44 supersede the definition found in the Public Resources Code or in County ordinances.
45

46 A. Agreement: means this Agreement between the County and Franchisee for the Collection and
47 transportation of Solid Waste and other specified services, including all exhibits, and any future
48 amendments.
49

50 B. Bins ~~shall~~ mean those containers provided by Franchisee for commercial, industrial,
51 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~1-2~~ to 6 cubic yards in

1 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
2 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
3

4 C. ~~Board~~ shall mean the Riverside County Board of Supervisors.
5

6 ~~Bulky Waste~~ shall mean large, heavy or otherwise difficult to handle items, including, but not
7 limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large
8 concrete and asphalt chunks, tree stumps, or other waste materials with weights or volumes
9 greater than those allowed for containers.

10 D. ~~Bulky Items~~ mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
11 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
12 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
13 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
14 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
15 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
16 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
17 ~~Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)~~
18 ~~Persons.~~

19 ~~D.~~

20
21 E. ~~Collection~~ means Collection of Solid Waste, recyclable material, or other material specified
22 in this Agreement and its transportation to an appropriate Solid Waste Facility.
23

24 F. ~~Commercial Units~~ shall mean all commercial, industrial, institutional or other facilities, except
25 residential and Multi-Residential Units.
26

27 G. ~~Compost~~ means a stable humus like product that results from the biological decomposition of
28 organic materials occurring under controlled conditions.
29

30 H. ~~Compost Facility~~ means a Solid Waste Facility that processes Organic Waste, Wood Waste or
31 other organic materials to produce Compost or mulch.
32

33 I.G. ~~Comprehensive Compulsory Collection Areas~~ shall mean specific portions or areas of the
34 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
35 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.
36

37 J.H. ~~County~~ means the County of Riverside, State of California.
38

39 K.I. ~~Department~~ means the Riverside County Department of Environmental Health.
40

41 J. ~~Director~~ shall mean the Director of the Riverside County Department of Environmental
42 Health or his or her their designee.
43

44 L.K. ~~Diversion (or any variation thereof including "Divert")~~ means activities which reduce or
45 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
46 recycling, and composting.
47

48 M. ~~District~~ means the Riverside County Waste Resources Management District.
49

1 ~~N.L.~~ Effective Date: means the date on which this Agreement becomes effective, which shall be the
2 date it is executed by the Board of Supervisors.
3

4 ~~O.M.~~ Exclusive Franchise: means the rights granted to the Franchisee under the terms and conditions
5 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
6 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
7 B.
8

9 ~~P.~~ Extremely Hazardous Waste: ~~shall mean any Hazardous Waste or mixture of Hazardous~~
10 ~~Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or~~
11 ~~illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.~~
12

13 ~~Q.N.~~ Franchise Area: means the geographic territory defined in Exhibit B.
14

15 ~~R.~~ Franchise Documents: ~~shall mean the Agreement (as herein defined), the separately executed~~
16 ~~Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required~~
17 ~~under this Agreement.~~
18

19 ~~S.O.~~ Generator: means the owner or occupant of premises, including residences or businesses, which
20 initially produces Solid Waste, Recyclable Materials, or Organic Waste.
21

22 ~~T.P.~~ Green Waste: means organic waste generated from any landscaping including grass clippings,
23 leaves, prunings, tree trimmings, weeds, branches, and brush.
24

25 ~~U.Q.~~ Gross Receipts: means all monies received by Franchisee for providing franchise services
26 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
27 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
28 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
29 of State or other governmental agencies.
30

31 ~~V.R.~~ Hard-to-Service: may refer to any service area that is not standard curb and gutter service or
32 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
33 of the following:

- 34 1) Rural, sparsely populated areas,
- 35 2) Hilly or mountainous terrain,
- 36 3) Poorly paved or unpaved roads which may be ~~im~~unpassable in poor weather,
- 37 4) Large, uninhabited areas between pockets of homes,
- 38 ~~5) Unusually heavy waste due to large properties, livestock, etc.~~
- 39 ~~5)~~
- 40 ~~6) Limited access on a private street or alley.~~

41 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
42 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
43 "Hard to Service"

44 ~~W.~~ Hazardous Waste: ~~shall mean any waste material or mixture of wastes which is defined or~~
45 ~~otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an~~
46 ~~irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a~~
47 ~~waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,~~
48 ~~or as a proximate result of any disposal of such wastes or mixture of wastes. The term "toxic", "corrosive",~~
49 ~~"flammable", "irritant", or "strong sensitizer" shall be given the same meaning as found in the California~~
50 ~~Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.~~

1
2 ~~X.S.~~ Integrated Waste Management Act (IWMA) shall mean the California Integrated Waste
3 Management Act of 1989 (AB 939), including all subsequent amendments.
4

5 ~~Y. — Materials Recovery Facility.~~ means a facility intended primarily for recovery and processing
6 of Recyclable Materials that are source separated, or a facility intended to recover Recyclable Materials
7 from Solid Waste. Such a facility may also function as a Transfer Station.
8

9 ~~Z.T.~~ Multi-Residential Units shall mean permanent buildings containing three or more Residential
10 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
11 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
12

13 ~~AA.U.~~ Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
14 wood waste, and food-soiled paper waste that is mixed in with food waste.
15

16 ~~BB. — Permitted Hauler.~~ means a Solid Waste service provider who has a valid permit to operate
17 within all, or a portion of, the unincorporated County.
18

19 ~~CC. — Person.~~ shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,
20 trust, association, or corporation whether for profit or non-profit.
21

22 ~~DD.V.~~ Recyclable Materials means material which has been segregated from other Solid Waste
23 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
24 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
25 Recyclables consisting of two or more of the above-referenced material types separated from non-
26 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
27 than five (5) percent Solid Waste by weight.
28

29 ~~EE.W.~~ Residential Unit shall mean an occupied dwelling within the unincorporated area of the
30 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
31 either water or domestic light and power services are being supplied thereto. This definition shall apply also
32 to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to
33 be two (2) attached Residential Units.
34

35 ~~FF.X.~~ Roadways means all County maintained roadways in the unincorporated area of the County
36 or private roadways, accessible by the Franchisee and used for providing routine service as defined in
37 Exhibit A of this Agreement.
38

39 ~~GG. — Solid Waste.~~ means all putrescible and non putrescible solid, semisolid and liquid wastes,
40 including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction
41 wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,
42 and other discarded solid and semisolid wastes.
43

44 Solid Waste does not include any of the following wastes:

- 45 ○ ~~Hazardous waste, as defined in Public Resources Code Section 40141.~~
- 46 ○ ~~Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8~~
47 ~~(commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety~~
48 ~~Code).~~
- 49 ○ ~~Medical waste regulated pursuant to the Medical Waste Management Act (Part 14~~
50 ~~(commencing with Section 117600) of Division 104 of the Health and Safety Code).~~

1 ~~Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in~~
2 ~~Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall~~
3 ~~be regulated pursuant to this division.~~

4
5 ~~HH. — Solid Waste Facility. means any facility that is licensed, permitted or otherwise approved by~~
6 ~~all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,~~
7 ~~Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material~~
8 ~~recovery, composting, waste-to-energy, or landfill facilities.~~

9
10 ~~II.Y. System Facility. means a Solid Waste Facility that is owned and/or operated by the District~~
11 ~~Riverside County Department of Waste Resources (DWR), or with which the District DWR has entered~~
12 ~~into an Agreement, and that for the purposes of this Agreement is designated by the District DWR through~~
13 ~~a separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery~~
14 ~~and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.~~

15
16 ~~II.Z. Term. means the Term of this Agreement, as provided for in Section 3.~~

17
18 ~~KK. — Transfer Station. shall include those intermediate waste handling facilities where Solid Wastes~~
19 ~~are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof~~
20 ~~may undergo incidental processing, recycling or further handling before transportation to a disposal site,~~
21 ~~Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer~~
22 ~~station":~~

- 23 ~~1) Locations where less than 15 cubic yards of combined container volume are~~
24 ~~provided to serve as community or multi-residence receptacles for residential refuse.~~
25 ~~2) Storage receptacles for waste from multi-residential buildings or for commercial~~
26 ~~Solid Wastes.~~
27 ~~3) A container used to store construction or demolition wastes at the place of~~
28 ~~generation.~~
29 ~~4) Containers used to store salvaged materials.~~

30
31 ~~II.AA. Waste Delivery Agreement. means the contract entered into by the District DWR and the~~
32 ~~Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to~~
33 ~~be directed to specified System Facilities and kept on file with the DWR.~~

34
35 ~~MM.BB. Wood Waste. means industrial dimension lumber, pallets, shipping dunnage, and similar~~
36 ~~discarded processed wood materials, and large tree limbs.~~

37 38 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE

39
40 A. Pursuant to Ordinance ~~657745~~, and the IWMA, and subject to the terms and conditions of this
41 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
42 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
43 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
44 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
45 purposes.

46
47 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
48 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
49 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
50 forth below; and (2) to not collect from any other portions of the unincorporated county covered by

1 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
2 Organic Waste, ~~(3) to the cancellation, upon the Effective Date of this Agreement, of any permit or other~~
3 ~~authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable~~
4 ~~Materials, or Organic Waste for the portion of the unincorporated county permit area covered by Exclusive~~
5 ~~Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code~~
6 ~~section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for~~
7 ~~those areas represented by Exclusive Franchise Agreements.~~

8
9 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to~~
10 ~~its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement~~
11 ~~and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in~~
12 ~~accordance with the provisions of this Agreement.~~

13
14 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
15 the Exclusive Franchise, to the extent provided for in state and federal law.

16
17 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the~~
18 ~~Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of~~
19 ~~this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior~~
20 ~~thereto either the County or the Franchisee gives written notice of non-renewal to the other party. Only one~~
21 ~~notice of non-renewal shall be required hereunder. Notice of non-renewal need not be based on cause.~~ The
22 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
23 notice for nonperformance, as provided in Sections 9 and 10 hereof.

24
25 D. Franchisee will commence services under this Agreement on January ~~1st, 1999~~, 2022.

26
27 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
28 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
29 taken.

30
31
32 **SECTION 4. FRANCHISE AREA**

33
34 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
35 County defined in Exhibit B, "Franchise Area."

36
37 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**

38
39 A. General.

40
41 Franchisee shall provide the Collection and transportation of Solid Waste and
42 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
43 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
44 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
45 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit ~~ED~~. Minimum
46 levels of Solid Waste service to be provided under this Agreement are defined below, however, no
47 residential or commercial or business customer shall be refused service, if that party is willing to pay for
48 such service and is current in payment. Disputes arising over the terms on which a particular customer may
49 be serviced because of remoteness of location, difficulty of access, particular needs of the customer, etc.
50 shall be decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
51

1 B. Single Family Residential.

2
3 Weekly Service. Not less often than once per week, and more frequently if required to handle the
4 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
5 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
6 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
7 Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without obstructions so as
8 to permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
9 ~~Franchisee may supply containers, and/or may require the use of specific containers as specified in Exhibit~~
10 ~~A.~~ Franchisee may negotiate special pickup procedures, above and beyond the normal services described
11 above, with customers for an additional fee in an amount provided in Exhibit ED.

12
13 C. Commercial, Industrial, and Multi-Residential.

- 14
15 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
16 if required to handle the waste stream of the premises where the Bins are located,
17 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
18 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
19 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
20
21 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
22 frequently if required to handle the waste stream of the premises where the Bins are located,
23 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
24 Collection in Solid Waste Bins at Commercial Units.

25
26 D. Construction and Temporary Bin/Rolloff Services.

27
28 Franchisee shall provide construction and temporary bin/rolloff services using rates ~~reflected~~
29 ~~in~~ established per Exhibit ED.

30
31 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 32
33 ~~1) At least twice a year, Franchisee shall provide a one (1) day cleanup service to all~~
34 ~~Residential Unit customers on its routes wherein all bulky materials left on the curb, or~~
35 ~~other designated location on or adjacent to customer's property, up to a maximum of one~~
36 ~~and one-half cubic yards, will be removed and disposed. Cost for this service, excluding~~
37 ~~the cost of disposal, shall be included within the normal monthly rates for Residential Unit~~
38 ~~Solid Waste Collection as specified in Exhibit E. When feasible, the bulky material will~~
39 ~~be collected in a vehicle separate from the one used to pick up the residential unit's Solid~~
40 ~~Waste on a weekly basis so that it can be readily identified as not requiring tipping fees~~
41 ~~when it arrives at the designated landfill. Franchisee will make a good faith effort to divert~~
42 ~~the bulky material away from the designated landfill and to another facility where it can be~~
43 ~~either recycled or refurbished for reuse. Collection of heavy waste materials such as dirt,~~
44 ~~rock, concrete, and asphalt are not included in this service.~~

45
46 ~~Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service arranged~~
47 ~~at the request of the customer for large household appliances or furniture or multiple smaller~~
48 ~~items not exceeding one and one-half cubic yards. Collection of heavy waste materials such as~~
49 ~~dirt, rock, concrete, and asphalt are not included in this service. Franchisee shall advertise the~~
50 ~~availability of the Bulky Wastes Collection service and shall provide the Bulky Waste Collection~~

1 service within seven (7) working days of request by customer. Franchisee shall bill the customer
2 for Bulky Waste Collection at the rate established in Exhibit E. Standard disposal rates shall be
3 paid by franchisee at System Facility.

4 1) Upon verbal or written customer request, made a minimum of two business days prior to
5 the customer's regular service day, Franchisee shall provide on-call Single Family
6 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
7 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
8 customer. Franchisee and County agree that this service is intended to allow residents to
9 safely discard of large household items such as furniture and whitegoods or other large
10 household items that do not fit in their regular weekly trash containers. Each Single
11 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
12 Household Waste Collection Services per calendar year with a maximum of four (4) items
13 at each collection occurrence. The total amount of annual allowable items per household
14 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
15 (4) tires per collection request. Bulky Household Waste items do not include items such as
16 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
17 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
18 service shall be subject to the bulky item rates established on the rate sheets approved by
19 the Board of Supervisors.

20 2) _____

21
22 3)2) _____ Franchisee shall provide large rolloff refuse containers requested by the Director
23 or his designee to respond to organized community clean up efforts at no charge.
24 Franchisee shall deliver containers to agreed upon collection points and shall cooperate
25 with the Director and designated community leaders to remove containers and dispose of
26 collected Solid Waste. Franchisee is obligated to provide the equivalent of two 40-cubic
27 yard bins/loads per year for each 1,000 Residential Unit customers serviced within the
28 Franchise Area. The ~~District-DWR~~ will arrange that there shall be no charge of disposal
29 fees for such Solid Waste delivered in separate vehicles to the System Facilities.

30
31 F. Illegal Dumping Retrieval Services

32 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

- 33
34
35 1) If requested by the County the Franchisee shall turn in ~~to County~~ a ~~monthly~~ report of illegal
36 dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky
37 items (such as tires, couches, and appliances) noticed within or along the Roadway in the
38 franchise area. For the purpose of this provision, the Roadway shall include public rights
39 of way within twenty (20) feet of the paved roadways and within twenty (20) feet of the
40 shoulders of unpaved roadways.
- 41
42 2) Franchisee shall anticipate and arrange to receive daily by ~~facsimile~~ electronic methods,
43 copies of reports of illegal dumping reported by citizens to the Department ~~of~~
44 Environmental Health, Department of Transportation, or the ~~Waste Resources~~
45 Management District DWR.
- 46
47 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
48 materials on the Roadway within ~~forty-eight (48)~~ seventy-two (72) hours of the receipt of
49 reports thereof (excluding weekends and holidays) except for remote areas, as approved by
50 the director, for which the removal shall occur within five working days. The Franchisee

1 may request that specified roads, determined by the franchisee to be inaccessible for waste
2 removal, be considered by the Director for revised waste removal requirements.
3

4 ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at
5 County disposal sites at the time of delivery of the corresponding loads of illegally dumped
6 debris. Nothing herein shall prevent the immediate pickup, delivery and reporting thereof,
7 as part of the normal route collection activities, of illegally discarded material.~~

8
9 ~~5) _____~~ Abandoned vehicles and objects or appliances larger than conventional household
10 furniture or appliances as well as hazardous, ~~and~~ medical, and other wastes requiring
11 special handling are exempt from the retrieval requirements set forth herein, provided,
12 however, that of these exempted items noted within the Roadway are to be immediately
13 reported to the Director.
14

15 ~~6) _____~~ The Franchisee shall, upon request of private property owners, the Director or the
16 Departments of County Transportation and Land Management Agency, provide removal
17 services for waste illegally disposed of on their private property, excluding those wastes
18 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
19 ~~ED.~~
20

21 ~~7) _____~~ Illegally disposed materials along Roadways within one mile of disposal sites
22 within Riverside County are exempt from the retrieval requirements set forth herein.
23

24 ~~8) For sixty (60) days from the effective date of this contract, the County will arrange that
25 there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall
26 pay the usual fees charged for comparable types and quantities of Solid Waste.~~

27
28 ~~9) Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit
29 to the Director an accurate accounting of its costs to provide Illegal Dumping Retrieval
30 Service.~~
31

32 G. Collection of Used Motor Oil.

33
34 Franchisee shall collect used motor oil from single family residential customers in accordance with
35 ~~California Public Resources Code Section 48691, the Recycled Oil Collection and Storage Standards~~
36 ~~pursuant to Riverside County Ordinance 657 and Riverside County Resolution 90-668.~~
37

38 ~~H. Diversion Services~~

39
40 ~~1) Diversion services proposed by Franchisee as described in Exhibit H shall be provided
41 throughout the duration of this contract.~~

42
43 ~~2) At any time during the term of this Agreement, upon one hundred eighty (180) days written
44 notice from the Director, Franchisee shall provide collection of Green Waste or Organic
45 Waste from Residential Units throughout, or in designated portions of its Exclusive
46 Franchise Area. Franchisee's rates for this service shall be as established in Exhibit E as
47 adjusted by the methodology established in Exhibit F.~~
48

49 I.H. Collection and Equipment

1
2 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
3 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
4 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
5 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~ The equipment of
6 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
7 ~~Department on an annual basis~~ at the request of the Department.

8
9 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
10 the Department of Motor Vehicles of the State of California, shall be kept clean and in
11 good repair, and shall be uniformly painted.

12
13 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
14 ~~days.~~

15
16 ~~3)2)~~ _____ A local or toll free telephone number, and vehicle number shall be clearly visibly
17 displayed on all required vehicles, ~~in letters and figures no less than three inches (3") high.~~

18 19 SECTION 6. OWNERSHIP OF SOLID WASTE

20
21 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
22 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
23 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
24 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
25 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
26 Franchisee.

27 28 SECTION 7. DIRECTION OF COLLECTED MATERIALS

29
30 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
31 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
32 and the ~~District~~DWR. The rates ~~shown~~referenced in Exhibit ~~E-D~~ are based on the _____ facility(ies)
33 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.

34 35 SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND

36 37 A. Indemnification of County ~~and District.~~

38
39 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
40 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
41 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
42 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
43 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
44 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
45 reasonable costs and expenses of investigating and defending against same; provided, however, that
46 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
47 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.

1 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
2 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
3 survive the term of the franchise.

4
5
6 B. Hazardous Substances Indemnification.
7

8 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
9 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
10 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
11 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
12 damages (including, but not limited to, special and consequential damages), natural resources damage,
13 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
14 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
15 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
16 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
17 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
18 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
19 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
20 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
21 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
22 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
23 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
24 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
25 from liability.

26
27 C. Minimum Diversion Requirements
28

29 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
30 California Public Resources Code, Section 41780 and any other current or future California Statute that
31 requires the County to divert material from landfills. In the event that the State of California alters the
32 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
33 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
34 associated with any additional recycling programs.
35

36 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
37 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
38 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
39 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
40 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
41 against any third party as a means of meeting its obligation under this section.
42

43 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
44 by the Director as set forth in Section 9.A. of this agreement.

45 ~~—The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in~~
46 ~~programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner~~
47 ~~which entitles County to diversion credit as specified in California Public Resources Code, Section 41780~~
48 ~~measured on a calendar year basis beginning January 1st, 1999 ("Minimum Diversion Requirement")~~
49 ~~provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.~~
50 ~~Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing~~
51 ~~to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it~~

1 ~~had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for~~
2 ~~calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum~~
3 ~~Diversion Requirements two (2) times after the execution of the agreement, County may terminate this~~
4 ~~Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,~~
5 ~~finds that additional programs are necessary to meet any IWMA required diversion goals the County, or~~
6 ~~District on behalf of the County, may require proposals for additional diversion programs to meet the~~
7 ~~diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if~~
8 ~~agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon~~
9 ~~one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid~~
10 ~~Waste, Recyclable Materials, and/or Organic Waste, and/or to independently implement programs that may~~
11 ~~be needed to meet the minimum diversion requirement.~~

12
13 ~~— If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
14 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
15 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
16 ~~Diversion Requirement, which shall not be unreasonably denied.~~

17
18 D. Worker's Compensation Insurance.

19
20 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
21 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
22 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
23 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
24 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
25 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
26 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
27 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
28 losses which arise from work performed by the named insured for the County.

29
30 E. Public Liability Insurance.

31
32 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
33 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
34 ~~three six~~ million dollars ~~(\$3,000,000.00)~~ ~~(\$6,000,000.00)~~ aggregate and ~~one three~~ million ~~five hundred~~
35 ~~thousand~~ dollars ~~(\$1,500,000.00)~~ ~~(\$3,000,000.00)~~ per occurrence for bodily injury and property damage.
36 Said insurance shall protect Franchisee, the County, ~~the District,~~ and their elected or appointed officials,
37 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
38 as from any claim for property damage which may arise from operations performed pursuant to this
39 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
40 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
41 the Director. All of the following endorsements are required to be made a part of the insurance policies
42 required by this Section:

- 43
44 1) "This policy shall be considered primary insurance as respects any other valid and
45 collectible insurance the County may possess including any self-insured retention the
46 County may have, and any other insurance the County ~~or District~~ does possess shall be
47 considered excess insurance and shall not contribute with it."
48
49 2) "This insurance shall act for each insured, as though a separate policy had been written for
50 each. This, however, shall not act to increase the limit of liability of the insuring company."
51

1 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
2 with certificate(s) of insurance showing that such insurance is in full force and effect, and
3 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
4 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
5 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
6 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
7 the event of any such modification, cancellation or reduction in coverage and on the
8 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
9 receive prior to such effective date another certificate from an insurance carrier that the
10 insurance required herein is in full force and effect.
11

12 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
13 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
14 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.
15

16 F. Performance Bond or Letter of Credit.
17

18 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
19 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
20 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
21 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
22 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
23 California.
24

25 G. Modification.
26

27 The insurance requirements provided herein may be modified or waived in writing by the Board upon
28 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
29 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
30 provided by the parent company of Franchisee.
31

32 **SECTION 9. DEFAULT AND REMEDIES**
33

34 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
35 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
36 provisions of this Agreement, the requirements of ~~the California Integrated Waste Management~~
37 ~~Board~~ CalRecycle, including, but not limited to, requirements for source reduction and recycling (as to the
38 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
39 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
40 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
41 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
42 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
43 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
44 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
45 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
46 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
47 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
48 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or~~ refer the matter to a hearing
49 officer as provided in Section 11, below. ~~Where the County and the Franchisee have claims pending against~~
50 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~
51

1 ~~B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
2 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the~~
3 ~~hearing, the Board shall consider the report of the Director indicating the deficiencies, and shall~~
4 ~~give the Franchisee, or its representatives and any other interested Person, a reasonable opportunity~~
5 ~~to be heard.~~

6
7 ~~C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
8 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record,~~
9 ~~the Board determines that the performance of Franchisee is in breach of any material Term of this~~
10 ~~Agreement or any material provision of any applicable Federal, State, or local statute, ordinance or~~
11 ~~regulation, or is deficient with respect to prevailing industry standards, the Board in the exercise of~~
12 ~~its sole discretion, may terminate forthwith, this Agreement. Franchisee's performance under its~~
13 ~~franchise is not excused during the period of time prior to the Board's final determination as to~~
14 ~~whether such performance is deficient.~~

15
16 D.B. The right of termination is in addition to any other rights of County upon failure of
17 Franchisee to perform its obligations under this Agreement.

18
19 E.C. The County further reserves the right to terminate Franchisee's franchise, following public
20 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
21 board determines it is in the public interest to do so:

- 22
23 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
24
25 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
26 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
27
28 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
29 compensation, liability, indemnification coverage, and performance bond as required by
30 the Agreement.
31
32 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
33 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
34 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
35 which case no breach of the franchise shall be deemed to have occurred.
36
37 5) If the Franchisee ceases to provide Collection services as required under this Agreement
38 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
39 for any reason within the control of the Franchisee.
40
41 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
42 refuses to provide County with required information, reports, and/or test results in a timely
43 manner as provided in the Franchise Agreement.
44
45 7) For any other act or omission by the Franchisee which materially violates the terms,
46 conditions, or requirements of this franchise, Ordinance 657745, successor ordinance,
47 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
48 regulation issued thereunder and which is not corrected or remedied within the time set in
49 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
50 the breach within the time set forth in such notice, if the Franchisee should fail to

1 commence to correct or remedy such violation within the time set forth in such notice and
2 diligently effect such correction or remedy thereafter.

- 3
4 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
5 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
6 related to the performance of this Agreement, or of felonious conduct related to anti-trust
7 activities, illegal transport or disposal of hazardous waste or materials, or violation of
8 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
9

10 F.D. Professional Conduct

- 11
12 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
13 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
14 court in the United States, or is otherwise alleged to have participated in any criminal
15 activity directly or indirectly associated with the solid waste management business,
16 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
17 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
18 description of the indictment, complaint or allegation, as well as a copy of such indictment
19 or complaint or other matters of public record related thereto. In addition to the foregoing,
20 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
21 required to be prepared by Franchisee or its successor-in-interest pursuant to federal
22 securities laws, including quarterly and annual reports.
23
24 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
25 interest, who has any responsibility for any aspect of the franchisee's operations under this
26 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
27 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
28 conduct of doing business for Franchisee or its successor-in-interest, this person shall,
29 upon request of the County be immediately removed from any assignment whatsoever,
30 directly associated with operations under this contract during the pendency of trial and/or
31 following conviction.
32

33 G.E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
34 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
35 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
36 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
37 such party shall notify the other party of such order or requirement and the law, regulation or order on
38 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
39 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of suchsaid~~
40 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
41 following the ~~Effective Datedate of suchsaid~~ law, regulation or order becomes effective. Nothing in this
42 Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking to obtain
43 modification or repeal of such law, regulation or order or restrict either party's right to legally contest the
44 validity of such law, regulation or order.
45

46 **SECTION 10. DISRUPTIONS IN SERVICE**

47
48 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
49 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
50 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
51 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County

1 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
2 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
3 by such conditions with an estimate of when service will be resumed.
4

5 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
6 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
7 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
8 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
9 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
10 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
11 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
12 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
13 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
14 County's sole negligence in providing such substitute service. Employees of Franchisee, including
15 management employees, may be employed by County during any period in which County temporarily
16 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
17 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
18 between Franchisee and its employees at the time Franchisee's service was interrupted.
19

20 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
21 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
22 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
23 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
24 be primarily reserved for use by County access while County or its designated representative is performing
25 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
26 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
27 accordance with the provisions of this Agreement.
28

29 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES

30

31 A. Should Franchisee or the County contend that the ~~County~~ other party is in breach of this Franchise
32 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
33

34 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
35 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
36 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
37 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
38 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
39 Arbitration and Mediation Services.
40

41 C. The hearing shall be conducted according to the provisions of California Government Code Section
42 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
43 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
44 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
45 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
46 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
47 reasonably related to the seriousness of the breach of the Agreement.
48

49 D. The party losing the hearing shall be liable for the hearing officer's fees.
50

1 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
2 a material breach of the Agreement, and may be grounds for termination of the Agreement.
3

4 F. Any party to the hearing may issue a request to compel reasonable document production from the
5 other party. Disputes concerning the scope of document production and enforcement of document requests
6 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
7 document request, then by disposition by order of the hearing officer. Any such document request shall be
8 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
9 procedures to protect such rights.
10

11 G. Neither party may communicate separately with the hearing officer after the hearing officer has
12 been selected. All subsequent communications between a party and a hearing officer shall be
13 simultaneously delivered to the other party. This provision shall not apply to communications made to
14 schedule a hearing or request a continuance.
15

16 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
17 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
18 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
19 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
20 the party subject thereto acted with substantial justification or if the interests of justice so require.
21

22 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
23

24 **SECTION 12. FRANCHISE TRANSFERABILITY**
25

26 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
27 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
28 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
29 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
30 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
31 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
32 such a request using such criteria as it deems necessary including, but not limited to, those listed in
33 Subsection C.
34

35 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
36 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
37 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
38 this Agreement.
39

40 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
41 meet the following requirements:
42

- 43 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
44 investigation costs necessary to investigate the suitability of any proposed transferee, and
45 to review and finalize any documentation required as a condition for approving any such
46 transfer.
47
- 48 2) The Franchisee shall furnish the County with audited financial statements of the proposed
49 transferee's operations for the immediately preceding three (3) operating years.
50

1 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
2 transferee has at least five (5) years of solid waste management experience of a scale equal
3 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
4 that in the last five (5) years, the proposed transferee has not suffered any citations or other
5 censure from any federal, state or local agency having jurisdiction over its waste
6 management operations due to any significant failure to comply with state, federal or local
7 waste management laws. Franchisee shall supply the County with a complete list of such
8 citations and censures; (iii) that the proposed transferee has at all times conducted its
9 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
10 transferee conducts its solid waste management practices in accordance with sound waste
11 management practices in full compliance with all federal, state and local laws regulating
12 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
13 insurance and bonds; and (vii) of other material as may be requested by the County.
14

15 ~~D.—This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County~~
16 ~~without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The~~
17 ~~foregoing is not intended to prevent the County from exercising its right to terminate the agreement~~
18 ~~consistent with Section 3, and for the County to seek a new franchisee at the expiration of this~~
19 ~~Agreement. This franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned~~
20 ~~by the County to any Public Agency having the authority to provide solid waste collection services if the~~
21 ~~Board determines it is in the public interest to do so.~~
22

23 SECTION 13. REPORTS

24
25 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
26 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.
27

28 B. Franchisee shall make its customer base and records available to the Department for audit at
29 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
30 Agreement.
31

32 SECTION 14. COMPENSATION

33 34 A. Franchisee Rates. 35

36 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
37 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
38 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
39 ~~the maximum rate to be charged for such materials.~~
40

41 B. Modification and Adjustment of Rates. 42

43 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
44 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
45 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
46 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or ~~District~~
47 ~~DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
48 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The ~~rates set~~

1 ~~forth on Exhibit E-rates~~ shall remain in effect until adjusted by County following a public hearing as
2 provided in Exhibit ~~FD~~.

3
4 C. Notice of Rate Changes
5

6 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
7 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
8 from County regarding approved changes in landfill fees and CPI adjustments. ~~The wording of the notice~~
9 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
10 ~~prior to release. If requested by the Department, the Franchisee will provide a copy of the written notice~~
11 ~~for review.~~ County shall provide Franchisee with written notice of changes in System Facility, franchise,
12 or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated rate
13 changes.

14
15 D. Resolution of Disputes Regarding Rate Adjustments
16

17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution can-not be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The ~~Effective Datedate~~ of any dispute resolution, whether retroactive or
23 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
24 appropriate. Any Franchisee operating in a ~~Comprehensive-Compulsory~~ Collection Area shall be subject
25 to all applicable provisions in the County's ~~comprehensive-Compulsory eC~~ollection ordinance.

26
27 E. Billing and Payment.
28

29 Franchisee may bill and receive payment as provided ~~in Exhibit Eherein~~. In cases where Franchisee
30 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
31 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
32 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
33 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.

36
37
38 F. Delinquent Accounts.
39

40 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
41 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
42 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
43 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
44 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any

1 Franchisee operating in a ~~comprehensive Compulsory e~~Collection area shall be subject to all applicable
2 provisions in the ~~comprehensive Compulsory e~~Collection ordinance.

3
4 G. Refunds.
5

6 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
7 such customer for service not provided when service is discontinued by written notification to Franchisee
8 by the customer.
9

10 **SECTION 15. FRANCHISE FEES**
11

12 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
13 ~~Transfer Station Tipping Fees~~, shall be payable by Franchisee to the Department thirty (30) days after the
14 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
15 to be paid for revenues generated by the collection or sale of Recyclable Materials and Organic Waste
16 collected by the Franchisee, ~~or for the provision of construction roll off services~~. A penalty of ten (10)
17 percent shall be due for fees not submitted within the thirty (30) day time period.
18

19 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
20 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
21 accordance with Exhibit ~~FD~~.
22

23 **SECTION 16. OTHER REQUIREMENTS**
24

25 A. Privacy
26

27 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
28 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
29 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
30 statute, or upon valid authorization of the customer. —This provision shall not be construed to preclude
31 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
32 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
33 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
34 that Franchisee may provide such lists to authorized employees and authorized representatives of the
35 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
36 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
37

38 B. Public Access to the Franchisee
39

- 40 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
41 Monday through Friday. A representative of Franchisee shall be available during office
42 hours for communication with the public at Franchisee's principal office. In the event that
43 normal business cannot be conducted over the telephone, a representative of Franchisee
44 shall agree to meet with the public at a location agreeable to Franchisee and the public.
45 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee

1 shall also maintain a local or toll free after-hours telephone number for use during other
2 than normal business hours. Franchisee shall have a representative or answering device or
3 system available at said after-hours telephone number during all hours other than normal
4 office hours.
5

6 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
7 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
8 Person, by close of business of the second business (waste Collection) day following the
9 date on which such complaint is received. Service complaints may be investigated by the
10 Director or a designee. Franchisee shall maintain records listing the date of customer
11 complaints, the customer, describing the nature of the complaint or request, and when and
12 what action was taken by the Franchisee to resolve the complaint. All such records shall
13 be maintained and shall be available for inspection by County.
14

15 3) Government Liaison Person. The Franchisee shall designate a "government liaison
16 Person" who shall be responsible for working with the Department to resolve customer
17 complaints.
18

19 C. Resolution of Disputed Customer Complaints.
20

21 The Franchisee shall ~~notify-supply, upon~~ customers request, a copy of this complaint arbitration
22 procedure at the time a customers applies for or ~~are~~is provided service, and subsequently, as requested by
23 the customer annually. Procedures for resolution of disputed claims shall be as follows:
24

25 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
26 County to review the complaint. To obtain this review, the customer may request County
27 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
28 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
29 has failed to respond to the complaint. The County may extend the time to request its
30 review for good cause.
31

32 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
33 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
34 customer's complaint and determine if further action is warranted. The Director may
35 request written statements from the Franchisee and customer, and/or oral presentations.
36

37 3) The Director shall determine if the Customer's complaint is justified, and if so, what
38 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
39 of customer charges related to the period of breach of any of the terms of this Franchise
40 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
41 addition to any actual damages.
42

43 4) The Director may delegate these duties to a designee. The decision of the Director or a
44 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
45 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
46 may seek review pursuant to Section 11 above.
47

48 D. Hazardous Materials and Waste Handling and Disposal
49

1 The Franchisee shall comply with the procedures detailed in ~~Exhibit G of this Agreement~~ State Law.

2
3 **SECTION 17. FORCE MAJEURE**
4

5 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
6 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
7 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
8 Solid Waste facilities used by Franchisee:

- 9 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
10 earthquakes, tornados, or other catastrophic events;
11 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
12 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
13 other event leading to the imposition of quarantines, travel or movement restrictions, social
14 distancing, or public health advisories restricting large gatherings;
15 D. Accident or other catastrophic event including fire or explosion;
16 E. Strikes and labor disputes;
17 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
18 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
19

20 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
21 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
22 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
23 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
24 Franchisee intends to take to restore its ability to perform, and such other information as the County may
25 reasonably request.
26

27 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
28 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
29 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
30 Franchisee.

31 ~~— Franchisee shall not be in default under this Franchise Agreement in the event that the services provided~~
32 ~~by the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,~~
33 ~~sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,~~
34 ~~landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are~~
35 ~~beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability~~
36 ~~of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from~~
37 ~~other governmental agencies or the right to use the facilities of any public utility where such failure is due~~
38 ~~solely to the acts or omissions of the Franchisee.~~
39

40 **SECTION 18. OTHER PROVISIONS**
41

- 42 A. Independent Contractor.
43

1 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
2 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
3 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
4 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
5 retirement or other benefits which accrue to County employees.

6
7 B. Property Damage.
8

9 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
10 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
11 completion of a proper investigation which proves that the Franchisee was at fault of said damage.
12

13 C. Right of Entry.
14

15 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
16 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
17 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
18 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
19

20 D. Law to Govern.
21

22 The law of the State of California shall govern this Franchise Agreement.
23

24 E. Gratuities.
25

26 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
27 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
28 Franchise Agreement.
29

30 F. Compliance with Franchise Agreement.
31

32 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and 745~~, or any
33 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
34 during the Term of this Franchise Agreement.
35

36 G. Notices.
37

38 All notices required or permitted to be given under this franchise shall be in writing and shall be
39 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
40 receipt requested, and addressed as follows:
41

42 To County: County of Riverside
43 Attn: Department of Environmental Health
44 4065 County Circle Drive
45 Riverside, CA 92503

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Copy to: County Counsel

To Franchisee: CR&R Incorporated
Attn: Senior Regional Vice President
P.O. Box 1208
Perris, CA 92572

Copy to: CR&R Incorporated
Attn: David ~~Fahri~~Ronnenberg, President
~~P.O. Box 1208~~ 1292 Western Ave
~~Perris, Ca. 92572~~ Stanton, CA 90680

or to such other address as either party may from time to time designate by notice to the other given in accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed, three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon receipt of confirmation of delivery which confirmation may be transmitted by fax.

H. Exhibits Incorporated.

Exhibits A through ~~I-D~~ are attached to and incorporated in the Franchise Agreement by reference. In the event of differences or conflicts between the language of an Exhibit and the language of the Franchise Agreement, the language of the Exhibit shall prevail.

I. Nondiscrimination.

In performing the Collection services hereunder, Franchisee shall not discriminate against any Person on the ground of race, sex, age, creed, color, religion or national origin.

J. Laws and Licenses.

Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary to perform the services hereunder and maintain the same in full force and effect.

K. Waiver.

No waiver by either party of any one or more defaults or breaches by the other in the performance of this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a like or different character.

SECTION 19. SEVERABILITY

A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit I~~ referenced in this agreement is a material part of the franchise agreement, itself, and is not severable from

1 it. Franchisee agrees not to challenge the validity or enforceability of the Waste Delivery Agreement or
2 any term or provision found in such agreement. If for any reason this Waste Delivery Agreement or any
3 part thereof is found to be void or unenforceable ~~or any part thereof~~ by a court of law, then, ~~the Franchise~~
4 ~~agreement, itself, is deemed to be terminated thereupon and to be of no further force or effect.~~ the County
5 may consider termination or amendment of the Franchise Agreement.
6

7 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
8 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
9 enforceability of any of the remaining provisions of this Franchise Agreement.
10

11 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
12

13 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
14 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
15 and all other communications, representations, proposals, understandings or Agreements, either written or
16 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
17 or amended, in whole or in part, except by writing signed by both parties hereto.
18

19 At least once every 5 years, or more often as required by a significant change in law, starting from the
20 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
21 or required amendments.
22

23
24 **SECTION 21. CONSTRUCTION OF FRANCHISE**
25

26 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
27 attorneys, and no provision contained herein shall be construed against County solely because it prepared
28 this agreement in its executed forms.
29

30 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
31

32 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
33 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
34 another company, all service levels and rates of this contract shall at the discretion of the Board of
35 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on ~~May 5th, 2016.~~ _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

~~Steve Van Stockum~~ Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

~~J. Alex Braicovich~~ Clifford Ronnenberg

17

~~Chairman and CEO~~ Senior Regional Vice

18

~~President~~

19

CR&R Incorporated

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EXHIBIT B

FRANCHISE AREA #5

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: ~~(To be provided before contract is executed by County)~~

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

~~B. Commercial Account Exceptions:~~

- ~~1. All other Commercial accounts for which a contract for refuse collection services with another franchisee exists, only for the duration of those contracts, which in no event shall exceed 1999.~~

~~C. Planned Unit Development (P.U.D.) Exceptions:~~

~~All P.U.D. accounts ** in unincorporated areas as defined in Resolution 94 143 where Franchisee holds contracts for service; See attached list (Exhibit B2) to be provided by Franchisee~~

~~** Franchisee agrees to work with the Director to negotiate a transfer of these P.U.D. accounts to Franchisee where P.U.D. is located when possible. Evidence of existing contracts may be required by County. If exchanges can not be negotiated, service provisions remain on a competitive basis under the current Refuse Rate Resolution and Ordinance 657.~~

Hauler Franchise Area 5

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Beginning at the intersection of the westerly line of section 31, T. 5S., R. 5 W, S.B.M. with the Westerly boundary of the County of Riverside;

Thence Northerly, along the west line of Section 31 T. 5S., R. 5 W, to the Northwest Corner of Said Section;

Thence Easterly, along the Northerly lines of Sections 31 and 32 T. 5S., R. 5 W, to the Northeast Corner of Section 32;

Thence Southerly, along the East line of Section 32 T. 5S., R. 5 W, to the Southeast Corner of Said Section, Said point also being on the Westerly city limits of the City of Lake Elsinore;

Thence Southeasterly along the city limits of Lake Elsinore to its intersection with the centerline of Interstate 15 lying within Section 15, T. 6 S., R. 4 W, S.B.M.;

Thence Southeasterly, along the centerline of Interstate 15 to the Northwesterly city limits of the City of Murrieta;

Thence Southeasterly along the city limits of the city of Murrieta to its intersection with the City limits of Temecula;

Thence Southwesterly, along the City limits of Temecula to the intersection of the centerline of Interstate 15;

Thence Southerly and Southwesterly, along the centerline of Interstate 15 to the Southerly boundary of the County of Riverside;

Thence Westerly along the county boundary of the County of Riverside to the intersection with the westerly line of Section 31, T 5 S, R 5 W, The point of beginning.

The boundaries described herein specifically exclude any territory assigned by franchises to other haulers in areas 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, and 13.

Also excludes any areas within City boundaries.

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EXHIBIT B

List of Planned Unit Developments

~~Sun City Mobile Home Park~~

~~Contract Expiration: October 15, 2001~~

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EXHIBIT DC

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the District DWR reserve the right to request additional information as necessary to meet their needs, ~~including but not limited to the AB 939 reporting requirements and to comply with applicable State Law.~~ Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall ~~submit~~ completed ticket transactions to the District DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the District DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the District DWR and placed on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No. 1.~~

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. ~~The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.~~

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary~~Summary~~ reports
- ~~2. Equipment inventory~~
- ~~3. Future programs~~
2. Litigation informationEducation and Outreach
3. Service Performance
4. Container contamination monitoring

1
2 **Collection Information Summary**
3

4 The Franchisee shall provide a quarterly report that lists the quantity of solid waste and Recyclable Material
5 collected by month and the number of accounts serviced monthly. The quantities of solid waste, recyclables
6 and green waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
7 tonnage information is not available). The Department may, at its discretion, also require reporting by
8 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
9 information such as density factors.

10
11 **Education and Outreach**
12

13 The Franchisee shall submit copies of public education materials sent to customers or provided
14 electronically on their websites or social media outlets.

15 **Service Performance**
16

17 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
18 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
19 shall identify the total number of all written or oral Customer comments and shall provide the number of
20 comments received in the following categories: praises, litter or property damage complaints, misplacement
21 of containers, stolen containers, personnel complaints, missed pickups, and other.
22

23 **Container Contamination Monitoring**
24

25 The Franchisee shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.
29

30 **Program Implementation**
31

32 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
33 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
34 ~~resolutions and schedule for correcting the problem.~~
35

36 **4. ANNUAL REPORTS**
37

38 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
39 Franchisee will be responsible for providing the following reports:
40

- 41 1. Summary reports
- 42 2. Equipment inventory
- 43 3. Program implementation
- 44 3.4. Future programs
- 45 5. Litigation information
- 46 4.6. Education and Outreach
- 47

48 **Summary Reports**
49

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.
8

9 **Equipment Inventory**

10 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
11 The inventory list shall indicate the age of the equipment.
12

13 Program Implementation

14 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
15 for the quarter year. The report shall address how the problems and barriers were overcome or the proposed
16 resolutions and schedule for correcting the problem.
17
18
19

20 **Future Programs**

21 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
22 but have not been planned for.
23
24

25 **Litigation Information**

26 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
27 against the parent company and all subsidiaries of parent company that may have an effect on the
28 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.
29
30

31 Education and Outreach

32 The Franchisee shall submit copies of public education materials sent to customers or provided
33 electronically on their websites or social media outlets.
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EXHIBIT FD

RATES AND RATE ADJUSTMENT MECHANISM

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1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

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2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

All Rate adjustments must receive approval by the Board of Supervisors following public hearings.

1.3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates ~~provided referenced in Exhibit E Section 1~~ shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st ~~with the first such adjustment occurring July 1, 1999~~. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario-Los Angeles/Anaheim/Riverside Metropolitan Area or equivalent successor index, (1982-84=100), as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). ~~For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service.~~ Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year January through December. The first adjustment shall be effective July 1, 1999, based upon changes in the consumer Price Index formula for the period January 1998 through December 1998. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. ~~Distriet-DWR~~ direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. ~~r~~Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

2. PERIODIC RATE ADJUSTMENT MECHANISM

~~The Department reserves the right to review the Franchisee's rates every three years from the effective date~~

1 of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in
2 comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that the
3 Department makes such a determination the Franchisee's rates may be adjusted to any level at or above the
4 average rates in the comparable jurisdictions.
5

6 3.4. EXTRAORDINARY RATE REVIEW

7
8 A. The Director or Franchisee may initiate a special rate review by the Department should an
9 extraordinary event or circumstance arise which has a significant impact on the economic operation
10 of the Franchisee or the rates charged to customer as follows:
11

12 1. An event or circumstance (including changes in law) occurs which is beyond the control of
13 Franchisee or County.
14

15 2. Changes to operations mandated by the County or proposed by Franchisee and approved by the
16 County.
17

18 ~~3. Any change in disposal/Green Waste tip fees.~~
19

20 ~~4.3.~~ The ~~District DWR~~ directs Franchisee to use a different System Facility for more than thirty (30)
21 days that involves a change in round trip time or distance.
22

23 ~~5.4.~~ The County modifies the franchise fee.
24

25 ~~6.5.~~ Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
26

27 ~~7.6.~~ Significant increases in the number of customer accounts due to development or growth.
28

29 ~~8.7.~~ Other circumstances at the discretion of the Director or the Board of Supervisors.
30

31 B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which
32 warrant consideration of a special rate review, as specified above, will be reviewed and considered.
33

34 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
35 operational information at least three months prior to the proposed effective date of any rate
36 adjustment.
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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #6

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1 AMMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND CR&R INCORPORATED
4 FOR THE COLLECTION AND TRANSPORTATION
5 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS AND
6 OTHER SPECIFIED SERVICES
7

8 This Franchise Agreement ("Franchise Agreement") by and between the County of Riverside
9 ("County") and CR&R Incorporated ("Franchisee"), for the Collection and transportation of Solid Waste,
10 Recyclable Materials, Organic Waste, and construction debris and other specified services, originally
11 entered into on April 3, 1998, and most recently amended on May 5, 2016, is hereby amended and restated
12 on December 7, 2021. is entered into this 3rd day of April, 1998 and amended on May 5th, 2016, by and
13 between the County of Riverside ("County") and CR&R Incorporated ("Franchisee"), for the Collection
14 and transportation of Solid Waste, Reecyclable Materials, Organic Waste, and construction debris and other
15 specified services.
16

17 **RECITALS**
18

19 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(l), and County
20 Ordinance 657-745 the County of Riverside ("County") has determined that the public health, safety, and
21 well-being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise
22 for waste management services for residential, commercial, and industrial customers in the County of
23 Riverside; and
24

25 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
26 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
27 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
28 recovery and disposal; and
29

30 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
31 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
32

33 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
34

35 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
36

37 **A. Representations and Warranties of Franchisee.** Franchisee hereby makes the following
38 representations and warranties for the benefit of the County as of the date of this Agreement.
39

- 40 1) Franchisee is duly organized and validly existing as a corporation in good standing under
41 the laws of the State of California.
42
- 43 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
44 Agreement, and has duly authorized the execution and delivery of this Agreement.
45
- 46 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
47 Franchisee to do so, and this Agreement has been duly executed and delivered by
48 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
49 against Franchisee in accordance with its terms.
50

- 1 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
2 court or governmental entity against Franchisee or affecting Franchisee, wherein an
3 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
4 of this Agreement, or which would have a material adverse effect on the financial condition
5 of Franchisee.
6
7 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
8 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
9 parent company's financial circumstances since the date of the most recent financial
10 statements submitted to the Environmental Health Department ("Department"). Prior to
11 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
12 most recent annual financial statements. The Department may at its discretion specify the
13 contents and form of such statements. The Director of Environmental Health may inspect
14 the financial records of the Franchisee at any reasonable time for any reasonable purpose
15 relevant to the performance of this contract.
16
17 6) Franchisee has the expert, professional, and technical capability to perform all of its
18 obligations under this Agreement.
19
20 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
21 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
22 ~~annual financial statements, as provided in Exhibit C.~~

23
24 B. Representations and Warranties of the County.

25
26 Prior to commencement of any services hereunder, the County hereby makes the following
27 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
28

- 29 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
30 This Agreement constitutes the legal, valid and binding Agreement of the County and is
31 enforceable against the County in accordance with its terms.
32
33 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
34 County before any court or governmental entity wherein an unfavorable decision, ruling or
35 finding would adversely affect the validity or enforceability of this Agreement.
36

37 **SECTION 2. DEFINITIONS**

38
39 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
40 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
41 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
42 Agreement. In the event of conflict between the definition of a term as found in the California Public
43 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
44 supersede the definition found in the Public Resources Code or in County ordinances.
45

46 A. Agreement means this Agreement between the County and Franchisee for the Collection and
47 transportation of Solid Waste and other specified services, including all exhibits, and any future
48 amendments.
49

50 B. Bins ~~shall~~ mean those containers provided by Franchisee for commercial, industrial,
51 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~1-2~~ to 6 cubic yards in

1 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
2 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.

3
4 C. Board ~~shall~~ means the Riverside County Board of Supervisors.

5
6 ~~Bulky Waste shall mean large, heavy or otherwise difficult to handle items, including, but not
7 limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large
8 concrete and asphalt chunks, tree stumps, or other waste materials with weights or volumes
9 greater than those allowed for containers.~~

10 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
11 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
12 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
13 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
14 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
15 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
16 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
17 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
18 Persons.

19 ~~D.~~

20
21 E. Collection means Collection of Solid Waste, recyclable material, or other material specified
22 in this Agreement and its transportation to an appropriate Solid Waste Facility.

23
24 F. Commercial Units ~~shall~~ mean all commercial, industrial, institutional or other facilities, except
25 residential and Multi-Residential Units.

26
27 ~~G. Compost means a stable humus-like product that results from the biological decomposition of
28 organic materials occurring under controlled conditions.~~

29
30 ~~H. Compost Facility means a Solid Waste Facility that processes Organic Waste, Wood Waste or
31 other organic materials to produce Compost or mulch.~~

32
33 ~~I.G. Comprehensive Compulsory Collection Areas shall mean specific portions or areas of the
34 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
35 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.~~

36
37 ~~J.H. County means the County of Riverside, State of California.~~

38
39 ~~K.I. Department means the Riverside County Department of Environmental Health.~~

40
41 J. Director ~~shall~~ means the Director of the Riverside County Department of Environmental
42 Health or ~~his or her~~their designee.

43
44 ~~L.K. Diversion (or any variation thereof including "Divert") means activities which reduce or
45 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
46 recycling, and composting.~~

47
48 M. ~~District means the Riverside County Waste Resources Management District.~~

1 N.L. Effective Date means the date on which this Agreement becomes effective, which shall be the
2 date it is executed by the Board of Supervisors.
3

4 O.M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
5 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
6 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
7 B.
8

9 ~~P. Extremely Hazardous Waste shall mean any Hazardous Waste or mixture of Hazardous
10 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
11 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.~~
12

13 Q.N. Franchise Area means the geographic territory defined in Exhibit B.
14

15 ~~R. Franchise Documents shall mean the Agreement (as herein defined), the separately executed
16 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
17 under this Agreement.~~
18

19 S.O. Generator means the owner or occupant of premises, including residences or businesses, which
20 initially produces Solid Waste, Recyclable Materials, or Organic Waste.
21

22 T.P. Green Waste means organic waste generated from any landscaping including grass clippings,
23 leaves, prunings, tree trimmings, weeds, branches, and brush.
24

25 U.Q. Gross Receipts means all monies received by Franchisee for providing franchise services
26 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
27 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
28 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
29 of State or other governmental agencies.
30

31 V.R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
32 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
33 of the following:

- 34 1) Rural, sparsely populated areas,
- 35 2) Hilly or mountainous terrain,
- 36 3) Poorly paved or unpaved roads which may be ~~im~~unpassable in poor weather,
- 37 4) Large, uninhabited areas between pockets of homes,
- 38 ~~5) Unusually heavy waste due to large properties, livestock, etc.~~
- 39 ~~5)~~
- 40 6) Limited access on a private street or alley.

41 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
42 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
43 "Hard to Service"

44 ~~W. Hazardous Waste shall mean any waste material or mixture of wastes which is defined or
45 otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an
46 irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a
47 waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,
48 or as a proximate result of any disposal of such wastes or mixture of wastes. The term "toxic", "corrosive",
49 "flammable", "irritant", or "strong sensitizer" shall be given the same meaning as found in the California
50 Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.~~

1
2 ~~X.S.~~ Integrated Waste Management Act (IWMA) ~~shall~~ means the California Integrated Waste
3 Management Act of 1989 (AB 939), including all subsequent amendments.
4

5 ~~Y. — Materials Recovery Facility. means a facility intended primarily for recovery and processing
6 of Recyclable Materials that are source separated, or a facility intended to recover Recyclable Materials
7 from Solid Waste. Such a facility may also function as a Transfer Station.~~

8
9 ~~Z.T.~~ Multi-Residential Units ~~shall~~ mean permanent buildings containing three or more Residential
10 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
11 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
12

13 ~~AA.U.~~ Organic Waste ~~means~~ food waste, green waste, landscape and pruning waste, nonhazardous
14 wood waste, and food-soiled paper waste that is mixed in with food waste.
15

16 ~~BB. — Permitted Hauler. means a Solid Waste service provider who has a valid permit to operate
17 within all, or a portion of, the unincorporated County.~~

18
19 ~~CC. — Person. shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,
20 trust, association, or corporation whether for profit or non profit.~~

21
22 ~~DD.V.~~ Recyclable Materials ~~means~~ material which has been segregated from other Solid Waste
23 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, ~~glass,~~
24 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
25 Recyclables consisting of two or more of the above-referenced material types separated from non-
26 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
27 than five (5) percent Solid Waste by weight.
28

29 ~~EE.W.~~ Residential Unit ~~shall~~ means an occupied dwelling within the unincorporated area of the
30 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
31 either water or domestic light and power services are being supplied thereto. This definition shall apply also
32 to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to
33 be two (2) attached Residential Units.
34

35 ~~FF.X.~~ Roadways ~~means~~ all County maintained roadways in the unincorporated area of the County
36 or private roadways, accessible by the Franchisee and used for providing routine service as defined in
37 Exhibit A of this Agreement.
38

39 ~~GG. — Solid Waste. means all putrescible and non putrescible solid, semisolid and liquid wastes,
40 including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction
41 wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,
42 and other discarded solid and semisolid wastes.~~

43
44 ~~Solid Waste does not include any of the following wastes:~~

- 45 ~~○ Hazardous waste, as defined in Public Resources Code Section 40141.~~
- 46 ~~○ Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8~~
47 ~~(commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety~~
48 ~~Code).~~
- 49 ~~○ Medical waste regulated pursuant to the Medical Waste Management Act (Part 14~~
50 ~~(commencing with Section 117600) of Division 104 of the Health and Safety Code).~~

1 Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in
2 Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall
3 be regulated pursuant to this division.
4

5 ~~HH. — Solid Waste Facility. means any facility that is licensed, permitted or otherwise approved by~~
6 ~~all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,~~
7 ~~Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material~~
8 ~~recovery, composting, waste to energy, or landfill facilities.~~
9

10 ~~II.Y. System Facility. means a Solid Waste Facility that is owned and/or operated by the District~~
11 ~~Riverside County Department of Waste Resources (DWR), or with which the District-DWR has entered~~
12 ~~into an Agreement, and that for the purposes of this Agreement is designated by the District-DWR through~~
13 ~~a separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery~~
14 ~~and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.~~
15

16 ~~II.Z. Term. means the Term of this Agreement, as provided for in Section 3.~~
17

18 ~~KK. — Transfer Station. shall include those intermediate waste handling facilities where Solid Wastes~~
19 ~~are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof~~
20 ~~may undergo incidental processing, recycling or further handling before transportation to a disposal site,~~
21 ~~Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer~~
22 ~~station":~~

- 23 ~~1) Locations where less than 15 cubic yards of combined container volume are~~
24 ~~provided to serve as community or multi-residence receptacles for residential refuse.~~
- 25 ~~2) Storage receptacles for waste from multi-residential buildings or for commercial~~
26 ~~Solid Wastes.~~
- 27 ~~3) A container used to store construction or demolition wastes at the place of~~
28 ~~generation.~~
- 29 ~~4) Containers used to store salvaged materials.~~
30

31 ~~LL.AA. Waste Delivery Agreement. means the contract entered into by the District-DWR and the~~
32 ~~Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to~~
33 ~~be directed to specified System Facilities and kept on file with the DWR.~~
34

35 ~~MM.BB. Wood Waste. means industrial dimension lumber, pallets, shipping dunnage, and similar~~
36 ~~discarded processed wood materials, and large tree limbs.~~
37

38 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE

39

40 A. Pursuant to Ordinance ~~657745~~, and the IWMA, and subject to the terms and conditions of this
41 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
42 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
43 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
44 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
45 purposes.
46

47 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
48 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
49 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
50 forth below; and (2) to not collect from any other portions of the unincorporated county covered by

1 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
2 Organic Waste; ~~(3) to the cancellation, upon the Effective Date of this Agreement, of any permit or other~~
3 ~~authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable~~
4 ~~Materials, or Organic Waste for the portion of the unincorporated county permit area covered by Exclusive~~
5 ~~Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code~~
6 ~~section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for~~
7 ~~those areas represented by Exclusive Franchise Agreements.~~

8
9 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to~~
10 ~~its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement~~
11 ~~and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in~~
12 ~~accordance with the provisions of this Agreement.~~

13
14 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
15 the Exclusive Franchise, to the extent provided for in state and federal law.

16
17 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the~~
18 ~~Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of~~
19 ~~this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior~~
20 ~~thereto either the County or the Franchisee gives written notice of non-renewal to the other party. Only one~~
21 ~~notice of non-renewal shall be required hereunder. Notice of non-renewal need not be based on cause.~~ The
22 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
23 notice for nonperformance, as provided in Sections 9 and 10 hereof.

24
25 D. Franchisee will commence services under this Agreement on January ~~1st, 1999~~, 2022.

26
27 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
28 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
29 taken.

30 31 32 SECTION 4. FRANCHISE AREA

33
34 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
35 County defined in Exhibit B, "Franchise Area."

36 37 SECTION 5. SERVICES PROVIDED BY FRANCHISEE

38 39 A. General.

40
41 Franchisee shall provide the Collection and transportation of Solid Waste and
42 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
43 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
44 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
45 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit ED. Minimum
46 levels of Solid Waste service to be provided under this Agreement are defined below, however, no
47 residential or commercial or business customer shall be refused service, if that party is willing to pay for
48 such service and is current in payment. Disputes arising over the terms on which a particular customer may
49 be serviced because of remoteness of location, difficulty of access, particular needs of the customer, etc.
50 shall be decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
51

1 B. Single Family Residential.

2
3 Weekly Service. Not less often than once per week, and more frequently if required to handle the
4 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
5 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
6 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
7 Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without obstructions so as
8 to permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
9 ~~Franchisee may supply containers, and/or may require the use of specific containers as specified in Exhibit~~
10 ~~A.~~ Franchisee may negotiate special pickup procedures, above and beyond the normal services described
11 above, with customers for an additional fee in an amount provided in Exhibit ED.

12
13 C. Commercial, Industrial, and Multi-Residential.

- 14
15 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
16 if required to handle the waste stream of the premises where the Bins are located,
17 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
18 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
19 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
20
21 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
22 frequently if required to handle the waste stream of the premises where the Bins are located,
23 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
24 Collection in Solid Waste Bins at Commercial Units.

25
26 D. Construction and Temporary Bin/Rolloff Services.

27
28 Franchisee shall provide construction and temporary bin/rolloff services using rates ~~reflected~~
29 ~~in~~ established per Exhibit ED.

30
31 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 32
33 ~~1) At least twice a year, Franchisee shall provide a one (1) day cleanup service to all~~
34 ~~Residential Unit customers on its routes wherein all bulky materials left on the curb, or~~
35 ~~other designated location on or adjacent to customer's property, up to a maximum of one~~
36 ~~and one half cubic yards, will be removed and disposed. Cost for this service, excluding~~
37 ~~the cost of disposal, shall be included within the normal monthly rates for Residential Unit~~
38 ~~Solid Waste Collection as specified in Exhibit E. When feasible, the bulky material will~~
39 ~~be collected in a vehicle separate from the one used to pick up the residential unit's Solid~~
40 ~~Waste on a weekly basis so that it can be readily identified as not requiring tipping fees~~
41 ~~when it arrives at the designated landfill. Franchisee will make a good faith effort to divert~~
42 ~~the bulky material away from the designated landfill and to another facility where it can be~~
43 ~~either recycled or refurbished for reuse. Collection of heavy waste materials such as dirt,~~
44 ~~rock, concrete, and asphalt are not included in this service.~~

45
46 ~~Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service arranged~~
47 ~~at the request of the customer for large household appliances or furniture or multiple smaller~~
48 ~~items not exceeding one and one half cubic yards. Collection of heavy waste materials such as~~
49 ~~dirt, rock, concrete, and asphalt are not included in this service. Franchisee shall advertise the~~
50 ~~availability of the Bulky Wastes Collection service and shall provide the Bulky Waste Collection~~

1 service within seven (7) working days of request by customer. Franchisee shall bill the customer
2 for Bulky Waste Collection at the rate established in Exhibit E. Standard disposal rates shall be
3 paid by franchisee at System Facility.

4 1) Upon verbal or written customer request, made a minimum of two business days prior to
5 the customer's regular service day, Franchisee shall provide on-call Single Family
6 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
7 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
8 customer. Franchisee and County agree that this service is intended to allow residents to
9 safely discard of large household items such as furniture and whitegoods or other large
10 household items that do not fit in their regular weekly trash containers. Each Single
11 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
12 Household Waste Collection Services per calendar year with a maximum of four (4) items
13 at each collection occurrence. The total amount of annual allowable items per household
14 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
15 (4) tires per collection request. Bulky Household Waste items do not include items such as
16 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
17 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
18 service shall be subject to the bulky item rates established on the rate sheets approved by
19 the Board of Supervisors.

20 2) _____

21
22 3)2) _____ Franchisee shall provide large rolloff refuse containers requested by the Director
23 or his designee to respond to organized community clean up efforts at no charge.
24 Franchisee shall deliver containers to agreed upon collection points and shall cooperate
25 with the Director and designated community leaders to remove containers and dispose of
26 collected Solid Waste. Franchisee is obligated to provide the equivalent of two 40-cubic
27 yard bins/loads per year for each 1,000 Residential Unit customers serviced within the
28 Franchise Area. The ~~District-DWR~~ will arrange that there shall be no charge of disposal
29 fees for such Solid Waste delivered in separate vehicles to the System Facilities.

30
31 F. Illegal Dumping Retrieval Services

32 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

33
34
35 1) If requested by the County the Franchisee shall turn in ~~to County~~ a ~~monthly~~ report of illegal
36 dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky
37 items (such as tires, couches, and appliances) noticed within or along the Roadway in the
38 franchise area. For the purpose of this provision, the Roadway shall include public rights
39 of way within twenty (20) feet of the paved roadways and within twenty (20) feet of the
40 shoulders of unpaved roadways.

41
42 2) Franchisee shall anticipate and arrange to receive daily by ~~facsimile~~ electronic methods,
43 copies of reports of illegal dumping reported by citizens to the Department ~~of~~
44 ~~Environmental Health~~, Department of Transportation, or the ~~Waste Resources~~
45 ~~Management District~~ DWR.

46
47 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
48 materials on the Roadway within ~~forty eight (48)~~ seventy-two (72) hours of the receipt of
49 reports thereof (excluding weekends and holidays) except for remote areas, as approved by
50 the director, for which the removal shall occur within five working days. The Franchisee

1 may request that specified roads, determined by the franchisee to be inaccessible for waste
2 removal, be considered by the Director for revised waste removal requirements.
3

4 ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at
5 County disposal sites at the time of delivery of the corresponding loads of illegally dumped
6 debris. Nothing herein shall prevent the immediate pickup, delivery and reporting thereof,
7 as part of the normal route collection activities, of illegally discarded material.~~

8
9 ~~5)4) Abandoned vehicles and objects or appliances larger than conventional household
10 furniture or appliances as well as hazardous, and medical, and other wastes requiring
11 special handling are exempt from the retrieval requirements set forth herein, provided,
12 however, that of these exempted items noted within the Roadway are to be immediately
13 reported to the Director.~~

14
15 ~~6)5) The Franchisee shall, upon request of private property owners, the Director or the
16 Departments of County Transportation and Land Management Agency, provide removal
17 services for waste illegally disposed of on their private property, excluding those wastes
18 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
19 ED.~~

20
21 ~~7)6) Illegally disposed materials along Roadways within one mile of disposal sites
22 within Riverside County are exempt from the retrieval requirements set forth herein.~~

23
24 ~~8) For sixty (60) days from the effective date of this contract, the County will arrange that
25 there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall
26 pay the usual fees charged for comparable types and quantities of Solid Waste.~~

27
28 ~~9) Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit
29 to the Director an accurate accounting of its costs to provide Illegal Dumping Retrieval
30 Service.~~

31
32 G. Collection of Used Motor Oil.

33
34 Franchisee shall collect used motor oil from single family residential customers in accordance with
35 ~~California Public Resources Code Section 48691, the Recycled Oil Collection and Storage Standards~~
36 ~~pursuant to Riverside County Ordinance 657 and Riverside County Resolution 90-668.~~

37
38 H. Diversion Services

39
40 ~~1) Diversion services proposed by Franchisee as described in Exhibit H shall be provided
41 throughout the duration of this contract.~~

42
43 ~~2) At any time during the term of this Agreement, upon one hundred eighty (180) days written
44 notice from the Director, Franchisee shall provide collection of Green Waste or Organic
45 Waste from Residential Units throughout, or in designated portions of its Exclusive
46 Franchise Area. Franchisee's rates for this service shall be as established in Exhibit E as
47 adjusted by the methodology established in Exhibit F.~~

48
49 I. H. Collection and Equipment

1
2 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
3 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
4 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
5 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~ The equipment of
6 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
7 ~~Department on an annual basis at the request of the Department.~~

8
9 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
10 the Department of Motor Vehicles of the State of California, shall be kept clean and in
11 good repair, and shall be uniformly painted.

12
13 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
14 ~~days.~~

15
16 ~~3)2) _____~~ A local or toll free telephone number, and vehicle number shall be clearly visibly
17 displayed on all required vehicles, ~~in letters and figures no less than three inches (3") high.~~

18
19 **SECTION 6. OWNERSHIP OF SOLID WASTE**

20
21 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
22 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
23 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
24 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
25 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
26 Franchisee.

27
28 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**

29
30 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
31 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
32 and the ~~District~~DWR. The rates ~~shown-referenced~~ in Exhibit ~~E-D~~ are based on the _____ facility(ies)
33 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.

34
35 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

36
37 A. ~~Indemnification of County and District.~~

38
39 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
40 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
41 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
42 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
43 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
44 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
45 reasonable costs and expenses of investigating and defending against same; provided, however, that
46 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
47 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.

1 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
2 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
3 survive the term of the franchise.

4
5
6 B. Hazardous Substances Indemnification.
7

8 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
9 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
10 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
11 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
12 damages (including, but not limited to, special and consequential damages), natural resources damage,
13 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
14 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
15 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
16 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
17 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
18 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
19 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
20 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
21 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
22 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
23 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
24 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
25 from liability.

26
27 C. Minimum Diversion Requirements
28

29 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
30 California Public Resources Code, Section 41780 and any other current or future California Statute that
31 requires the County to divert material from landfills. In the event that the State of California alters the
32 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
33 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
34 associated with any additional recycling programs.
35

36 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
37 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
38 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
39 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
40 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
41 against any third party as a means of meeting its obligation under this section.
42

43 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
44 by the Director as set forth in Section 9.A. of this agreement.

45 The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in
46 programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner
47 which entitles County to diversion credit as specified in California Public Resources Code, Section 41780
48 measured on a calendar year basis beginning January 1st, 1999 ("Minimum Diversion Requirement")
49 provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.
50 Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing
51 to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it

1 ~~had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for~~
2 ~~calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum~~
3 ~~Diversion Requirements two (2) times after the execution of the agreement, County may terminate this~~
4 ~~Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,~~
5 ~~finds that additional programs are necessary to meet any IWMA required diversion goals the County, or~~
6 ~~District on behalf of the County, may require proposals for additional diversion programs to meet the~~
7 ~~diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if~~
8 ~~agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon~~
9 ~~one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid~~
10 ~~Waste, Recyclable Materials, and/or Organic Waste, and/or to independently implement programs that may~~
11 ~~be needed to meet the minimum diversion requirement.~~

12
13 ~~—If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
14 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
15 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
16 ~~Diversion Requirement, which shall not be unreasonably denied.~~

17
18 D. Worker's Compensation Insurance.

19
20 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
21 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
22 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
23 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
24 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
25 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
26 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
27 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
28 losses which arise from work performed by the named insured for the County.

29
30 E. Public Liability Insurance.

31
32 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
33 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
34 ~~three six~~ million dollars ~~(\$3,000,000.00)~~(\$6,000,000.00) aggregate and ~~one three~~ million ~~five hundred~~
35 ~~thousand~~ dollars ~~(\$1,500,000.00)~~(\$3,000,000.00) per occurrence for bodily injury and property damage.
36 Said insurance shall protect Franchisee, the County, ~~the District,~~ and their elected or appointed officials,
37 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
38 as from any claim for property damage which may arise from operations performed pursuant to this
39 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
40 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
41 the Director. All of the following endorsements are required to be made a part of the insurance policies
42 required by this Section:

- 43
44 1) "This policy shall be considered primary insurance as respects any other valid and
45 collectible insurance the County may possess including any self-insured retention the
46 County may have, and any other insurance the County ~~or District~~ does possess shall be
47 considered excess insurance and shall not contribute with it."
48
49 2) "This insurance shall act for each insured, as though a separate policy had been written for
50 each. This, however, shall not act to increase the limit of liability of the insuring company."
51

1 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
2 with certificate(s) of insurance showing that such insurance is in full force and effect, and
3 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
4 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
5 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
6 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
7 the event of any such modification, cancellation or reduction in coverage and on the
8 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
9 receive prior to such effective date another certificate from an insurance carrier that the
10 insurance required herein is in full force and effect.
11

12 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
13 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
14 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.
15

16 F. Performance Bond or Letter of Credit.
17

18 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
19 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
20 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
21 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
22 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
23 California.
24

25 G. Modification.
26

27 The insurance requirements provided herein may be modified or waived in writing by the Board upon
28 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
29 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
30 provided by the parent company of Franchisee.
31

32 **SECTION 9. DEFAULT AND REMEDIES**
33

34 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
35 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
36 provisions of this Agreement, the requirements of ~~the California Integrated Waste Management~~
37 ~~Board~~ CalRecycle, including, but not limited to, requirements for source reduction and recycling (as to the
38 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
39 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
40 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
41 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
42 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
43 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
44 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
45 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
46 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
47 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
48 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or~~ refer the matter to a hearing
49 officer as provided in Section 11, below. ~~Where the County and the Franchisee have claims pending against~~
50 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~
51

1 ~~B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
2 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the~~
3 ~~hearing, the Board shall consider the report of the Director indicating the deficiencies, and shall~~
4 ~~give the Franchisee, or its representatives and any other interested Person, a reasonable opportunity~~
5 ~~to be heard.~~

6
7 ~~C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
8 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record,~~
9 ~~the Board determines that the performance of Franchisee is in breach of any material Term of this~~
10 ~~Agreement or any material provision of any applicable Federal, State, or local statute, ordinance or~~
11 ~~regulation, or is deficient with respect to prevailing industry standards, the Board in the exercise of~~
12 ~~its sole discretion, may terminate forthwith, this Agreement. Franchisee's performance under its~~
13 ~~franchise is not excused during the period of time prior to the Board's final determination as to~~
14 ~~whether such performance is deficient.~~

15
16 D.B. The right of termination is in addition to any other rights of County upon failure of
17 Franchisee to perform its obligations under this Agreement.

18
19 E.C. The County further reserves the right to terminate Franchisee's franchise, following public
20 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
21 board determines it is in the public interest to do so:

- 22
23 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 24
25 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
26 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 27
28 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
29 compensation, liability, indemnification coverage, and performance bond as required by
30 the Agreement.
- 31
32 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
33 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
34 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
35 which case no breach of the franchise shall be deemed to have occurred.
- 36
37 5) If the Franchisee ceases to provide Collection services as required under this Agreement
38 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
39 for any reason within the control of the Franchisee.
- 40
41 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
42 refuses to provide County with required information, reports, and/or test results in a timely
43 manner as provided in the Franchise Agreement.
- 44
45 7) For any other act or omission by the Franchisee which materially violates the terms,
46 conditions, or requirements of this franchise, Ordinance ~~657745~~, successor ordinance,
47 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
48 regulation issued thereunder and which is not corrected or remedied within the time set in
49 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
50 the breach within the time set forth in such notice, if the Franchisee should fail to

1 commence to correct or remedy such violation within the time set forth in such notice and
2 diligently effect such correction or remedy thereafter.

- 3
4 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
5 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
6 related to the performance of this Agreement, or of felonious conduct related to anti-trust
7 activities, illegal transport or disposal of hazardous waste or materials, or violation of
8 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.

9
10 F.D. Professional Conduct

- 11
12 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
13 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
14 court in the United States, or is otherwise alleged to have participated in any criminal
15 activity directly or indirectly associated with the solid waste management business,
16 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
17 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
18 description of the indictment, complaint or allegation, as well as a copy of such indictment
19 or complaint or other matters of public record related thereto. In addition to the foregoing,
20 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
21 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
22 securities laws, including quarterly and annual reports.
23
24 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
25 interest, who has any responsibility for any aspect of the franchisee's operations under this
26 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
27 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
28 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
29 upon request of the County be immediately removed from any assignment whatsoever,
30 directly associated with operations under this contract during the pendency of trial and/or
31 following conviction.

32
33 G.E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
34 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
35 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
36 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
37 such party shall notify the other party of such order or requirement and the law, regulation or order on
38 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
39 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of such~~
40 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
41 following the ~~Effective Date~~date of such law, regulation or order becomes effective. Nothing in this
42 Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking to obtain
43 modification or repeal of such law, regulation or order or restrict either party's right to legally contest the
44 validity of such law, regulation or order.

45
46 **SECTION 10. DISRUPTIONS IN SERVICE**

47
48 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
49 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
50 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
51 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County

1 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
2 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
3 by such conditions with an estimate of when service will be resumed.
4

5 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
6 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
7 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
8 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
9 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
10 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
11 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
12 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
13 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
14 County's sole negligence in providing such substitute service. Employees of Franchisee, including
15 management employees, may be employed by County during any period in which County temporarily
16 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
17 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
18 between Franchisee and its employees at the time Franchisee's service was interrupted.
19

20 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
21 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
22 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
23 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
24 be primarily reserved for use by County access while County or its designated representative is performing
25 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
26 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
27 accordance with the provisions of this Agreement.
28

29 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES 30

31 A. Should Franchisee or the County contend that the County-other party is in breach of this Franchise
32 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
33

34 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
35 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
36 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
37 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
38 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
39 Arbitration and Mediation Services.
40

41 C. The hearing shall be conducted according to the provisions of California Government Code Section
42 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
43 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
44 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
45 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
46 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
47 reasonably related to the seriousness of the breach of the Agreement.
48

49 D. The party losing the hearing shall be liable for the hearing officer's fees.
50

1 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
2 a material breach of the Agreement, and may be grounds for termination of the Agreement.
3

4 F. Any party to the hearing may issue a request to compel reasonable document production from the
5 other party. Disputes concerning the scope of document production and enforcement of document requests
6 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
7 document request, then by disposition by order of the hearing officer. Any such document request shall be
8 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
9 procedures to protect such rights.
10

11 G. Neither party may communicate separately with the hearing officer after the hearing officer has
12 been selected. All subsequent communications between a party and a hearing officer shall be
13 simultaneously delivered to the other party. This provision shall not apply to communications made to
14 schedule a hearing or request a continuance.
15

16 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
17 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
18 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
19 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
20 the party subject thereto acted with substantial justification or if the interests of justice so require.
21

22 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
23

24 **SECTION 12. FRANCHISE TRANSFERABILITY**

25

26 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
27 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
28 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
29 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
30 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
31 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
32 such a request using such criteria as it deems necessary including, but not limited to, those listed in
33 Subsection C.
34

35 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
36 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
37 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
38 this Agreement.
39

40 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
41 meet the following requirements:
42

- 43 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
44 investigation costs necessary to investigate the suitability of any proposed transferee, and
45 to review and finalize any documentation required as a condition for approving any such
46 transfer.
47
- 48 2) The Franchisee shall furnish the County with audited financial statements of the proposed
49 transferee's operations for the immediately preceding three (3) operating years.
50

1 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
2 transferee has at least five (5) years of solid waste management experience of a scale equal
3 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
4 that in the last five (5) years, the proposed transferee has not suffered any citations or other
5 censure from any federal, state or local agency having jurisdiction over its waste
6 management operations due to any significant failure to comply with state, federal or local
7 waste management laws. Franchisee shall supply the County with a complete list of such
8 citations and censures; (iii) that the proposed transferee has at all times conducted its
9 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
10 transferee conducts its solid waste management practices in accordance with sound waste
11 management practices in full compliance with all federal, state and local laws regulating
12 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
13 insurance and bonds; and (vii) of other material as may be requested by the County.
14

15 ~~D.—This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County~~
16 ~~without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The~~
17 ~~foregoing is not intended to prevent the County from exercising its right to terminate the agreement~~
18 ~~consistent with Section 3, and for the County to seek a new franchisee at the expiration of this~~
19 ~~Agreement. This franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned~~
20 ~~by the County to any Public Agency having the authority to provide solid waste collection services if the~~
21 ~~Board determines it is in the public interest to do so.~~
22

23 SECTION 13. REPORTS

24
25 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
26 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.
27

28 B. Franchisee shall make its customer base and records available to the Department for audit at
29 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
30 Agreement.
31

32 SECTION 14. COMPENSATION

33 34 A. Franchisee Rates. 35

36 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
37 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
38 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
39 ~~the maximum rate to be charged for such materials.~~
40

41 B. Modification and Adjustment of Rates. 42

43 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
44 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
45 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
46 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or ~~District~~
47 ~~DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
48 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The ~~rates set~~

1 ~~forth on Exhibit E rates~~ shall remain in effect until adjusted by County following a public hearing as
2 provided in Exhibit ~~FD~~.

3
4 C. Notice of Rate Changes
5

6 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
7 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
8 from County regarding approved changes in landfill fees and CPI adjustments. ~~The wording of the notice~~
9 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
10 ~~prior to release. If requested by the Department, the Franchisee will provide a copy of the written notice~~
11 ~~for review.~~ County shall provide Franchisee with written notice of changes in System Facility, franchise,
12 or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated rate
13 changes.

14
15 D. Resolution of Disputes Regarding Rate Adjustments
16

17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution can-not be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The ~~Effective Datedate~~ of any dispute resolution, whether retroactive or
23 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
24 appropriate. Any Franchisee operating in a ~~Comprehensive Compulsory~~ Collection Area shall be subject
25 to all applicable provisions in the County's ~~comprehensive Compulsory e~~Collection ordinance.

26
27 E. Billing and Payment.
28

29 Franchisee may bill and receive payment as provided ~~in Exhibit E herein~~. In cases where Franchisee
30 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
31 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
32 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
33 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.

36
37
38 F. Delinquent Accounts.
39

40 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
41 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
42 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
43 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
44 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any

1 Franchisee operating in a ~~comprehensive-Compulsory e~~Collection area shall be subject to all applicable
2 provisions in the ~~comprehensive-Compulsory e~~Collection ordinance.

3
4 G. Refunds.

5
6 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
7 such customer for service not provided when service is discontinued by written notification to Franchisee
8 by the customer.

9
10 **SECTION 15. FRANCHISE FEES**

11
12 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
13 ~~Transfer Station Tipping Fees,~~ shall be payable by Franchisee to the Department thirty (30) days after the
14 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
15 to be paid for revenues generated by the collection or sale of Recyclable Materials and Organic Waste
16 collected by the Franchisee, ~~or for the provision of construction roll-off services.~~ A penalty of ten (10)
17 percent shall be due for fees not submitted within the thirty (30) day time period.

18
19 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
20 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
21 accordance with Exhibit ~~FD~~.

22
23 **SECTION 16. OTHER REQUIREMENTS**

24
25 A. Privacy

26
27 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
28 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
29 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
30 statute, or upon valid authorization of the customer. —This provision shall not be construed to preclude
31 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
32 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
33 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
34 that Franchisee may provide such lists to authorized employees and authorized representatives of the
35 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
36 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.

37
38 B. Public Access to the Franchisee

- 39
40 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
41 Monday through Friday. A representative of Franchisee shall be available during office
42 hours for communication with the public at Franchisee's principal office. In the event that
43 normal business cannot be conducted over the telephone, a representative of Franchisee
44 shall agree to meet with the public at a location agreeable to Franchisee and the public.
45 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee

1 shall also maintain a local or toll free after-hours telephone number for use during other
2 than normal business hours. Franchisee shall have a representative or answering device or
3 system available at said after-hours telephone number during all hours other than normal
4 office hours.
5

6 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
7 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
8 Person, by close of business of the second business (waste Collection) day following the
9 date on which such complaint is received. Service complaints may be investigated by the
10 Director or a designee. Franchisee shall maintain records listing the date of customer
11 complaints, the customer, describing the nature of the complaint or request, and when and
12 what action was taken by the Franchisee to resolve the complaint. All such records shall
13 be maintained and shall be available for inspection by County.
14

15 3) Government Liaison Person. The Franchisee shall designate a "government liaison
16 Person" who shall be responsible for working with the Department to resolve customer
17 complaints.
18

19 C. Resolution of Disputed Customer Complaints.
20

21 The Franchisee shall ~~notify-supply, upon~~ customers request, a copy of this complaint arbitration
22 procedure at the time a customers applies for or areis provided service, and subsequently, as requested by
23 the customer annually. Procedures for resolution of disputed claims shall be as follows:
24

25 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
26 County to review the complaint. To obtain this review, the customer may request County
27 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
28 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
29 has failed to respond to the complaint. The County may extend the time to request its
30 review for good cause.
31

32 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
33 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
34 customer's complaint and determine if further action is warranted. The Director may
35 request written statements from the Franchisee and customer, and/or oral presentations.
36

37 3) The Director shall determine if the Customer's complaint is justified, and if so, what
38 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
39 of customer charges related to the period of breach of any of the terms of this Franchise
40 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
41 addition to any actual damages.
42

43 4) The Director may delegate these duties to a designee. The decision of the Director or a
44 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
45 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
46 may seek review pursuant to Section 11 above.
47

48 D. Hazardous Materials and Waste Handling and Disposal
49

1 The Franchisee shall comply with the procedures detailed in Exhibit G of this Agreement State Law.

2
3 **SECTION 17. FORCE MAJEURE**
4

5 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
6 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
7 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
8 Solid Waste facilities used by Franchisee:

9 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
10 earthquakes, tornados, or other catastrophic events;

11 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;

12 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
13 other event leading to the imposition of quarantines, travel or movement restrictions, social
14 distancing, or public health advisories restricting large gatherings;

15 D. Accident or other catastrophic event including fire or explosion;

16 E. Strikes and labor disputes;

17 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.

18 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
19

20 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
21 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
22 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
23 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
24 Franchisee intends to take to restore its ability to perform, and such other information as the County may
25 reasonably request.
26

27 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
28 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
29 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
30 Franchisee.

31 Franchisee shall not be in default under this Franchise Agreement in the event that the services provided
32 by the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,
33 sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,
34 landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are
35 beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability
36 of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from
37 other governmental agencies or the right to use the facilities of any public utility where such failure is due
38 solely to the acts or omissions of the Franchisee.
39

40 **SECTION 18. OTHER PROVISIONS**
41

42 A. Independent Contractor.
43

1 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
2 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
3 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
4 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
5 retirement or other benefits which accrue to County employees.

6
7 B. Property Damage.
8

9 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
10 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
11 completion of a proper investigation which proves that the Franchisee was at fault of said damage.
12

13 C. Right of Entry.
14

15 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
16 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
17 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
18 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
19

20 D. Law to Govern.
21

22 The law of the State of California shall govern this Franchise Agreement.
23

24 E. Gratuities.
25

26 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
27 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
28 Franchise Agreement.
29

30 F. Compliance with Franchise Agreement.
31

32 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and~~ 745, or any
33 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
34 during the Term of this Franchise Agreement.
35

36 G. Notices.
37

38 All notices required or permitted to be given under this franchise shall be in writing and shall be
39 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
40 receipt requested, and addressed as follows:
41

42 To County: County of Riverside
43 Attn: Department of Environmental Health
44 4065 County Circle Drive
45 Riverside, CA 92503

1
2 Copy to: County Counsel

3
4 To Franchisee: CR&R Incorporated
5 Attn: Senior Regional Vice President
6 P.O. Box 1208
7 Perris, CA 92572

8
9 Copy to: CR&R Incorporated
10 Attn: David ~~Fahrion~~Ronnenberg, President
11 ~~P.O. Box 1208~~1292 Western Ave
12 ~~Perris, Ca. 92572~~Stanton, CA 90680
13

14 or to such other address as either party may from time to time designate by notice to the other given in
15 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
16 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
17 receipt of confirmation of delivery which confirmation may be transmitted by fax.

18
19 H. Exhibits Incorporated.

20
21 Exhibits A through ~~I-D~~ are attached to and incorporated in the Franchise Agreement by reference. In
22 the event of differences or conflicts between the language of an Exhibit and the language of the Franchise
23 Agreement, the language of the Exhibit shall prevail.

24
25 I. Nondiscrimination.

26
27 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
28 on the ground of race, sex, age, creed, color, religion or national origin.

29
30 J. Laws and Licenses.

31
32 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
33 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
34 to perform the services hereunder and maintain the same in full force and effect.

35
36 K. Waiver.

37
38 No waiver by either party of any one or more defaults or breaches by the other in the performance of
39 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
40 like or different character.

41
42 **SECTION 19. SEVERABILITY**

43
44 A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit I~~
45 referenced in this agreement is a material part of the franchise agreement, itself, and is not severable from

1 it. Franchisee agrees not to challenge the validity or enforceability of the Waste Delivery Agreement or
2 any term or provision found in such agreement. If for any reason this Waste Delivery Agreement or any
3 part thereof is found to be void or unenforceable or any part thereof by a court of law, then, the Franchise
4 agreement, itself, is deemed to be terminated thereupon and to be of no further force or effect. the County
5 may consider termination or amendment of the Franchise Agreement.
6

7 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
8 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
9 enforceability of any of the remaining provisions of this Franchise Agreement.
10

11 SECTION 20. ENTIRE AGREEMENT; AMENDMENT

12
13 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
14 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
15 and all other communications, representations, proposals, understandings or Agreements, either written or
16 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
17 or amended, in whole or in part, except by writing signed by both parties hereto.
18

19 At least once every 5 years, or more often as required by a significant change in law, starting from the
20 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
21 or required amendments.
22
23

24 SECTION 21. CONSTRUCTION OF FRANCHISE

25
26 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
27 attorneys, and no provision contained herein shall be construed against County solely because it prepared
28 this agreement in its executed forms.
29

30 SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES

31
32 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
33 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
34 another company, all service levels and rates of this contract shall at the discretion of the Board of
35 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on ~~May 5th, 2016.~~ _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

~~Steve Van Stockum~~ Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

~~J. Alex Braicovich~~ Clifford Ronnenberg

17

Chairman and CEO ~~Senior Regional Vice~~

18

~~President~~

19

CR&R Incorporated

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EXHIBIT B

FRANCHISE AREA #6

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: ~~(To be provided before contract is executed by County)~~

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

~~B. Commercial Account Exceptions:~~

- ~~1. All other Commercial accounts for which a contract for refuse collection services with another franchisee exists, only for the duration of those contracts, which in no event shall exceed 1999.~~

~~C. Planned Unit Development (P.U.D.) Exceptions:~~

~~All P.U.D. accounts ** in unincorporated areas as defined in Resolution 94 143 where Franchisee holds contracts for service; See attached list (Exhibit B2) to be provided by Franchisee~~

~~** Franchisee agrees to work with the Director to negotiate a transfer of these P.U.D. accounts to Franchisee where P.U.D. is located when possible. Evidence of existing contracts may be required by County. If exchanges can not be negotiated, service provisions remain on a competitive basis under the current Refuse Rate Resolution and Ordinance 657.~~

~~D. Exception to Exclusive Area For roll-Off Bins~~

~~Franchisee understands and agrees by signature hereon, that Roll-off Bin Service (of all sizes) may be provided non-exclusively by Franchisee of the Franchisee of County Franchise Area 1C in all of the County Franchise Areas 6 and 1C lying within one mile outside the City limits of the Cities of Hemet or San Jacinto, using existing, or any future, city limits.~~

~~The rates authorized in this non-exclusive franchise territory shall not exceed those rates approved in the franchise, and service levels shall be those negotiated in the franchise.~~

~~O.K. Assoc., Inc. (Franchisee)~~

By:

Hauler Franchise Area 6

1
2
3
4 (North)

5 Beginning at the intersection of Gilman Springs Rd and State Highway 60;

6
7 Thence Easterly along the centerline of State Highway 60 to the Easterly line of Section 4, T. 3 S., R. 2 W.,
8 S.B.M.;

9
10 Thence Southerly along the Easterly line of Section 4, T. 3 S., R. 2 W, to the Southeast Corner thereof;

11
12 Thence Easterly along the Northerly line of Section 10, T. 3 S., R. 2 W, to the Northeast Corner thereof;

13
14 Thence Southerly along the Easterly line of Section 10, T. 3 S., R. 2 W, to the Southeast Corner thereof;

15
16 Thence Easterly along the Northerly line of Section 14, T. 3 S., R. 2 W, to the Northeast Corner thereof;

17
18 Thence Southerly along the Easterly line of Section 14 T. 3 S., R. 2 W, to the Southeast Corner thereof;

19
20 Thence Easterly along the Northerly line of Section 24 T. 3 S., R. 2 W, to the Northeast Corner of Section
21 24, Said point being the Northwest Corner of Section 19 T. 3 S., R. 1 W;

22
23 Thence Easterly along the Northerly line of Section 19 T. 3 S., R. 1. W, to the Northeast Comer of Section
24 19;

25
26 Thence Southerly along the Easterly line of Section 19, T. 3 S., R. 1 W, to the Southeast Corner thereof;

27
28 Thence Easterly along the Northerly line of Section 29, T. 3 S., R. 1 W, to the Northeast Corner thereof;

29
30 Thence Southerly along the Easterly line of Section 29, T. 3 S., R. 1 W, to the Southeast Corner thereof;

31
32 Thence Easterly along the Northerly line of Section 33, T. 3 S., R. 1 W, to the intersection with State
33 Highway 79, being on the city limits of the City of Beaumont;

34
35 Thence Southeasterly along the city limits of the City of Beaumont to the Northwest Corner of Section 13
36 T. 4 S., R. 1 W;

37
38 Thence Easterly along the Northerly line of Section 13, T. 4 S., R. 1 W, and along the Northerly line of
39 Sections 18, 17 and 16, T. 4 S., R. 1 E, to the Northeast Corner of said Section 16;

40
41 Thence Southerly along the Easterly line of Section 16 T. 4 S., R. 1 E, to the Southeast Corner of said Section
42 16, also being the Northwest Corner of Section 22 T. 4 S., R. 1 E;

43
44 Thence Easterly, along the North line of Section 22 to the Northeast Corner thereof;

45
46 Thence Southerly, along the East line of Section 22 to the Southeast Corner thereof, also being the Northwest
47 Corner of Section 26 T. 4 S., R. 1 E;

48
49 Thence Easterly along the Northerly line of Section 26 T. 4 S., R. 1 E, to the Northeast Comer thereof;

50
51 Thence Southerly along the Easterly line of Section 26 to the intersection with Indian Creek Road;

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Thence Southwesterly along the centerline of Indian Creek Rd to its intersection with the San Jacinto River;

Thence Westerly along the centerline of the San Jacinto River to the Easterly city limits of San Jacinto;

Thence Northwesterly along the city limits of San Jacinto to the Intersection with the Southerly line of Section 14 T. 4 S., R. 2 W;

Thence Westerly, along the South lines of Sections 14, 15 and 16 T. 4 S., R. 2 W, to the Southwest Corner of Section 16;

Thence Northerly, along the West line of Section 16 to its intersection with Brown Ave;

Thence Westerly, along the centerline of Brown Ave to the intersection with 5th St;

Thence Northerly, along the centerline of 5th St to the intersection with Yucca Ave;

Thence Northwesterly, along the centerline of Yucca Ave to the intersection with 9th St;

Thence Northwest, along the centerline of 9th St to the intersection with Lakeview Ave;

Thence Northerly, along the centerline of Lakeview Ave to the intersection with Ramona Expressway;

Thence Easterly, along the centerline of Ramona Expressway to the intersection with Davis Rd;

Thence Northerly, along the centerline of Davis Rd to its intersection with the city limits of the City of Moreno Valley;

Thence Northeasterly, along the city limits of the City of Moreno Valley to the intersection of Gilman Springs Rd and Eucalyptus Ave;

Thence Northerly, along the centerline of Gilman Springs Rd to the intersection with State Highway 60, being the point of beginning.

(Southeast)
Beginning at the intersection of Kirby St and Esplanade Ave, said point also being on the city limit line of San Jacinto;

Thence Easterly along the centerline of Esplanade Ave, being also the city limit line of San Jacinto to State St;

Thence Southerly along the centerline of State St, being also the city limits of San Jacinto to an angle point in the city limits of San Jacinto South of Crows Nest Pl;

Thence Easterly along the city limits of San Jacinto to the city limits of Hemet;

Thence Southwesterly along the city limits of Hemet to the intersection of Eaton Ave and Kirby St;

Thence Northerly along the centerline of Kirby St to the Point of Beginning.

(Southwest)

1 Beginning at the intersection of Esplanade Ave and Myers St;
2
3 Thence Easterly along the centerline of Esplanade Ave to the intersection of Sanderson Ave;
4
5 Thence Southerly along the centerline of Sanderson Ave, said centerline being also the city limits of San
6 Jacinto and Hemet, to the intersection of Eaton Ave;
7
8 Thence Westerly along the centerline of Eaton Ave, said centerline being also the city limits of Hemet
9 following the city boundary to the point of beginning.
10
11 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
12 in areas 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12 and 13.
13
14 Also excludes any areas within City boundaries.
15

1 EXHIBIT ~~DC~~

2
3 REPORTING REQUIREMENTS

4
5 1. GENERAL

6
7 The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in
8 this Exhibit and required by State Law; however, the Department and the ~~District-DWR~~ reserve the right to
9 request additional information as necessary to meet their needs, ~~including but not limited to the AB-939~~
10 ~~reporting requirements and to comply with applicable State Law. Reports shall be provided in a format~~
11 ~~approved by the Department.~~ All information included in the reports shall be provided according to the
12 source of generation. Waste generator types are defined as follows:

13
14 Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from
15 single-family and from multi-residential units.

16
17 Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from
18 commercial and industrial sources.

19
20 Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

21
22 Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

23
24 Data and information pertaining to services performed under this franchise upon submittal to the
25 Department become the property of the Department.

26
27 2. DISPOSAL TONNAGE TRACKING

28
29 Franchisee shall ~~submit~~ completed ticket transactions to the ~~District-DWR~~ as required by the Countywide
30 Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received
31 by the ~~District-DWR~~ within five (5) business days of the landfill transactions {the day of transaction being
32 the first (1st) business day}. If these tickets and correct information are not received within the specified
33 period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the ~~District-DWR~~ and placed
34 on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual~~
35 ~~and Riverside County Waste resources Management District Ordinance No. 1.~~

36
37 3. QUARTERLY REPORTS

38
39 The Franchisee shall submit quarterly reports no later than one month following the completion of each
40 quarter. ~~The first report is due by April 30, 1999 and shall cover the period from the effective date of this~~
41 ~~Agreement through the end of each quarter.~~

42
43 The quarterly reports shall include the information collected and summarized on a monthly basis.
44 Specifically, Franchisee shall provide the following quarterly reports:

- 45
46 1. Collection summary~~Summary~~ reports
47 2. ~~Equipment inventory~~
48 3. ~~Future programs~~
49 2. Litigation informationEducation and Outreach
50 3. Service Performance
51 4. Container contamination monitoring

1
2 **Collection ~~Information~~Summary**

3
4 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material
5 collected by month and the number of accounts serviced monthly. The quantities of solid waste, ~~recyclables~~
6 and green waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
7 tonnage information is not available). The Department may, at its discretion, also require reporting by
8 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
9 information such as density factors.

10
11 **Education and Outreach**

12
13 The Franchisee shall submit copies of public education materials sent to customers or provided
14 electronically on their websites or social media outlets.

15 **Service Performance**

16
17 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
18 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
19 shall identify the total number of all written or oral Customer comments and shall provide the number of
20 comments received in the following categories: praises, litter or property damage complaints, misplacement
21 of containers, stolen containers, personnel complaints, missed pickups, and other.

22
23 **Container Contamination Monitoring**

24
25 The Franchise shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.

29
30 **~~Program Implementation~~**

31
32 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
33 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
34 ~~resolutions and schedule for correcting the problem.~~

35
36 **4. ANNUAL REPORTS**

37
38 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
39 Franchisee will be responsible for providing the following reports:

- 40
41 1. Summary reports
42 2. Equipment inventory
43 3. Program implementation
44 3.4. Future programs
45 5. Litigation information+
46 4.6. Education and Outreach

47
48 **Summary Reports**

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.

8 9 **Equipment Inventory**

10
11 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
12 The inventory list shall indicate the age of the equipment.

13 14 **Program Implementation**

15
16 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
17 for the quarter/year. The report shall address how the problems and barriers were overcome or the proposed
18 resolutions and schedule for correcting the problem.

19 20 **Future Programs**

21
22 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
23 but have not been planned for.

24 25 **Litigation Information**

26
27 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
28 against the parent company and all subsidiaries of parent company that may have an effect on the
29 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

30 31 **Education and Outreach**

32
33 The Franchisee shall submit copies of public education materials sent to customers or provided
34 electronically on their websites or social media outlets.

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EXHIBIT FD

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

All Rate adjustments must receive approval by the Board of Supervisors following public hearings.

1.3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates ~~provided referenced~~ in ~~Exhibit E~~Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st ~~with the first such adjustment occurring July 1, 1999~~. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario/Los Angeles/Anaheim/Riverside Metropolitan Area or equivalent successor index, (1982-84=100), as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). ~~For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service.~~ Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year, January through December. ~~The first adjustment shall be effective July 1, 1999, based upon changes in the consumer Price Index formula for the period January 1998 through December 1998.~~ In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. ~~District DWR~~ direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. ~~Revisions~~ to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

2. PERIODIC RATE ADJUSTMENT MECHANISM

~~The Department reserves the right to review the Franchisee's rates every three years from the effective date~~

1 of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in
2 comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that the
3 Department makes such a determination the Franchisee's rates may be adjusted to any level at or above the
4 average rates in the comparable jurisdictions.
5

6 **3.4. EXTRAORDINARY RATE REVIEW**
7

8 A. The Director or Franchisee may initiate a special rate review by the Department should an
9 extraordinary event or circumstance arise which has a significant impact on the economic operation
10 of the Franchisee or the rates charged to customer as follows:
11

- 12 1. An event or circumstance (including changes in law) occurs which is beyond the control of
13 Franchisee or County.
- 14 2. Changes to operations mandated by the County or proposed by Franchisee and approved by the
15 County.
16

17 ~~3. Any change in disposal/Green Waste tip fees.~~
18

19 ~~4.3.~~ The ~~Distriet~~ DWR directs Franchisee to use a different System Facility for more than thirty (30)
20 days that involves a change in round trip time or distance.
21

22 ~~5.4.~~ The County modifies the franchise fee.
23

24 ~~6.5.~~ Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
25

26 ~~7.6.~~ Significant increases in the number of customer accounts due to development or growth.
27

28 ~~8.7.~~ Other circumstances at the discretion of the Director or the Board of Supervisors.
29

30 B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which
31 warrant consideration of a special rate review, as specified above, will be reviewed and considered.
32

33 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
34 operational information at least three months prior to the proposed effective date of any rate
35 adjustment.
36
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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #6

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AMMENDED AND RESTATED AGREEMENT BETWEEN
THE COUNTY OF RIVERSIDE AND CR&R INCORPORATED
FOR THE COLLECTION AND TRANSPORTATION
OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS

This Franchise Agreement ("Franchise Agreement") by and between the County of Riverside ("County") and CR&R Incorporated ("Franchisee"), for the Collection and transportation of Solid Waste, Recyclable Materials, Organic Waste, and construction debris and other specified services, originally entered into on April 3, 1998, and most recently amended on May 5, 2016, is hereby amended and restated on December 7, 2021.

RECITALS

WHEREAS, pursuant to California Public Resources Code Section 40059 (a)(l), and County Ordinance 745 the County of Riverside ("County") has determined that the public health, safety, and well-being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for waste management services for residential, commercial, and industrial customers in the County of Riverside; and

WHEREAS, in order to comply with the mandates of the California Integrated Waste Management Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing, recovery and disposal; and

WHEREAS, the Board of Supervisors of the County of Riverside declares its intention of maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

SECTION 1. REPRESENTATIONS AND WARRANTIES

A. Representations and Warranties of Franchisee. Franchisee hereby makes the following representations and warranties for the benefit of the County as of the date of this Agreement.

- 1) Franchisee is duly organized and validly existing as a corporation in good standing under the laws of the State of California.
- 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this Agreement, and has duly authorized the execution and delivery of this Agreement.
- 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by Franchisee to do so, and this Agreement has been duly executed and delivered by Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable against Franchisee in accordance with its terms.
- 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any court or governmental entity against Franchisee or affecting Franchisee, wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of this Agreement, or which would have a material adverse effect on the financial condition of Franchisee.

1 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
2 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
3 parent company's financial circumstances since the date of the most recent financial
4 statements submitted to the Environmental Health Department ("Department"). Prior to
5 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
6 most recent annual financial statements. The Department may at its discretion specify the
7 contents and form of such statements. The Director of Environmental Health may inspect
8 the financial records of the Franchisee at any reasonable time for any reasonable purpose
9 relevant to the performance of this contract.

10
11 6) Franchisee has the expert, professional, and technical capability to perform all of its
12 obligations under this Agreement.

13
14 **B. Representations and Warranties of the County.**

15
16 Prior to commencement of any services hereunder, the County hereby makes the following
17 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:

- 18
19 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
20 This Agreement constitutes the legal, valid and binding Agreement of the County and is
21 enforceable against the County in accordance with its terms.
22
23 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
24 County before any court or governmental entity wherein an unfavorable decision, ruling or
25 finding would adversely affect the validity or enforceability of this Agreement.
26

27 **SECTION 2. DEFINITIONS**

28
29 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
30 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
31 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
32 Agreement. In the event of conflict between the definition of a term as found in the California Public
33 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
34 supersede the definition found in the Public Resources Code or in County ordinances.
35

36 A. Agreement means this Agreement between the County and Franchisee for the Collection and
37 transportation of Solid Waste and other specified services, including all exhibits, and any future
38 amendments.
39

40 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
41 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
42 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
43 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
44

45 C. Board means the Riverside County Board of Supervisors.
46

47 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
48 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
49 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
50 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in

1 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
2 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
3 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
4 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
5 Persons.
6

7 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
8 this Agreement and its transportation to an appropriate Solid Waste Facility.
9

10 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
11 residential and Multi-Residential Units.
12

13 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
14 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
15 commercial units are required to subscribe to refuse collection.
16

17 H. County means the County of Riverside, State of California.
18

19 I. Department means the Riverside County Department of Environmental Health.
20

21 J. Director means the Director of the Riverside County Department of Environmental Health or
22 their designee.
23

24 K. Diversion (or any variation thereof including "Divert") means activities which reduce or
25 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
26 recycling, and composting.
27

28 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
29 date it is executed by the Board of Supervisors.
30

31 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
32 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
33 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
34 B.
35

36 N. Franchise Area means the geographic territory defined in Exhibit B.
37

38 O. Generator means the owner or occupant of premises, including residences or businesses, which
39 initially produces Solid Waste, Recyclable Materials, or Organic Waste.
40

41 P. Green Waste means organic waste generated from any landscaping including grass clippings,
42 leaves, prunings, tree trimmings, weeds, branches, and brush.
43

44 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
45 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
46 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
47 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
48 of State or other governmental agencies.
49

1 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
2 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
3 of the following:

- 4 1) Rural, sparsely populated areas,
- 5 2) Hilly or mountainous terrain,
- 6 3) Poorly paved or unpaved roads which may be impassable in poor weather,
- 7 4) Large, uninhabited areas between pockets of homes,
- 8 5) Unusually heavy waste due to large properties, livestock, etc.
- 9 6) Limited access on a private street or alley.

10 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
11 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
12 "Hard to Service"

13
14 S. Integrated Waste Management Act (IWMA) means the California Integrated Waste
15 Management Act of 1989 (AB 939), including all subsequent amendments.

16
17 T. Multi-Residential Units mean permanent buildings containing three or more Residential Units
18 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
19 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.

20
21 U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
22 wood waste, and food-soiled paper waste that is mixed in with food waste.

23
24 V. Recyclable Materials mean material which has been segregated from other Solid Waste
25 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
26 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
27 Recyclables consisting of two or more of the above-referenced material types separated from non-
28 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
29 than five (5) percent Solid Waste by weight.

30
31 W. Residential Unit means an occupied dwelling within the unincorporated area of the County
32 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
33 or domestic light and power services are being supplied thereto. This definition shall apply also to
34 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
35 two (2) attached Residential Units.

36
37 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
38 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
39 A of this Agreement.

40
41 Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
42 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
43 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste
44 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
45 Waste, Recyclable Materials or Organic Waste.

46
47 Z. Term means the Term of this Agreement, as provided for in Section 3.
48

1 AA. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee
2 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
3 to specified System Facilities and kept on file with the DWR.
4

5 BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
6 discarded processed wood materials, and large tree limbs.
7

8 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE 9

10 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
11 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
12 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
13 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
14 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
15 purposes.
16

17 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
18 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
19 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
20 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
21 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
22 Organic Waste.
23

24 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
25 the Exclusive Franchise, to the extent provided for in state and federal law.
26

27 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
28 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
29 provided in Sections 9 and 10 hereof.
30

31 D. Franchisee will commence services under this Agreement on January 1, 2022.
32

33 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
34 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
35 taken.
36

37 SECTION 4. FRANCHISE AREA 38

39 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
40 County defined in Exhibit B, "Franchise Area."
41

42 SECTION 5. SERVICES PROVIDED BY FRANCHISEE 43

44 A. General. 45

46 Franchisee shall provide the Collection and transportation of Solid Waste and
47 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
48 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
49 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
50 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels
51 of Solid Waste service to be provided under this Agreement are defined below, however, no residential or

1 commercial or business customer shall be refused service, if that party is willing to pay for such service and
2 is current in payment. Disputes arising over the terms on which a particular customer may be serviced
3 because of remoteness of location, difficulty of access, particular needs of the customer, etc. shall be
4 decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
5

6 B. Single Family Residential.
7

8 Weekly Service. Not less often than once per week, and more frequently if required to handle the
9 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
10 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
11 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
12 Collection time. Solid Waste must be placed within containers at curbside without obstructions so as to
13 permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
14 Franchisee may negotiate special pickup procedures, above and beyond the normal services described
15 above, with customers for an additional fee in an amount provided in Exhibit D.
16

17 C. Commercial, Industrial, and Multi-Residential.
18

- 19 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
20 if required to handle the waste stream of the premises where the Bins are located,
21 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
22 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
23 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
24
25 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
26 frequently if required to handle the waste stream of the premises where the Bins are located,
27 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
28 Collection in Solid Waste Bins at Commercial Units.
29

30 D. Construction and Temporary Bin/Rolloff Services.
31

32 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
33 Exhibit D.
34

35 E. Semi-Annual Cleanup and Bulky Wastes Collection.
36

- 37 1) Upon verbal or written customer request, made a minimum of two business days prior to
38 the customer's regular service day, Franchisee shall provide on-call Single Family
39 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
40 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
41 customer. Franchisee and County agree that this service is intended to allow residents to
42 safely discard of large household items such as furniture and whitegoods or other large
43 household items that do not fit in their regular weekly trash containers. Each Single
44 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
45 Household Waste Collection Services per calendar year with a maximum of four (4) items
46 at each collection occurrence. The total amount of annual allowable items per household
47 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
48 (4) tires per collection request. Bulky Household Waste items do not include items such as
49 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
50 boats, campers, trailers or household hazardous waste. Additional requests for bulky item

1 service shall be subject to the bulky item rates established on the rate sheets approved by
2 the Board of Supervisors.

- 3
4 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
5 designee to respond to organized community clean up efforts at no charge. Franchisee shall
6 deliver containers to agreed upon collection points and shall cooperate with the Director
7 and designated community leaders to remove containers and dispose of collected Solid
8 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
9 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
10 The DWR will arrange that there shall be no charge of disposal fees for such Solid Waste
11 delivered in separate vehicles to the System Facilities.
12

13 **F. Illegal Dumping Retrieval Services**

14 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

- 15
16
17 1) If requested by the County the Franchisee shall turn in a report of illegal dumping of trash
18 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as
19 tires, couches, and appliances) noticed within or along the Roadway in the franchise area.
20 For the purpose of this provision, the Roadway shall include public rights of way within
21 twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of
22 unpaved roadways.
23
24 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
25 reports of illegal dumping reported by citizens to the Department, Department of
26 Transportation, or the DWR.
27
28 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
29 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof
30 (excluding weekends and holidays) except for remote areas, as approved by the director,
31 for which the removal shall occur within five working days. The Franchisee may request
32 that specified roads, determined by the franchisee to be inaccessible for waste removal, be
33 considered by the Director for revised waste removal requirements.
34
35 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
36 or appliances as well as hazardous, medical, and other wastes requiring special handling
37 are exempt from the retrieval requirements set forth herein, provided, however, that of
38 these exempted items noted within the Roadway are to be immediately reported to the
39 Director.
40
41 5) The Franchisee shall, upon request of private property owners, the Director or the
42 Departments of County Transportation and Land Management Agency, provide removal
43 services for waste illegally disposed of on their private property, excluding those wastes
44 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
45 D.
46
47 6) Illegally disposed materials along Roadways within one mile of disposal sites within
48 Riverside County are exempt from the retrieval requirements set forth herein.
49
50

1 G. Collection of Used Motor Oil.

2
3 Franchisee shall collect used motor oil from single family residential customers in accordance with
4 California Public Resources Code Section 48691.

5
6 H. Collection and Equipment

7
8 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
9 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
10 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
11 inspection at the request of the Department.

- 12
13 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
14 the Department of Motor Vehicles of the State of California, shall be kept clean and in
15 good repair, and shall be uniformly painted.
16
17 2) A local or toll free telephone number, and vehicle number shall be clearly visibly displayed
18 on all required vehicles.
19

20 **SECTION 6. OWNERSHIP OF SOLID WASTE**

21
22 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
23 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
24 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
25 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
26 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
27 Franchisee.
28

29 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**

30
31 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
32 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
33 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
34 Delivery Agreement to be effective on the same date as this Agreement.
35

36 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

37
38 A. Indemnification of County

39
40 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
41 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
42 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
43 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
44 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
45 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
46 reasonable costs and expenses of investigating and defending against same; provided, however, that
47 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
48 negligence or misconduct of County or their agents, officers, or employees.
49

1 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
2 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
3 survive the term of the franchise.
4

5 B. Hazardous Substances Indemnification.
6

7 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
8 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
9 counsel approved by County, protect and hold harmless County and their respective employees, agents,
10 assigns, and any successor or successors to County's interest from and against all claims, actual damages
11 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
12 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
13 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
14 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
15 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
16 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
17 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
18 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
19 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
20 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
21 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
22 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
23 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.
24

25 C. Minimum Diversion Requirements
26

27 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
28 California Public Resources Code, Section 41780 and any other current or future California Statute that
29 requires the County to divert material from landfills. In the event that the State of California alters the
30 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
31 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
32 associated with any additional recycling programs.
33

34 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
35 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
36 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
37 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
38 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
39 against any third party as a means of meeting its obligation under this section.
40

41 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
42 by the Director as set forth in Section 9.A. of this agreement.
43

44 D. Worker's Compensation Insurance.
45

46 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
47 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
48 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
49 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
50 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
51 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt

1 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
2 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
3 arise from work performed by the named insured for the County.
4

5 E. Public Liability Insurance.
6

7 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
8 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
9 six million dollars (\$6,000,000.00) aggregate and three million dollars (\$3,000,000.00) per occurrence for
10 bodily injury and property damage. Said insurance shall protect Franchisee, the County and their elected
11 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
12 accidental death, as well as from any claim for property damage which may arise from operations performed
13 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
14 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
15 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
16 of the insurance policies required by this Section:
17

- 18 1) "This policy shall be considered primary insurance as respects any other valid and
19 collectible insurance the County may possess including any self-insured retention the
20 County may have, and any other insurance the County does possess shall be considered
21 excess insurance and shall not contribute with it."
22
- 23 2) "This insurance shall act for each insured, as though a separate policy had been written for
24 each. This, however, shall not act to increase the limit of liability of the insuring company."
25
- 26 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
27 certificate(s) of insurance showing that such insurance is in full force and effect, and
28 County are named as additional insureds with respect to this Franchise and the obligations
29 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
30 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
31 modification, cancellation or reduction in coverage of such insurance. In the event of any
32 such modification, cancellation or reduction in coverage and on the effective date thereof,
33 this Franchise shall terminate forthwith, unless County receive prior to such effective date
34 another certificate from an insurance carrier that the insurance required herein is in full
35 force and effect.
36

37 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
38 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
39 shall be named as additional insureds on all policies and endorsements.
40

41 F. Performance Bond or Letter of Credit.
42

43 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
44 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
45 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
46 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
47 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
48 California.
49
50
51

1 G. Modification.
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3 The insurance requirements provided herein may be modified or waived in writing by the Board upon
4 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
5 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
6 provided by the parent company of Franchisee.
7

8 **SECTION 9. DEFAULT AND REMEDIES**
9

10 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
11 breached its obligation, the provisions of this Agreement, the requirements of CalRecycle, including, but
12 not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
13 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
14 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Waste and other
15 wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies. The
16 Director may, in such written instrument, set a reasonable time within which correction of all such
17 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
18 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
19 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
20 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
21 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
22 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
23 below.
24

25 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
26 perform its obligations under this Agreement.
27

28 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
29 therefor, not later than 6 months following the date of said hearing at which a majority vote of the board
30 determines it is in the public interest to do so:
31

- 32 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 33
- 34 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
35 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 36
- 37 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
38 compensation, liability, indemnification coverage, and performance bond as required by
39 the Agreement.
- 40
- 41 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
42 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
43 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
44 which case no breach of the franchise shall be deemed to have occurred.
- 45
- 46 5) If the Franchisee ceases to provide Collection services as required under this Agreement
47 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
48 for any reason within the control of the Franchisee.
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- 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or refuses to provide County with required information, reports, and/or test results in a timely manner as provided in the Franchise Agreement.
 - 7) For any other act or omission by the Franchisee which materially violates the terms, conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach within the time set forth in such notice, if the Franchisee should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.
 - 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors of the Franchisee or any parent corporation or entity be found guilty of felonious conduct related to the performance of this Agreement, or of felonious conduct related to anti-trust activities, illegal transport or disposal of hazardous waste or materials, or violation of Racketeer - Influenced Corrupt Organizations (RICO) Statutes.

20 D. Professional Conduct

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- 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any court in the United States, or is otherwise alleged to have participated in any criminal activity directly or indirectly associated with the solid waste management business, Franchisee or its successor-in-interest shall provide written notice thereof to the Director within 14 days of such indictment, complaint or allegation. Such notice shall contain a description of the indictment, complaint or allegation, as well as a copy of such indictment or complaint or other matters of public record related thereto. In addition to the foregoing, Franchisee or its successor-in-interest shall provide the Director with copies of any reports required to be prepared by Franchisee or its successor-in-interest pursuant to federal securities laws, including quarterly and annual reports.
 - 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-interest, who has any responsibility for any aspect of the franchisee's operations under this contract, is convicted, indicted by a grand jury, or named as a defendant in a felony complaint filed in the Superior Court or a complaint filed in Federal Court associated with conduct of doing business for Franchisee or its successor-in-interest, this person shall, upon request of the County be immediately removed from any assignment whatsoever, directly associated with operations under this contract during the pendency of trial and/or following conviction.

43 E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
44 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
45 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
46 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
47 such party shall notify the other party of such order or requirement and the law, regulation or order on
48 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
49 or to renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order
50 becomes effective, then this Agreement shall terminate on the thirty-first day following the date said law,
51 regulation or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's

1 sole expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
2 restrict either party's right to legally contest the validity of such law, regulation or order.
3

4 **SECTION 10. DISRUPTIONS IN SERVICE**

5

6 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
7 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
8 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
9 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
10 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
11 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
12 by such conditions with an estimate of when service will be resumed.
13

14 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
15 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
16 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
17 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
18 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
19 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
20 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
21 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
22 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
23 County's sole negligence in providing such substitute service. Employees of Franchisee, including
24 management employees, may be employed by County during any period in which County temporarily
25 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
26 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
27 between Franchisee and its employees at the time Franchisee's service was interrupted.
28

29 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
30 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
31 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
32 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
33 be primarily reserved for use by County access while County or its designated representative is performing
34 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
35 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
36 accordance with the provisions of this Agreement.
37

38 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES**

39

40 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
41 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
42

43 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
44 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
45 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
46 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
47 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
48 Arbitration and Mediation Services.
49

50 C. The hearing shall be conducted according to the provisions of California Government Code Section
51 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a

1 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
2 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
3 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
4 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
5 reasonably related to the seriousness of the breach of the Agreement.
6

7 D. The party losing the hearing shall be liable for the hearing officer's fees.
8

9 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
10 a material breach of the Agreement, and may be grounds for termination of the Agreement.
11

12 F. Any party to the hearing may issue a request to compel reasonable document production from the
13 other party. Disputes concerning the scope of document production and enforcement of document requests
14 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
15 document request, then by disposition by order of the hearing officer. Any such document request shall be
16 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
17 procedures to protect such rights.
18

19 G. Neither party may communicate separately with the hearing officer after the hearing officer has
20 been selected. All subsequent communications between a party and a hearing officer shall be
21 simultaneously delivered to the other party. This provision shall not apply to communications made to
22 schedule a hearing or request a continuance.
23

24 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
25 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
26 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
27 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
28 the party subject thereto acted with substantial justification or if the interests of justice so require.
29

30 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
31

32 **SECTION 12. FRANCHISE TRANSFERABILITY**
33

34 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
35 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
36 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
37 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
38 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
39 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
40 such a request using such criteria as it deems necessary including, but not limited to, those listed in
41 Subsection C.
42

43 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
44 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
45 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
46 this Agreement.
47

48 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
49 meet the following requirements:
50

- 1 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
2 investigation costs necessary to investigate the suitability of any proposed transferee, and
3 to review and finalize any documentation required as a condition for approving any such
4 transfer.
5
6 2) The Franchisee shall furnish the County with audited financial statements of the proposed
7 transferee's operations for the immediately preceding three (3) operating years.
8
9 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
10 transferee has at least five (5) years of solid waste management experience of a scale equal
11 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
12 that in the last five (5) years, the proposed transferee has not suffered any citations or other
13 censure from any federal, state or local agency having jurisdiction over its waste
14 management operations due to any significant failure to comply with state, federal or local
15 waste management laws. Franchisee shall supply the County with a complete list of such
16 citations and censures; (iii) that the proposed transferee has at all times conducted its
17 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
18 transferee conducts its solid waste management practices in accordance with sound waste
19 management practices in full compliance with all federal, state and local laws regulating
20 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
21 insurance and bonds; and (vii) of other material as may be requested by the County.
22

23 This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County without the
24 prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The foregoing
25 is not intended to prevent the County from exercising its right to terminate the agreement consistent with
26 Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
27

28 **SECTION 13. REPORTS**

29
30 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
31 recovery and disposal specified in Exhibit C of this Agreement.
32

33 B. Franchisee shall make its customer base and records available to the Department for audit at
34 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
35 Agreement.
36

37 **SECTION 14. COMPENSATION**

38 39 A. Franchisee Rates. 40

41 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
42 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
43 are included in this Exclusive Franchise to the extent provided in state and federal law.
44

45 B. Modification and Adjustment of Rates. 46

47 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
48 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
49 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste

1 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
2 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
3 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
4 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.
5

6 C. Notice of Rate Changes
7

8 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
9 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
10 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
11 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
12 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
13 Services at least forty-five (45) days in advance of the anticipated rate changes.
14

15 D. Resolution of Disputes Regarding Rate Adjustments
16

17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
23 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate. Any
24 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
25 County's Compulsory Collection ordinance.
26

27 E. Billing and Payment.
28

29 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
30 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
31 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
32 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
33 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.
36

37 F. Delinquent Accounts.
38

39 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
40 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
41 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
42 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
43 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
44 Franchisee operating in a Compulsory Collection area shall be subject to all applicable provisions in the
45 Compulsory Collection ordinance.

1
2 G. Refunds.
3

4 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
5 such customer for service not provided when service is discontinued by written notification to Franchisee
6 by the customer.
7

8 **SECTION 15. FRANCHISE FEES**
9

10 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
11 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
12 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
13 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
14 be due for fees not submitted within the thirty (30) day time period.
15

16 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
17 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
18 accordance with Exhibit D.
19

20 **SECTION 16. OTHER REQUIREMENTS**
21

22 A. Privacy
23

24 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
25 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
26 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
27 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
28 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
29 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
30 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
31 that Franchisee may provide such lists to authorized employees and authorized representatives of the
32 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
33 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
34

35 B. Public Access to the Franchisee
36

- 37 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
38 Monday through Friday. A representative of Franchisee shall be available during office
39 hours for communication with the public at Franchisee's principal office. In the event that
40 normal business cannot be conducted over the telephone, a representative of Franchisee
41 shall agree to meet with the public at a location agreeable to Franchisee and the public.
42 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
43 shall also maintain a local or toll free after-hours telephone number for use during other
44 than normal business hours. Franchisee shall have a representative or answering device or
45 system available at said after-hours telephone number during all hours other than normal
46 office hours.

- 1
2 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
3 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
4 Person, by close of business of the second business (waste Collection) day following the
5 date on which such complaint is received. Service complaints may be investigated by the
6 Director or a designee. Franchisee shall maintain records listing the date of customer
7 complaints, the customer, describing the nature of the complaint or request, and when and
8 what action was taken by the Franchisee to resolve the complaint. All such records shall
9 be maintained and shall be available for inspection by County.
10
11 3) Government Liaison Person. The Franchisee shall designate a "government liaison
12 Person" who shall be responsible for working with the Department to resolve customer
13 complaints.
14

15 C. Resolution of Disputed Customer Complaints.
16

17 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
18 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
19 Procedures for resolution of disputed claims shall be as follows:
20

- 21 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
22 County to review the complaint. To obtain this review, the customer may request County
23 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
24 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
25 has failed to respond to the complaint. The County may extend the time to request its
26 review for good cause.
27
28 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
29 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
30 customer's complaint and determine if further action is warranted. The Director may
31 request written statements from the Franchisee and customer, and/or oral presentations.
32
33 3) The Director shall determine if the Customer's complaint is justified, and if so, what
34 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
35 of customer charges related to the period of breach of any of the terms of this Franchise
36 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
37 addition to any actual damages.
38
39 4) The Director may delegate these duties to a designee. The decision of the Director or a
40 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
41 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
42 may seek review pursuant to Section 11 above.
43

44 D. Hazardous Materials and Waste Handling and Disposal
45

46 The Franchisee shall comply with the procedures detailed in State Law.
47
48
49

1 **SECTION 17. FORCE MAJEURE**

2
3 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
4 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
5 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
6 Solid Waste facilities used by Franchisee:

- 7 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
8 earthquakes, tornados, or other catastrophic events;
9 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
10 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
11 other event leading to the imposition of quarantines, travel or movement restrictions, social
12 distancing, or public health advisories restricting large gatherings;
13 D. Accident or other catastrophic event including fire or explosion;
14 E. Strikes and labor disputes;
15 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
16 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
17

18 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
19 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
20 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
21 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
22 Franchisee intends to take to restore its ability to perform, and such other information as the County may
23 reasonably request.
24

25 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
26 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
27 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
28 Franchisee.
29

30 **SECTION 18. OTHER PROVISIONS**

31
32 A. Independent Contractor.
33

34 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
35 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
36 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
37 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
38 retirement or other benefits which accrue to County employees.
39

40 B. Property Damage.
41

42 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
43 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
44 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

1
2 C. Right of Entry.
3

4 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
5 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
6 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
7 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
8

9 D. Law to Govern.
10

11 The law of the State of California shall govern this Franchise Agreement.
12

13 E. Gratuities.
14

15 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
16 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
17 Franchise Agreement.
18

19 F. Compliance with Franchise Agreement.
20

21 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
22 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
23 the Term of this Franchise Agreement.
24

25 G. Notices.
26

27 All notices required or permitted to be given under this franchise shall be in writing and shall be
28 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
29 receipt requested, and addressed as follows:
30

31 To County: County of Riverside
32 Attn: Department of Environmental Health
33 4065 County Circle Drive
34 Riverside, CA 92503
35

36 Copy to: County Counsel
37

38 To Franchisee: CR&R Incorporated
39 Attn: Senior Regional Vice President
40 P.O. Box 1208
41 Perris, CA 92572
42

43 Copy to: CR&R Incorporated
44 Attn: David Ronnenberg, President
45 11292 Western Ave

1 Stanton, CA 90680

2
3 or to such other address as either party may from time to time designate by notice to the other given in
4 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
5 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
6 receipt of confirmation of delivery which confirmation may be transmitted by fax.

7
8 H. Exhibits Incorporated.

9
10 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
11 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
12 Agreement, the language of the Exhibit shall prevail.

13
14 I. Nondiscrimination.

15
16 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
17 on the ground of race, sex, age, creed, color, religion or national origin.

18
19 J. Laws and Licenses.

20
21 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
22 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
23 to perform the services hereunder and maintain the same in full force and effect.

24
25 K. Waiver.

26
27 No waiver by either party of any one or more defaults or breaches by the other in the performance of
28 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
29 like or different character.

30
31 **SECTION 19. SEVERABILITY**

32
33 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
34 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
35 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
36 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
37 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
38 Agreement.

39
40 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
41 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
42 enforceability of any of the remaining provisions of this Franchise Agreement.

1 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
2

3 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
4 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
5 and all other communications, representations, proposals, understandings or Agreements, either written or
6 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
7 or amended, in whole or in part, except by writing signed by both parties hereto.
8

9 At least once every 5 years, or more often as required by a significant change in law, starting from the
10 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
11 or required amendments.
12

13 **SECTION 21. CONSTRUCTION OF FRANCHISE**
14

15 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
16 attorneys, and no provision contained herein shall be construed against County solely because it prepared
17 this agreement in its executed forms.
18

19 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
20

21 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
22 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
23 another company, all service levels and rates of this contract shall at the discretion of the Board of
24 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones
Riverside County
Department of Environmental Health

10

11

12

13 FRANCHISEE

14

15

BY: _____

16

Clifford Ronnenberg
Chairman and CEO
CR&R Incorporated

17

18

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EXHIBIT B

FRANCHISE AREA #6

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description:

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

Hauler Franchise Area 6

(North)

Beginning at the intersection of Gilman Springs Rd and State Highway 60;

Thence Easterly along the centerline of State Highway 60 to the Easterly line of Section 4, T. 3 S., R. 2 W., S.B.M.;

Thence Southerly along the Easterly line of Section 4, T. 3 S., R. 2 W, to the Southeast Corner thereof;

Thence Easterly along the Northerly line of Section 10, T. 3 S., R. 2 W, to the Northeast Corner thereof;

Thence Southerly along the Easterly line of Section 10, T. 3 S., R. 2 W, to the Southeast Corner thereof;

Thence Easterly along the Northerly line of Section 14, T. 3 S., R. 2 W, to the Northeast Corner thereof;

Thence Southerly along the Easterly line of Section 14 T. 3 S., R. 2 W, to the Southeast Corner thereof;

Thence Easterly along the Northerly line of Section 24 T. 3 S., R. 2 W, to the Northeast Corner of Section 24, Said point being the Northwest Corner of Section 19 T. 3 S., R. 1 W;

Thence Easterly along the Northerly line of Section 19 T. 3 S., R. 1. W, to the Northeast Comer of Section 19;

Thence Southerly along the Easterly line of Section 19, T. 3 S., R. 1 W, to the Southeast Corner thereof;

Thence Easterly along the Northerly line of Section 29, T. 3 S., R. 1 W, to the Northeast Corner thereof;

Thence Southerly along the Easterly line of Section 29, T. 3 S., R. 1 W, to the Southeast Corner thereof;

Thence Easterly along the Northerly line of Section 33, T. 3 S., R. 1 W, to the intersection with State Highway 79, being on the city limits of the City of Beaumont;

Thence Southeasterly along the city limits of the City of Beaumont to the Northwest Corner of Section 13 T. 4 S., R. 1 W;

Thence Easterly along the Northerly line of Section 13, T. 4 S., R. 1 W, and along the Northerly line of Sections 18, 17 and 16, T. 4 S., R. 1 E, to the Northeast Corner of said Section 16;

Thence Southerly along the Easterly line of Section 16 T. 4 S., R. 1 E, to the Southeast Corner of said Section 16, also being the Northwest Corner of Section 22 T. 4 S., R. 1 E;

Thence Easterly, along the North line of Section 22 to the Northeast Corner thereof;

Thence Southerly, along the East line of Section 22 to the Southeast Corner thereof, also being the Northwest Corner of Section 26 T. 4 S., R. 1 E;

Thence Easterly along the Northerly line of Section 26 T. 4 S., R. 1 E, to the Northeast Comer thereof;

Thence Southerly along the Easterly line of Section 26 to the intersection with Indian Creek Road;

1
2 Thence Southwesterly along the centerline of Indian Creek Rd to its intersection with the San Jacinto River;
3
4 Thence Westerly along the centerline of the San Jacinto River to the Easterly city limits of San Jacinto;
5
6 Thence Northwesterly along the city limits of San Jacinto to the Intersection with the Southerly line of
7 Section 14 T. 4 S., R. 2 W;
8
9 Thence Westerly, along the South lines of Sections 14, 15 and 16 T. 4 S., R. 2 W, to the Southwest Corner
10 of Section 16;
11
12 Thence Northerly, along the West line of Section 16 to its intersection with Brown Ave;
13
14 Thence Westerly, along the centerline of Brown Ave to the intersection with 5th St;
15
16 Thence Northerly, along the centerline of 5th St to the intersection with Yucca Ave;
17
18 Thence Northwesterly, along the centerline of Yucca Ave to the intersection with 9th St;
19
20 Thence Northwest, along the centerline of 9th St to the intersection with Lakeview Ave;
21
22 Thence Northerly, along the centerline of Lakeview Ave to the intersection with Ramona Expressway;
23
24 Thence Easterly, along the centerline of Ramona Expressway to the intersection with Davis Rd;
25
26 Thence Northerly, along the centerline of Davis Rd to its intersection with the city limits of the City of
27 Moreno Valley;
28
29 Thence Northeasterly, along the city limits of the City of Moreno Valley to the intersection of Gilman
30 Springs Rd and Eucalyptus Ave;
31
32 Thence Northerly, along the centerline of Gilman Springs Rd to the intersection with State Highway 60,
33 being the point of beginning.
34
35 (Southeast)
36 Beginning at the intersection of Kirby St and Esplanade Ave, said point also being on the city limit line of
37 San Jacinto;
38
39 Thence Easterly along the centerline of Esplanade Ave, being also the city limit line of San Jacinto to State
40 St;
41
42 Thence Southerly along the centerline of State St, being also the city limits of San Jacinto to an angle point
43 in the city limits of San Jacinto South of Crows Nest Pl;
44
45 Thence Easterly along the city limits of San Jacinto to the city limits of Hemet;
46
47 Thence Southwesterly along the city limits of Hemet to the intersection of Eaton Ave and Kirby St;
48
49 Thence Northerly along the centerline of Kirby St to the Point of Beginning.
50
51 (Southwest)

- 1 Beginning at the intersection of Esplanade Ave and Myers St;
- 2
- 3 Thence Easterly along the centerline of Esplanade Ave to the intersection of Sanderson Ave;
- 4
- 5 Thence Southerly along the centerline of Sanderson Ave, said centerline being also the city limits of San
- 6 Jacinto and Hemet, to the intersection of Eaton Ave;
- 7
- 8 Thence Westerly along the centerline of Eaton Ave, said centerline being also the city limits of Hemet
- 9 following the city boundary to the point of beginning.
- 10
- 11 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
- 12 in areas 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12 and 13.
- 13
- 14 Also excludes any areas within City boundaries.

1 EXHIBIT DC
2
3 REPORTING REQUIREMENTS
4

5 1. GENERAL
6

7 The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in
8 this Exhibit ~~and required by State Law~~; however, the Department and the ~~District DWR~~ reserve the right to
9 request additional information as necessary to meet their needs, ~~including but not limited to the AB 939~~
10 ~~reporting requirements and to comply with applicable State Law. Reports shall be provided in a format~~
11 ~~approved by the Department.~~ All information included in the reports shall be provided according to the
12 source of generation. Waste generator types are defined as follows:
13

14 Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from
15 single-family and from multi-residential units.
16

17 Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from
18 commercial and industrial sources.
19

20 Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.
21

22 Annual Cleanup - Solid waste and other materials collected through the annual cleanup.
23

24 Data and information pertaining to services performed under this franchise upon submittal to the
25 Department become the property of the Department.
26

27 2. DISPOSAL TONNAGE TRACKING
28

29 Franchisee shall submit ~~all~~ completed ticket transactions to the ~~District DWR~~ as required by the Countywide
30 Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received
31 by the ~~District DWR~~ within five (5) business days of the landfill transactions {the day of transaction being
32 the first (1st) business day}. If these tickets and correct information are not received within the specified
33 period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the ~~District DWR~~ and placed
34 on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual~~
35 ~~and Riverside County Waste resources Management District Ordinance No. 1.~~
36

37 3. QUARTERLY REPORTS
38

39 The Franchisee shall submit quarterly reports no later than one month following the completion of each
40 quarter. ~~The first report is due by April 30, 1999 and shall cover the period from the effective date of this~~
41 ~~Agreement through the end of each quarter.~~
42

43 The quarterly reports shall include the information collected and summarized on a monthly basis.
44 Specifically, Franchisee shall provide the following quarterly reports:
45

- 46 1. Collection summary ~~Summary~~ reports
- 47 2. ~~Equipment inventory~~
- 48 3. ~~Future programs~~
- 49 2. Litigation information Education and Outreach
- 50 3. Service Performance
- 51 4. Container contamination monitoring

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Collection Information Summary

The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste ~~, recyclables and green waste~~ and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density factors.

Education and Outreach

~~The Franchisee shall submit copies of public education materials sent to customers or provided electronically on their websites or social media outlets.~~

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Service Performance

The Franchisee shall provide a report summarizing the entries made in the service log including all praises, complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report shall identify the total number of all written or oral Customer comments and shall provide the number of comments received in the following categories: praises, litter or property damage complaints, misplacement of containers, stolen containers, personnel complaints, missed pickups, and other.

Container Contamination Monitoring

~~The Franchisee shall provide a summary of container contamination monitoring activities including information on efforts to minimize container contamination. When applicable a separate detailed report shall be provided to the Department identifying sites that are out of compliance and require additional enforcement by the County.~~

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Program Implementation

~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services for the quarter. The report shall address how the problems and barriers were overcome or the proposed resolutions and schedule for correcting the problem.~~

4. ANNUAL REPORTS

The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The Franchisee will be responsible for providing the following reports:

- 1. Summary reports
- 2. Equipment inventory
- 3. Program implementation
- ~~3-4.~~ Future programs
- 5. ~~Litigation information~~
- 4-6. Education and Outreach

Summary Reports

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.

8 9 **Equipment Inventory**

10 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
11 The inventory list shall indicate the age of the equipment.

12 13 **Program Implementation**

14 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
15 for the quarter year. The report shall address how the problems and barriers were overcome or the proposed
16 resolutions and schedule for correcting the problem.

17 18 19 **Future Programs**

20 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
21 but have not been planned for.

22 23 24 **Litigation Information**

25 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
26 against the parent company and all subsidiaries of parent company that may have an effect on the
27 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

28 29 30 **Education and Outreach**

31 The Franchisee shall submit copies of public education materials sent to customers or provided
32 electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. DWR direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.

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3. The DWR directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 4. The County modifies the franchise fee.
 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 6. Significant increases in the number of customer accounts due to development or growth.
 7. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #7

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- 1 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
2 court or governmental entity against Franchisee or affecting Franchisee, wherein an
3 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
4 of this Agreement, or which would have a material adverse effect on the financial condition
5 of Franchisee.
6
7 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
8 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
9 parent company's financial circumstances since the date of the most recent financial
10 statements submitted to the Environmental Health Department ("Department"). Prior to
11 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
12 most recent annual financial statements. The Department may at its discretion specify the
13 contents and form of such statements. The Director of Environmental Health may inspect
14 the financial records of the Franchisee at any reasonable time for any reasonable purpose
15 relevant to the performance of this contract.
16
17 6) Franchisee has the expert, professional, and technical capability to perform all of its
18 obligations under this Agreement.
19

20 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
21 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
22 ~~annual financial statements, as provided in Exhibit C.~~
23

24 B. Representations and Warranties of the County.
25

26 Prior to commencement of any services hereunder, the County hereby makes the following
27 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
28

- 29 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
30 This Agreement constitutes the legal, valid and binding Agreement of the County and is
31 enforceable against the County in accordance with its terms.
32
33 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
34 County before any court or governmental entity wherein an unfavorable decision, ruling or
35 finding would adversely affect the validity or enforceability of this Agreement.
36

37 **SECTION 2. DEFINITIONS**
38

39 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
40 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
41 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
42 Agreement. In the event of conflict between the definition of a term as found in the California Public
43 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
44 supersede the definition found in the Public Resources Code or in County ordinances.
45

46 A. Agreement: means this Agreement between the County and Franchisee for the Collection and
47 transportation of Solid Waste and other specified services, including all exhibits, and any future
48 amendments.
49

50 B. Bins ~~shall~~ mean those containers provided by Franchisee for commercial, industrial,
51 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~1~~2 to 6 cubic yards in
2

1 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
2 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
3

4 C. ~~Board shall~~ means the Riverside County Board of Supervisors.
5

6 ~~Bulky Waste shall mean large, heavy or otherwise difficult to handle items, including, but not
7 limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large
8 concrete and asphalt chunks, tree stumps, or other waste materials with weights or volumes
9 greater than those allowed for containers.~~

10 D. ~~Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
11 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
12 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
13 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
14 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
15 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
16 containing chlorofluorocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
17 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
18 Persons.~~

19 ~~D.~~
20

21 E. ~~Collection~~ means Collection of Solid Waste, recyclable material, or other material specified
22 in this Agreement and its transportation to an appropriate Solid Waste Facility.
23

24 F. ~~Commercial Units shall~~ mean all commercial, industrial, institutional or other facilities, except
25 residential and Multi-Residential Units.
26

27 G. ~~Compost means a stable humus-like product that results from the biological decomposition of
28 organic materials occurring under controlled conditions.~~

29 H. ~~Compost Facility means a Solid Waste Facility that processes Organic Waste, Wood Waste or
30 other organic materials to produce Compost or mulch.~~
31
32

33 I.G. ~~Comprehensive Compulsory Collection Areas shall~~ mean specific portions or areas of the
34 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
35 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.
36

37 J.H. ~~County~~ means the County of Riverside, State of California.
38

39 K.I. ~~Department~~ means the Riverside County Department of Environmental Health.
40

41 J. ~~Director shall~~ means the Director of the Riverside County Department of Environmental
42 Health or ~~his or her~~their designee.
43

44 L.K. ~~Diversion (or any variation thereof including "Divert") means activities which reduce or
45 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
46 recycling, and composting.~~
47

48 M. ~~District means the Riverside County Waste Resources Management District.~~
49

1 ~~N.L.~~ Effective Date means the date on which this Agreement becomes effective, which shall be the
2 date it is executed by the Board of Supervisors.
3

4 ~~O.M.~~ Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
5 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
6 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
7 B.
8

9 ~~P.~~ Extremely Hazardous Waste shall mean any Hazardous Waste or mixture of Hazardous
10 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
11 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.
12

13 ~~Q.N.~~ Franchise Area means the geographic territory defined in Exhibit B.
14

15 ~~R.~~ Franchise Documents shall mean the Agreement (as herein defined), the separately executed
16 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
17 under this Agreement.
18

19 ~~S.O.~~ Generator means the owner or occupant of premises, including residences or businesses, which
20 initially produces Solid Waste, Recyclable Materials, or Organic Waste.
21

22 ~~T.P.~~ Green Waste means organic waste generated from any landscaping including grass clippings,
23 leaves, prunings, tree trimmings, weeds, branches, and brush.
24

25 ~~U.Q.~~ Gross Receipts means all monies received by Franchisee for providing franchise services
26 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
27 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
28 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
29 of State or other governmental agencies.
30

31 ~~V.R.~~ Hard-to-Service may refer to any service area that is not standard curb and gutter service or
32 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
33 of the following:

- 34 1) Rural, sparsely populated areas,
- 35 2) Hilly or mountainous terrain,
- 36 3) Poorly paved or unpaved roads which may be ~~im~~unpassable in poor weather,
- 37 4) Large, uninhabited areas between pockets of homes,
- 38 ~~5) Unusually heavy waste due to large properties, livestock, etc.~~
- 39 ~~5)~~
- 40 ~~6) Limited access on a private street or alley.~~

41 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
42 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
43 "Hard to Service"

44 ~~W.~~ Hazardous Waste shall mean any waste material or mixture of wastes which is defined or
45 otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an
46 irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a
47 waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,
48 or as a proximate result of any disposal of such wastes or mixture of wastes. The term "toxic", "corrosive",
49 "flammable", "irritant", or "strong sensitizer" shall be given the same meaning as found in the California
50 Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.

1
2 ~~X.S.~~ Integrated Waste Management Act (IWMA) shall mean the California Integrated Waste
3 Management Act of 1989 (AB 939), including all subsequent amendments.
4

5 ~~Y. — Materials Recovery Facility. means a facility intended primarily for recovery and processing~~
6 ~~of Recyclable Materials that are source separated, or a facility intended to recover Recyclable Materials~~
7 ~~from Solid Waste. Such a facility may also function as a Transfer Station.~~
8

9 ~~Z.T.~~ Multi-Residential Units shall mean permanent buildings containing three or more Residential
10 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
11 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
12

13 ~~AA.U.~~ Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
14 wood waste, and food-soiled paper waste that is mixed in with food waste.
15

16 ~~BB. — Permitted Hauler. means a Solid Waste service provider who has a valid permit to operate~~
17 ~~within all, or a portion of, the unincorporated County.~~
18

19 ~~CC. — Person. shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,~~
20 ~~trust, association, or corporation whether for profit or non-profit.~~
21

22 ~~DD.V.~~ Recyclable Materials means material which has been segregated from other Solid Waste
23 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
24 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
25 Recyclables consisting of two or more of the above-referenced material types separated from non-
26 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
27 than five (5) percent Solid Waste by weight.
28

29 ~~EE.W.~~ Residential Unit shall mean an occupied dwelling within the unincorporated area of the
30 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
31 either water or domestic light and power services are being supplied thereto. This definition shall apply also
32 to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to
33 be two (2) attached Residential Units.
34

35 ~~FF.X.~~ Roadways means all County maintained roadways in the unincorporated area of the County
36 or private roadways, accessible by the Franchisee and used for providing routine service as defined in
37 Exhibit A of this Agreement.
38

39 ~~GG. — Solid Waste. means all putrescible and non putrescible solid, semisolid and liquid wastes,~~
40 ~~including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction~~
41 ~~wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,~~
42 ~~and other discarded solid and semisolid wastes.~~
43

44 Solid Waste does not include any of the following wastes:

- 45 ○ ~~Hazardous waste, as defined in Public Resources Code Section 40141.~~
- 46 ○ ~~Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8~~
47 ~~(commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety~~
48 ~~Code).~~
- 49 ○ ~~Medical waste regulated pursuant to the Medical Waste Management Act (Part 14~~
50 ~~(commencing with Section 117600) of Division 104 of the Health and Safety Code).~~

1 ~~Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in~~
2 ~~Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall~~
3 ~~be regulated pursuant to this division.~~

4
5 ~~III. Solid Waste Facility. means any facility that is licensed, permitted or otherwise approved by~~
6 ~~all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,~~
7 ~~Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material~~
8 ~~recovery, composting, waste to energy, or landfill facilities.~~

9
10 ~~H.Y. System Facility. means a Solid Waste Facility that is owned and/or operated by the District~~
11 ~~Riverside County Department of Waste Resources (DWR), or with which the District DWR has entered~~
12 ~~into an Agreement, and that for the purposes of this Agreement is designated by the District DWR through~~
13 ~~a separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery~~
14 ~~and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.~~

15
16 ~~J.Z. Term. means the Term of this Agreement, as provided for in Section 3.~~

17
18 ~~KK. Transfer Station. shall include those intermediate waste handling facilities where Solid Wastes~~
19 ~~are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof~~
20 ~~may undergo incidental processing, recycling or further handling before transportation to a disposal site,~~
21 ~~Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer~~
22 ~~station":~~

- 23 ~~1) Locations where less than 15 cubic yards of combined container volume are~~
24 ~~provided to serve as community or multi-residence receptacles for residential refuse.~~
25 ~~2) Storage receptacles for waste from multi-residential buildings or for commercial~~
26 ~~Solid Wastes.~~
27 ~~3) A container used to store construction or demolition wastes at the place of~~
28 ~~generation.~~
29 ~~4) Containers used to store salvaged materials.~~

30
31 ~~LL.AA. Waste Delivery Agreement. means the contract entered into by the District DWR and the~~
32 ~~Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to~~
33 ~~be directed to specified System Facilities and kept on file with the DWR.~~

34
35 ~~MM.BB. Wood Waste. means industrial dimension lumber, pallets, shipping dunnage, and similar~~
36 ~~discarded processed wood materials, and large tree limbs.~~

37
38 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**

39
40 A. Pursuant to Ordinance ~~657745~~, and the IWMA, and subject to the terms and conditions of this
41 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
42 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
43 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
44 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
45 purposes.

46
47 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
48 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
49 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
50 forth below; and (2) to not collect from any other portions of the unincorporated county covered by

1 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
2 Organic Waste, ~~(3) to the cancellation, upon the Effective Date of this Agreement, of any permit or other~~
3 ~~authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable~~
4 ~~Materials, or Organic Waste for the portion of the unincorporated county permit area covered by Exclusive~~
5 ~~Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code~~
6 ~~section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for~~
7 ~~those areas represented by Exclusive Franchise Agreements.~~

8
9 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to~~
10 ~~its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement~~
11 ~~and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in~~
12 ~~accordance with the provisions of this Agreement.~~

13
14 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
15 the Exclusive Franchise, to the extent provided for in state and federal law.

16
17 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the~~
18 ~~Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of~~
19 ~~this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior~~
20 ~~thereto either the County or the Franchisee gives written notice of non renewal to the other party. Only one~~
21 ~~notice of non renewal shall be required hereunder. Notice of non renewal need not be based on cause.~~ The
22 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
23 notice for nonperformance, as provided in Sections 9 and 10 hereof.

24
25 D. Franchisee will commence services under this Agreement on January ~~1st, 1999~~, 2022.

26
27 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
28 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
29 taken.

30 31 32 **SECTION 4. FRANCHISE AREA**

33
34 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
35 County defined in Exhibit B, "Franchise Area."

36 37 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**

38 39 A. General.

40
41 Franchisee shall provide the Collection and transportation of Solid Waste and
42 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
43 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
44 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
45 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit ~~ED~~. Minimum
46 levels of Solid Waste service to be provided under this Agreement are defined below, however, no
47 residential or commercial or business customer shall be refused service, if that party is willing to pay for
48 such service and is current in payment. Disputes arising over the terms on which a particular customer may
49 be serviced because of remoteness of location, difficulty of access, particular needs of the customer, etc.
50 shall be decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
51

1 B. Single Family Residential.

2
3 Weekly Service. Not less often than once per week, and more frequently if required to handle the
4 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
5 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
6 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
7 Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without obstructions so as
8 to permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
9 ~~Franchisee may supply containers, and/or may require the use of specific containers as specified in Exhibit~~
10 ~~A.~~ Franchisee may negotiate special pickup procedures, above and beyond the normal services described
11 above, with customers for an additional fee in an amount provided in Exhibit ED.

12
13 C. Commercial, Industrial, and Multi-Residential.

- 14
15 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
16 if required to handle the waste stream of the premises where the Bins are located,
17 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
18 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
19 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
20
21 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
22 frequently if required to handle the waste stream of the premises where the Bins are located,
23 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
24 Collection in Solid Waste Bins at Commercial Units.

25
26 D. Construction and Temporary Bin/Rolloff Services.

27
28 Franchisee shall provide construction and temporary bin/rolloff services using rates ~~reflected~~
29 ~~in~~ established per Exhibit ED.

30
31 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 32
33 ~~1) At least twice a year, Franchisee shall provide a one (1) day cleanup service to all~~
34 ~~Residential Unit customers on its routes wherein all bulky materials left on the curb, or~~
35 ~~other designated location on or adjacent to customer's property, up to a maximum of one~~
36 ~~and one-half cubic yards, will be removed and disposed. Cost for this service, excluding~~
37 ~~the cost of disposal, shall be included within the normal monthly rates for Residential Unit~~
38 ~~Solid Waste Collection as specified in Exhibit E. When feasible, the bulky material will~~
39 ~~be collected in a vehicle separate from the one used to pick up the residential unit's Solid~~
40 ~~Waste on a weekly basis so that it can be readily identified as not requiring tipping fees~~
41 ~~when it arrives at the designated landfill. Franchisee will make a good faith effort to divert~~
42 ~~the bulky material away from the designated landfill and to another facility where it can be~~
43 ~~either recycled or refurbished for reuse. Collection of heavy waste materials such as dirt,~~
44 ~~rock, concrete, and asphalt are not included in this service.~~

45
46 ~~Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service arranged~~
47 ~~at the request of the customer for large household appliances or furniture or multiple smaller~~
48 ~~items not exceeding one and one-half cubic yards. Collection of heavy waste materials such as~~
49 ~~dirt, rock, concrete, and asphalt are not included in this service. Franchisee shall advertise the~~
50 ~~availability of the Bulky Wastes Collection service and shall provide the Bulky Waste Collection~~

1 service within seven (7) working days of request by customer. Franchisee shall bill the customer
2 for Bulky Waste Collection at the rate established in Exhibit E. Standard disposal rates shall be
3 paid by franchisee at System Facility.

- 4 1) Upon verbal or written customer request, made a minimum of two business days prior to
5 the customer's regular service day, Franchisee shall provide on-call Single Family
6 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
7 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
8 customer. Franchisee and County agree that this service is intended to allow residents to
9 safely discard of large household items such as furniture and whitegoods or other large
10 household items that do not fit in their regular weekly trash containers. Each Single
11 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
12 Household Waste Collection Services per calendar year with a maximum of four (4) items
13 at each collection occurrence. The total amount of annual allowable items per household
14 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
15 (4) tires per collection request. Bulky Household Waste items do not include items such as
16 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
17 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
18 service shall be subject to the bulky item rates established on the rate sheets approved by
19 the Board of Supervisors.
20 2) _____

- 21
22 3)2) _____ Franchisee shall provide large rolloff refuse containers requested by the Director
23 or his designee to respond to organized community clean up efforts at no charge.
24 Franchisee shall deliver containers to agreed upon collection points and shall cooperate
25 with the Director and designated community leaders to remove containers and dispose of
26 collected Solid Waste. Franchisee is obligated to provide the equivalent of two 40-cubic
27 yard bins/loads per year for each 1,000 Residential Unit customers serviced within the
28 Franchise Area. The ~~District-DWR~~ will arrange that there shall be no charge of disposal
29 fees for such Solid Waste delivered in separate vehicles to the System Facilities.

30
31 F. Illegal Dumping Retrieval Services

32 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

- 33
34
35 1) If requested by the County the Franchisee shall turn in ~~to County~~ a ~~monthly~~ report of illegal
36 dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky
37 items (such as tires, couches, and appliances) noticed within or along the Roadway in the
38 franchise area. For the purpose of this provision, the Roadway shall include public rights
39 of way within twenty (20) feet of the paved roadways and within twenty (20) feet of the
40 shoulders of unpaved roadways.
41
42 2) Franchisee shall anticipate and arrange to receive daily by ~~facsimile~~ electronic methods,
43 copies of reports of illegal dumping reported by citizens to the Department ~~of~~
44 Environmental Health, Department of Transportation, or the ~~Waste Resources~~
45 Management District DWR.
46
47 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
48 materials on the Roadway within ~~forty-eight (48)~~ seventy-two (72) hours of the receipt of
49 reports thereof (excluding weekends and holidays) except for remote areas, as approved by
50 the director, for which the removal shall occur within five working days. The Franchisee

1 may request that specified roads, determined by the franchisee to be inaccessible for waste
2 removal, be considered by the Director for revised waste removal requirements.
3

4 ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at
5 County disposal sites at the time of delivery of the corresponding loads of illegally dumped
6 debris. Nothing herein shall prevent the immediate pickup, delivery and reporting thereof,
7 as part of the normal route collection activities, of illegally discarded material.~~

8
9 ~~5) Abandoned vehicles and objects or appliances larger than conventional household
10 furniture or appliances as well as hazardous, and medical, and other wastes requiring
11 special handling are exempt from the retrieval requirements set forth herein, provided,
12 however, that of these exempted items noted within the Roadway are to be immediately
13 reported to the Director.~~

14
15 ~~6) The Franchisee shall, upon request of private property owners, the Director or the
16 Departments of County Transportation and Land Management Agency, provide removal
17 services for waste illegally disposed of on their private property, excluding those wastes
18 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
19 ED.~~

20
21 ~~7) Illegally disposed materials along Roadways within one mile of disposal sites
22 within Riverside County are exempt from the retrieval requirements set forth herein.~~

23
24 ~~8) For sixty (60) days from the effective date of this contract, the County will arrange that
25 there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall
26 pay the usual fees charged for comparable types and quantities of Solid Waste.~~

27
28 ~~9) Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit
29 to the Director an accurate accounting of its costs to provide Illegal Dumping Retrieval
30 Service.~~

31
32 G. Collection of Used Motor Oil.
33

34 Franchisee shall collect used motor oil from single family residential customers in accordance with
35 California Public Resources Code Section 48691, the Recycled Oil Collection and Storage Standards
36 pursuant to Riverside County Ordinance 657 and Riverside County Resolution 90-668.
37

38 H. Diversion Services
39

40 ~~1) Diversion services proposed by Franchisee as described in Exhibit H shall be provided
41 throughout the duration of this contract.~~

42
43 ~~2) At any time during the term of this Agreement, upon one hundred eighty (180) days written
44 notice from the Director, Franchisee shall provide collection of Green Waste or Organic
45 Waste from Residential Units throughout, or in designated portions of its Exclusive
46 Franchise Area. Franchisee's rates for this service shall be as established in Exhibit E as
47 adjusted by the methodology established in Exhibit F.~~

48
49 I.H. Collection and Equipment

1
2 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
3 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
4 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
5 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~ The equipment of
6 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
7 ~~Department on an annual basis at the request of the Department.~~

8
9 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
10 the Department of Motor Vehicles of the State of California, shall be kept clean and in
11 good repair, and shall be uniformly painted.

12
13 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
14 ~~days.~~

15
16 ~~3)2)~~ A local or toll free telephone number, and vehicle number shall be clearly visibly
17 displayed on all required vehicles, ~~in letters and figures no less than three inches (3") high.~~

18
19 **SECTION 6. OWNERSHIP OF SOLID WASTE**

20
21 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
22 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
23 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
24 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
25 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
26 Franchisee.

27
28 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**

29
30 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
31 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
32 and the ~~District~~DWR. The rates ~~shown~~ referenced in Exhibit ~~E-D~~ are based on the ~~_____~~ facility(ies)
33 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.

34
35 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

36
37 A. Indemnification of County ~~and District.~~

38
39 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
40 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
41 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
42 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
43 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
44 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
45 reasonable costs and expenses of investigating and defending against same; provided, however, that
46 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
47 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.

1 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
2 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
3 survive the term of the franchise.

4
5
6 B. Hazardous Substances Indemnification.
7

8 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
9 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
10 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
11 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
12 damages (including, but not limited to, special and consequential damages), natural resources damage,
13 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
14 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
15 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
16 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
17 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
18 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
19 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
20 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
21 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
22 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
23 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
24 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
25 from liability.

26
27 C. Minimum Diversion Requirements
28

29 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
30 California Public Resources Code, Section 41780 and any other current or future California Statute that
31 requires the County to divert material from landfills. In the event that the State of California alters the
32 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
33 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
34 associated with any additional recycling programs.
35

36 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
37 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
38 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
39 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
40 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
41 against any third party as a means of meeting its obligation under this section.
42

43 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
44 by the Director as set forth in Section 9.A. of this agreement.

45 ~~—The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in~~
46 ~~programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner~~
47 ~~which entitles County to diversion credit as specified in California Public Resources Code, Section 41780~~
48 ~~measured on a calendar year basis beginning January 1st, 1999 ("Minimum Diversion Requirement")~~
49 ~~provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.~~
50 ~~Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing~~
51 ~~to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it~~

1 had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for
2 calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum
3 Diversion Requirements two (2) times after the execution of the agreement, County may terminate this
4 Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,
5 finds that additional programs are necessary to meet any IWMA required diversion goals the County, or
6 District on behalf of the County, may require proposals for additional diversion programs to meet the
7 diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if
8 agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon
9 one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid
10 Waste, Recyclable Materials, and/or Organic Waste, and/or to independently implement programs that may
11 be needed to meet the minimum diversion requirement.

12
13 ~~—If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
14 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
15 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
16 ~~Diversion Requirement, which shall not be unreasonably denied.~~

17
18 D. Worker's Compensation Insurance.

19
20 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
21 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
22 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
23 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
24 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
25 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
26 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
27 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
28 losses which arise from work performed by the named insured for the County.

29
30 E. Public Liability Insurance.

31
32 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
33 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
34 ~~three-six~~ million dollars ~~(\$3,000,000.00)~~ (\$6,000,000.00) aggregate and ~~one-three~~ million ~~five hundred~~
35 ~~thousand~~ dollars ~~(\$1,500,000.00)~~ (\$3,000,000.00) per occurrence for bodily injury and property damage.
36 Said insurance shall protect Franchisee, the County, ~~the District,~~ and their elected or appointed officials,
37 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
38 as from any claim for property damage which may arise from operations performed pursuant to this
39 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
40 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
41 the Director. All of the following endorsements are required to be made a part of the insurance policies
42 required by this Section:

- 43
44 1) "This policy shall be considered primary insurance as respects any other valid and
45 collectible insurance the County may possess including any self-insured retention the
46 County may have, and any other insurance the County ~~or District~~ does possess shall be
47 considered excess insurance and shall not contribute with it."
48
49 2) "This insurance shall act for each insured, as though a separate policy had been written for
50 each. This, however, shall not act to increase the limit of liability of the insuring company."
51

1 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
2 with certificate(s) of insurance showing that such insurance is in full force and effect, and
3 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
4 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
5 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
6 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
7 the event of any such modification, cancellation or reduction in coverage and on the
8 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
9 receive prior to such effective date another certificate from an insurance carrier that the
10 insurance required herein is in full force and effect.
11

12 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
13 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
14 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.
15

16 F. Performance Bond or Letter of Credit.
17

18 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
19 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
20 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
21 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
22 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
23 California.
24

25 G. Modification.
26

27 The insurance requirements provided herein may be modified or waived in writing by the Board upon
28 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
29 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
30 provided by the parent company of Franchisee.
31

32 **SECTION 9. DEFAULT AND REMEDIES**
33

34 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
35 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
36 provisions of this Agreement, the requirements of ~~the California Integrated Waste Management~~
37 ~~Board CalRecycle~~, including, but not limited to, requirements for source reduction and recycling (as to the
38 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
39 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
40 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
41 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
42 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
43 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
44 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
45 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
46 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
47 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
48 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or refer the matter to a hearing~~
49 officer as provided in Section 11, below. ~~Where the County and the Franchisee have claims pending against~~
50 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~
51

1 ~~B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
2 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the~~
3 ~~hearing, the Board shall consider the report of the Director indicating the deficiencies, and shall~~
4 ~~give the Franchisee, or its representatives and any other interested Person, a reasonable opportunity~~
5 ~~to be heard.~~

6
7 ~~C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
8 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record,~~
9 ~~the Board determines that the performance of Franchisee is in breach of any material Term of this~~
10 ~~Agreement or any material provision of any applicable Federal, State, or local statute, ordinance or~~
11 ~~regulation, or is deficient with respect to prevailing industry standards, the Board in the exercise of~~
12 ~~its sole discretion, may terminate forthwith, this Agreement. Franchisee's performance under its~~
13 ~~franchise is not excused during the period of time prior to the Board's final determination as to~~
14 ~~whether such performance is deficient.~~

15
16 D.B. The right of termination is in addition to any other rights of County upon failure of
17 Franchisee to perform its obligations under this Agreement.

18
19 E.C. The County further reserves the right to terminate Franchisee's franchise, following public
20 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
21 board determines it is in the public interest to do so:

- 22
23 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
24
25 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
26 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
27
28 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
29 compensation, liability, indemnification coverage, and performance bond as required by
30 the Agreement.
31
32 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
33 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
34 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
35 which case no breach of the franchise shall be deemed to have occurred.
36
37 5) If the Franchisee ceases to provide Collection services as required under this Agreement
38 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
39 for any reason within the control of the Franchisee.
40
41 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
42 refuses to provide County with required information, reports, and/or test results in a timely
43 manner as provided in the Franchise Agreement.
44
45 7) For any other act or omission by the Franchisee which materially violates the terms,
46 conditions, or requirements of this franchise, Ordinance 657745, successor ordinance,
47 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
48 regulation issued thereunder and which is not corrected or remedied within the time set in
49 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
50 the breach within the time set forth in such notice, if the Franchisee should fail to

1 commence to correct or remedy such violation within the time set forth in such notice and
2 diligently effect such correction or remedy thereafter.

- 3
4 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
5 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
6 related to the performance of this Agreement, or of felonious conduct related to anti-trust
7 activities, illegal transport or disposal of hazardous waste or materials, or violation of
8 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
9

10 F.D. Professional Conduct

- 11
12 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
13 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
14 court in the United States, or is otherwise alleged to have participated in any criminal
15 activity directly or indirectly associated with the solid waste management business,
16 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
17 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
18 description of the indictment, complaint or allegation, as well as a copy of such indictment
19 or complaint or other matters of public record related thereto. In addition to the foregoing,
20 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
21 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
22 securities laws, including quarterly and annual reports.
23
24 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
25 interest, who has any responsibility for any aspect of the franchisee's operations under this
26 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
27 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
28 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
29 upon request of the County be immediately removed from any assignment whatsoever,
30 directly associated with operations under this contract during the pendency of trial and/or
31 following conviction.
32

33 G.E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
34 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
35 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
36 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
37 such party shall notify the other party of such order or requirement and the law, regulation or order on
38 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
39 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of suchsaid~~
40 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
41 following the ~~Effective Datedate of suchsaid~~ law, regulation or order becomes effective. Nothing in this
42 Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking to obtain
43 modification or repeal of such law, regulation or order or restrict either party's right to legally contest the
44 validity of such law, regulation or order.
45

46 **SECTION 10. DISRUPTIONS IN SERVICE**

47
48 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
49 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
50 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
51 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County

1 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
2 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
3 by such conditions with an estimate of when service will be resumed.
4

5 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
6 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
7 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
8 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
9 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
10 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
11 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
12 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
13 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
14 County's sole negligence in providing such substitute service. Employees of Franchisee, including
15 management employees, may be employed by County during any period in which County temporarily
16 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
17 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
18 between Franchisee and its employees at the time Franchisee's service was interrupted.
19

20 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
21 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
22 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
23 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
24 be primarily reserved for use by County access while County or its designated representative is performing
25 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
26 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
27 accordance with the provisions of this Agreement.
28

29 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES

30
31 A. Should Franchisee or the County contend that the ~~County~~other party is in breach of this Franchise
32 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
33

34 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
35 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
36 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
37 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
38 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
39 Arbitration and Mediation Services.
40

41 C. The hearing shall be conducted according to the provisions of California Government Code Section
42 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
43 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
44 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
45 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
46 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
47 reasonably related to the seriousness of the breach of the Agreement.
48

49 D. The party losing the hearing shall be liable for the hearing officer's fees.
50

1 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
2 a material breach of the Agreement, and may be grounds for termination of the Agreement.
3

4 F. Any party to the hearing may issue a request to compel reasonable document production from the
5 other party. Disputes concerning the scope of document production and enforcement of document requests
6 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
7 document request, then by disposition by order of the hearing officer. Any such document request shall be
8 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
9 procedures to protect such rights.
10

11 G. Neither party may communicate separately with the hearing officer after the hearing officer has
12 been selected. All subsequent communications between a party and a hearing officer shall be
13 simultaneously delivered to the other party. This provision shall not apply to communications made to
14 schedule a hearing or request a continuance.
15

16 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
17 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
18 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
19 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
20 the party subject thereto acted with substantial justification or if the interests of justice so require.
21

22 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
23

24 SECTION 12. FRANCHISE TRANSFERABILITY 25

26 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
27 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
28 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
29 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
30 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
31 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
32 such a request using such criteria as it deems necessary including, but not limited to, those listed in
33 Subsection C.
34

35 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
36 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
37 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
38 this Agreement.
39

40 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
41 meet the following requirements:
42

- 43 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
44 investigation costs necessary to investigate the suitability of any proposed transferee, and
45 to review and finalize any documentation required as a condition for approving any such
46 transfer.
47
- 48 2) The Franchisee shall furnish the County with audited financial statements of the proposed
49 transferee's operations for the immediately preceding three (3) operating years.
50

- 1 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
2 transferee has at least five (5) years of solid waste management experience of a scale equal
3 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
4 that in the last five (5) years, the proposed transferee has not suffered any citations or other
5 censure from any federal, state or local agency having jurisdiction over its waste
6 management operations due to any significant failure to comply with state, federal or local
7 waste management laws. Franchisee shall supply the County with a complete list of such
8 citations and censures; (iii) that the proposed transferee has at all times conducted its
9 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
10 transferee conducts its solid waste management practices in accordance with sound waste
11 management practices in full compliance with all federal, state and local laws regulating
12 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
13 insurance and bonds; and (vii) of other material as may be requested by the County.
14

15 ~~D.—This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County~~
16 ~~without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The~~
17 ~~foregoing is not intended to prevent the County from exercising its right to terminate the agreement~~
18 ~~consistent with Section 3, and for the County to seek a new franchisee at the expiration of this~~
19 ~~Agreement. This franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned~~
20 ~~by the County to any Public Agency having the authority to provide solid waste collection services if the~~
21 ~~Board determines it is in the public interest to do so.~~
22

23 SECTION 13. REPORTS

24
25 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
26 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.
27

28 B. Franchisee shall make its customer base and records available to the Department for audit at
29 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
30 Agreement.
31

32 SECTION 14. COMPENSATION

33 A. Franchisee Rates.

34
35 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
36 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
37 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
38 ~~the maximum rate to be charged for such materials.~~
39
40

41 B. Modification and Adjustment of Rates.

42
43 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
44 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
45 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
46 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or ~~District~~
47 ~~DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
48 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The ~~rates set~~

1 ~~forth on Exhibit E rates~~ shall remain in effect until adjusted by County following a public hearing as
2 provided in Exhibit ~~FD~~.

3
4 C. Notice of Rate Changes
5

6 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
7 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
8 from County regarding approved changes in landfill fees and CPI adjustments. ~~The wording of the notice~~
9 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
10 ~~prior to release. If requested by the Department, the Franchisee will provide a copy of the written notice~~
11 ~~for review.~~ County shall provide Franchisee with written notice of changes in System Facility, franchise,
12 or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated rate
13 changes.

14
15 D. Resolution of Disputes Regarding Rate Adjustments
16

17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution can-not be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The ~~Effective-Datedate~~ of any dispute resolution, whether retroactive or
23 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
24 appropriate. Any Franchisee operating in a ~~Comprehensive Compulsory~~ Collection Area shall be subject
25 to all applicable provisions in the County's ~~comprehensive Compulsory eC~~ollection ordinance.

26
27 E. Billing and Payment.
28

29 Franchisee may bill and receive payment as provided ~~in Exhibit E herein~~. In cases where Franchisee
30 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
31 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
32 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
33 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.

36
37
38 F. Delinquent Accounts.
39

40 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
41 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
42 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
43 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
44 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any

1 Franchisee operating in a ~~comprehensive Compulsory e~~Collection area shall be subject to all applicable
2 provisions in the ~~comprehensive Compulsory e~~Collection ordinance.

3
4 G. Refunds.

5
6 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
7 such customer for service not provided when service is discontinued by written notification to Franchisee
8 by the customer.

9
10 **SECTION 15. FRANCHISE FEES**

11
12 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
13 ~~Transfer Station Tipping Fees~~, shall be payable by Franchisee to the Department thirty (30) days after the
14 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
15 to be paid for revenues generated by the collection or sale of Recyclable Materials and Organic Waste
16 collected by the Franchisee, ~~or for the provision of construction roll-off services~~. A penalty of ten (10)
17 percent shall be due for fees not submitted within the thirty (30) day time period.

18
19 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
20 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
21 accordance with Exhibit ~~FD~~.

22
23 **SECTION 16. OTHER REQUIREMENTS**

24
25 A. Privacy

26
27 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
28 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
29 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
30 statute, or upon valid authorization of the customer. — This provision shall not be construed to preclude
31 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
32 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
33 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
34 that Franchisee may provide such lists to authorized employees and authorized representatives of the
35 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
36 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.

37
38 B. Public Access to the Franchisee

- 39
40 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
41 Monday through Friday. A representative of Franchisee shall be available during office
42 hours for communication with the public at Franchisee's principal office. In the event that
43 normal business cannot be conducted over the telephone, a representative of Franchisee
44 shall agree to meet with the public at a location agreeable to Franchisee and the public.
45 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee

1 shall also maintain a local or toll free after-hours telephone number for use during other
2 than normal business hours. Franchisee shall have a representative or answering device or
3 system available at said after-hours telephone number during all hours other than normal
4 office hours.
5

6 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
7 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
8 Person, by close of business of the second business (waste Collection) day following the
9 date on which such complaint is received. Service complaints may be investigated by the
10 Director or a designee. Franchisee shall maintain records listing the date of customer
11 complaints, the customer, describing the nature of the complaint or request, and when and
12 what action was taken by the Franchisee to resolve the complaint. All such records shall
13 be maintained and shall be available for inspection by County.
14

15 3) Government Liaison Person. The Franchisee shall designate a "government liaison
16 Person" who shall be responsible for working with the Department to resolve customer
17 complaints.
18

19 C. Resolution of Disputed Customer Complaints.
20

21 The Franchisee shall ~~notify-supply, upon~~ customers request, a copy of this complaint arbitration
22 procedure at the time a customers applies for or areis provided service, and subsequently, as requested by
23 the customer annually. Procedures for resolution of disputed claims shall be as follows:
24

25 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
26 County to review the complaint. To obtain this review, the customer may request County
27 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
28 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
29 has failed to respond to the complaint. The County may extend the time to request its
30 review for good cause.
31

32 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
33 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
34 customer's complaint and determine if further action is warranted. The Director may
35 request written statements from the Franchisee and customer, and/or oral presentations.
36

37 3) The Director shall determine if the Customer's complaint is justified, and if so, what
38 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
39 of customer charges related to the period of breach of any of the terms of this Franchise
40 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
41 addition to any actual damages.
42

43 4) The Director may delegate these duties to a designee. The decision of the Director or a
44 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
45 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
46 may seek review pursuant to Section 11 above.
47

48 D. Hazardous Materials and Waste Handling and Disposal
49

1 The Franchisee shall comply with the procedures detailed in Exhibit G of this Agreement State Law.

2
3 **SECTION 17. FORCE MAJEURE**
4

5 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
6 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
7 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
8 Solid Waste facilities used by Franchisee:

9 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
10 earthquakes, tornados, or other catastrophic events;

11 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;

12 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
13 other event leading to the imposition of quarantines, travel or movement restrictions, social
14 distancing, or public health advisories restricting large gatherings;

15 D. Accident or other catastrophic event including fire or explosion;

16 E. Strikes and labor disputes;

17 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.

18 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
19

20 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
21 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
22 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
23 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
24 Franchisee intends to take to restore its ability to perform, and such other information as the County may
25 reasonably request.
26

27 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
28 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
29 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
30 Franchisee.

31 —Franchisee shall not be in default under this Franchise Agreement in the event that the services provided
32 by the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,
33 sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,
34 landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are
35 beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability
36 of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from
37 other governmental agencies or the right to use the facilities of any public utility where such failure is due
38 solely to the acts or omissions of the Franchisee.
39

40 **SECTION 18. OTHER PROVISIONS**
41

42 A. Independent Contractor.
43

1 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
2 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
3 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
4 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
5 retirement or other benefits which accrue to County employees.

6
7 B. Property Damage.
8

9 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
10 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
11 completion of a proper investigation which proves that the Franchisee was at fault of said damage.
12

13 C. Right of Entry.
14

15 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
16 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
17 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
18 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
19

20 D. Law to Govern.
21

22 The law of the State of California shall govern this Franchise Agreement.
23

24 E. Gratuities.
25

26 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
27 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
28 Franchise Agreement.
29

30 F. Compliance with Franchise Agreement.
31

32 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and~~ 745, or any
33 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
34 during the Term of this Franchise Agreement.
35

36 G. Notices.
37

38 All notices required or permitted to be given under this franchise shall be in writing and shall be
39 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
40 receipt requested, and addressed as follows:
41

42 To County: County of Riverside
43 Attn: Department of Environmental Health
44 4065 County Circle Drive
45 Riverside, CA 92503

1
2 Copy to: County Counsel

3
4 To Franchisee: CR&R Incorporated
5 Attn: Senior Regional Vice President
6 P.O. Box 1208
7 Perris, CA 92572

8
9 Copy to: CR&R Incorporated
10 Attn: David ~~Fahrion~~Ronnenberg, President
11 ~~P.O. Box 1208~~11292 Western Ave
12 ~~Perris, Ca. 92572~~Stanton, CA 90680
13

14 or to such other address as either party may from time to time designate by notice to the other given in
15 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
16 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
17 receipt of confirmation of delivery which confirmation may be transmitted by fax.
18

19 H. Exhibits Incorporated.

20
21 Exhibits A through ~~I-D~~ are attached to and incorporated in the Franchise Agreement by reference. In
22 the event of differences or conflicts between the language of an Exhibit and the language of the Franchise
23 Agreement, the language of the Exhibit shall prevail.
24

25 I. Nondiscrimination.

26
27 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
28 on the ground of race, sex, age, creed, color, religion or national origin.
29

30 J. Laws and Licenses.

31
32 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
33 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
34 to perform the services hereunder and maintain the same in full force and effect.
35

36 K. Waiver.

37
38 No waiver by either party of any one or more defaults or breaches by the other in the performance of
39 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
40 like or different character.
41

42 **SECTION 19. SEVERABILITY**

43
44 A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit I~~
45 ~~referenced in this agreement~~ is a material part of the franchise agreement, itself, and is not severable from

1 it. Franchisee agrees not to challenge the validity or enforceability of the Waste Delivery Agreement or
2 any term or provision found in such agreement. If for any reason this Waste Delivery Agreement or any
3 part thereof is found to be void or unenforceable ~~or any part thereof~~ by a court of law, then, ~~the Franchise~~
4 ~~agreement, itself, is deemed to be terminated thereupon and to be of no further force or effect.~~ the County
5 may consider termination or amendment of the Franchise Agreement.
6

7 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
8 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
9 enforceability of any of the remaining provisions of this Franchise Agreement.
10

11 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**

12
13 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
14 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
15 and all other communications, representations, proposals, understandings or Agreements, either written or
16 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
17 or amended, in whole or in part, except by writing signed by both parties hereto.
18

19 At least once every 5 years, or more often as required by a significant change in law, starting from the
20 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
21 or required amendments.
22

23 24 **SECTION 21. CONSTRUCTION OF FRANCHISE**

25
26 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
27 attorneys, and no provision contained herein shall be construed against County solely because it prepared
28 this agreement in its executed forms.
29

30 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

31
32 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
33 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
34 another company, all service levels and rates of this contract shall at the discretion of the Board of
35 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on ~~May 5th, 2016.~~ _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

~~Steve Van Stockum~~ Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

~~J. Alex Braicovich~~ Clifford Ronnenberg

17

Chairman and CEO ~~Senior Regional Vice~~

18

~~President~~

19

CR&R Incorporated

EXHIBIT B

FRANCHISE AREA #7

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description:

A. Standard Exceptions:

1. Any incorporated areas;
 2. All Community Service Districts which have exercised their latent authority for solid waste collection;
 3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;
-

Hauler Franchise Area 7

1
2
3 Beginning at a point on the Northerly Boundary of the County of Riverside, said point being the Northeast
4 Corner of Section 4, T. 2 S., R. 1 E;

5
6 Thence Southerly along the Easterly Line of Sections 4, 9, 16, 21, 28 and 33 of T. 2 S., R. 1 E to the
7 Southeast Corner of said Section 33, said point being on the Southerly Line of said Township;

8
9 Thence continuing Southerly along the Easterly Line of Sections 4, 9, 16, 21, 28 and 33 of T. 3 S., R. 1 E,
10 to the Southeast Corner of said Section 33, said point being on the Southerly Line of said T. 3 S., R. 1 E;

11
12 Thence continuing Southerly along the Easterly Line of Sections 4, and 9 of T. 4 S., R. 1 E, to the Southeast
13 Corner of said Section 9; of T. 4 S., R. 1 E, said point also being the Northeast Corner of Section 16 of said
14 Township;

15
16 Thence Westerly along the Northerly line of Section 16, 17, and 18, T. 4 S., R. 1 E., to a Point Being the
17 Northwest Corner of Section 18, Said Point Also Falling on the East Line of T. 4 S., R. 1 W;

18
19 Thence Continuing Westerly, along the North Line of Section 13, T. 4 S., R. 1 W., to the Northwest Corner
20 of Said Section;

21
22 Thence Northerly, along the West Line of Section 12 of Said Township, to the Northwest Corner of Said
23 Section;

24
25 Thence Westerly, Along the North Line of Sections 11, 10 and 9 of Said Township to the Southwest Corner
26 of Section 3 of T. 4 S., R. 1 W.;

27
28 Thence Northerly, along the West Line of Said Section 3 to a Point Being the Northeast Corner of Said
29 Section, Said Point Also Falling on the South Line of T. 3 S., R. 1 W.;

30
31 Thence Continuing Northerly, along the West Line Of Section 34, T. 3 S., R. 1 W., to the Northwest Corner
32 of Said Section 34;

33
34 Thence Westerly, along the North Line of Section 33, to the Northwest Corner of Said Section;

35
36 Thence Northerly, along the East Line of Section 29, to the Northeast Corner of Said Section;

37
38 Thence Westerly, along the North Line of Said Section 29, to The Northwest Corner of Said Section;

39
40 Thence Northerly, along the East Line of Section 19, to the Northeast Corner of Said Section;

41
42 Thence Westerly, along the North Line of Said Section 19, to a Point Being the Northwest Corner of Said
43 Section, Said Point Also Falling on the East Line of T. 3 S., R. 2 W.;

44
45 Thence Continuing Westerly, along the North Line Of Section 24, T. 3 S., R. 2 W., to the Northwest Corner
46 of Said Section;

47
48 Thence Northerly, along the East Line of Section 14 of Said Township, to the Northeast Corner of Said
49 Section;

50
51 Thence Westerly, along the North Line of Said Section 14, to the Northwest Corner of Said Section;

1
2 Thence Northerly, along the East Line of Section 10 of Said Township, to the Northeast Corner of Said
3 Section;
4
5 Thence Westerly, along the North Line of Said Section 10, to the Northwest Corner of Said Section;
6
7 Thence Northerly, along the East Line of Section 4, to a Point Being the Northeast Corner of Said Section,
8 Said Point Also Falling on the North Line of T. 3 S., R 2 W.;
9
10 Thence Westerly, along the North Line of Said Township, to the Southeast Corner of Section 32 T. 2 S.,
11 R. 2 W.;
12
13 Thence Northerly, Along the East Line of Section 32, T. 2 S., R. 2 W., to the Northeast Corner of Said
14 Section;
15
16 Thence Westerly, along the North Line of Section 32 and 31, to a Point Being the Northeast Corner of
17 Section 31, Said Point Also Falling on the West Line of Said Township;
18
19 Thence Northerly, along Said Township Line, Also Being the East Line of Section 25, T. 2 S., R. 3 W., to
20 the Northeast Corner of Said Section;
21
22 Thence Westerly, along the North Line of Sections 25, 26, and 27, To the Northwest corner of Section 27
23 of said Township;
24
25 Thence Northerly, along The East Line Of Section 21 Of Said Township, to the Northeast Corner of Said
26 Section;
27
28 Thence Westerly, along the North Line of Said Section 21, To The Northwest Corner of Said Section;
29
30 Thence Northerly, Along the West Line of Section 16, T. 2 S., R. 3 W., to a Point Being the Northwest
31 Corner of Said Section, Said Point Also Falling on the Northerly Boundary of the County of Riverside;
32
33 Thence Easterly, along Said County Boundary, Also Being the North Line of Sections 16, 15, 14, and 13,
34 T. 2 S., R. 3 W., to a Point Being the Northeast Corner of Section 13, Said Point Also Falling on the East
35 Line of Said Township;
36
37 Thence Continuing Easterly, along Said County Boundary, Also Being the North Line of Sections 18, 17,
38 16, 15, 14, and 13, T. 2 S., R. 2 W., to a Point Being the Northeast Corner of Section 13, Said Point Also
39 Falling on the East Line of Said Township;
40
41 Thence Continuing Easterly, along Said County Boundary, Also Being the North Line of Sections 18, 17,
42 16, 15, 14, 13, T. 2. S, R. 1 W., to a Point Being the Northeast Corner of Section 13, Said Point Also Falling
43 on the East Line of Said Township;
44
45 Thence Northerly, along Said County Boundary, Also Being the West Line of Sections 7 and 6, T. 2 S., R.
46 1 E., to a Point Being the Northwest Corner of Section 6, Said Point Also Falling on the North Line of Said
47 Township;
48
49 Thence Easterly, along Said County Boundary, Also Being the North Line of Said Township, along the
50 North Line of Sections 6, 5 and 4 to a Point Being the Northeast Corner of Section 4, Said Point Also Being
51 the Point of Beginning;

- 1
- 2 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
- 3 in areas 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, and 13.
- 4
- 5 Also excludes are any areas within city boundaries.
- 6

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EXHIBIT DC

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the ~~District~~-DWR reserve the right to request additional information as necessary to meet their needs, ~~including but not limited to the AB 939 reporting requirements and to comply with applicable State Law. Reports shall be provided in a format approved by the Department.~~ All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste, ~~and recyclables and green waste~~Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit ~~all~~ completed ticket transactions to the ~~District~~-DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the ~~District~~-DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the ~~District~~-DWR and placed on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No. 1.~~

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. ~~The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.~~

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary~~Summary~~ reports
2. ~~Equipment inventory~~
3. ~~Future programs~~
2. Litigation informationEducation and Outreach
3. Service Performance
4. Container contamination monitoring

1
2 **Collection ~~Information~~Summary**

3
4 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material
5 collected by month and the number of accounts serviced monthly. The quantities of solid waste, ~~recyclables~~
6 ~~and green waste~~ and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
7 tonnage information is not available). The Department may, at its discretion, also require reporting by
8 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
9 information such as density factors.

10
11 **Education and Outreach**

12
13 The Franchisee shall submit copies of public education materials sent to customers or provided
14 electronically on their websites or social media outlets.

15 **Service Performance**

16
17 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
18 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
19 shall identify the total number of all written or oral Customer comments and shall provide the number of
20 comments received in the following categories: praises, litter or property damage complaints, misplacement
21 of containers, stolen containers, personnel complaints, missed pickups, and other.

22
23 **Container Contamination Monitoring**

24
25 The Franchise shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.

29
30 **~~Program Implementation~~**

31
32 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
33 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
34 ~~resolutions and schedule for correcting the problem.~~

35
36 **4. ANNUAL REPORTS**

37
38 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
39 Franchisee will be responsible for providing the following reports:

- 40
41 1. Summary reports
42 2. Equipment inventory
43 3. Program implementation
44 3.4. Future programs
45 5. Litigation information
46 4.6. Education and Outreach

47
48 **Summary Reports**

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.

8 9 **Equipment Inventory**

10
11 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
12 The inventory list shall indicate the age of the equipment.

13 14 **Program Implementation**

15
16 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
17 for the quarter/year. The report shall address how the problems and barriers were overcome or the proposed
18 resolutions and schedule for correcting the problem.

19 20 **Future Programs**

21
22 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
23 but have not been planned for.

24 25 **Litigation Information**

26
27 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
28 against the parent company and all subsidiaries of parent company that may have an effect on the
29 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

30 31 **Education and Outreach**

32
33 The Franchisee shall submit copies of public education materials sent to customers or provided
34 electronically on their websites or social media outlets.

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EXHIBIT ~~FD~~

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

All Rate adjustments must receive approval by the Board of Supervisors following public hearings.

1.3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates ~~provided referenced~~ in ~~Exhibit E~~Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st ~~with the first such adjustment occurring July 1, 1999~~. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the ~~Riverside-San Bernardino-Ontario~~Los Angeles/Anaheim/Riverside Metropolitan Area ~~or equivalent successor index, (1982-84=100)~~, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). ~~For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service.~~ Said change shall be measured for the twelve (12) month period ~~as posted by the BLS in the first CPI-U report for each year January through December. The first adjustment shall be effective July 1, 1999, based upon changes in the consumer Price Index formula for the period January 1998 through December 1998.~~ In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. ~~Distriet DWR~~ direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. ~~Revisions~~ to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

2. PERIODIC RATE ADJUSTMENT MECHANISM

The Department reserves the right to review the Franchisee's rates every three years from the effective date

1 of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in
2 comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that the
3 Department makes such a determination the Franchisee's rates may be adjusted to any level at or above the
4 average rates in the comparable jurisdictions.
5

6 **3.4. EXTRAORDINARY RATE REVIEW**
7

8 A. The Director or Franchisee may initiate a special rate review by the Department should an
9 extraordinary event or circumstance arise which has a significant impact on the economic operation
10 of the Franchisee or the rates charged to customer as follows:
11

- 12 1. An event or circumstance (including changes in law) occurs which is beyond the control of
13 Franchisee or County.
- 14 2. Changes to operations mandated by the County or proposed by Franchisee and approved by the
15 County.
16

17
18 ~~3. Any change in disposal/Green Waste tip fees.~~
19

20 ~~4.3.~~ The ~~District DWR~~ directs Franchisee to use a different System Facility for more than thirty (30)
21 days that involves a change in round trip time or distance.
22

23 ~~5.4.~~ The County modifies the franchise fee.
24

25 ~~6.5.~~ Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
26

27 ~~7.6.~~ Significant increases in the number of customer accounts due to development or growth.
28

29 ~~8.7.~~ Other circumstances at the discretion of the Director or the Board of Supervisors.
30

31 B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which
32 warrant consideration of a special rate review, as specified above, will be reviewed and considered.
33

34 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
35 operational information at least three months prior to the proposed effective date of any rate
36 adjustment.
37

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FRANCHISE COLLECTION

7

AGREEMENT

8

FOR FRANCHISE

9

AREA #7

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EXHIBITS

A. SERVICES

B. FRANCHISE AREA

C. REPORTING

D. RATES AND RATE ADJUSTMENT MECHANISM

1 AMMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE AND CR&R INCORPORATED
3 FOR THE COLLECTION AND TRANSPORTATION
4 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
5

6 This Franchise Agreement ("Franchise Agreement") by and between the County of Riverside
7 ("County") and CR&R Incorporated ("Franchisee"), for the Collection and transportation of Solid Waste,
8 Recyclable Materials, Organic Waste, and construction debris and other specified services, originally
9 entered into on October 8, 1997, and most recently amended on May 5, 2016, is hereby amended and
10 restated on December 7, 2021.
11

12 **RECITALS**
13

14 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(I), and County
15 Ordinance 745 the County of Riverside ("County") has determined that the public health, safety, and well-
16 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for waste
17 management services for residential, commercial, and industrial customers in the County of Riverside; and
18

19 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
20 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
21 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
22 recovery and disposal; and
23

24 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
25 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
26

27 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
28

29 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
30

31 **A. Representations and Warranties of Franchisee.** Franchisee hereby makes the following
32 representations and warranties for the benefit of the County as of the date of this Agreement.
33

- 34 1) Franchisee is duly organized and validly existing as a corporation in good standing under
35 the laws of the State of California.
36
- 37 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
38 Agreement, and has duly authorized the execution and delivery of this Agreement.
39
- 40 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
41 Franchisee to do so, and this Agreement has been duly executed and delivered by
42 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
43 against Franchisee in accordance with its terms.
44
- 45 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
46 court or governmental entity against Franchisee or affecting Franchisee, wherein an
47 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
48 of this Agreement, or which would have a material adverse effect on the financial condition
49 of Franchisee.
50

1 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
2 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
3 parent company's financial circumstances since the date of the most recent financial
4 statements submitted to the Environmental Health Department ("Department"). Prior to
5 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
6 most recent annual financial statements. The Department may at its discretion specify the
7 contents and form of such statements. The Director of Environmental Health may inspect
8 the financial records of the Franchisee at any reasonable time for any reasonable purpose
9 relevant to the performance of this contract.

10
11 6) Franchisee has the expert, professional, and technical capability to perform all of its
12 obligations under this Agreement.

13
14 B. Representations and Warranties of the County.

15
16 Prior to commencement of any services hereunder, the County hereby makes the following
17 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:

- 18
19 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
20 This Agreement constitutes the legal, valid and binding Agreement of the County and is
21 enforceable against the County in accordance with its terms.
22
23 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
24 County before any court or governmental entity wherein an unfavorable decision, ruling or
25 finding would adversely affect the validity or enforceability of this Agreement.
26

27 **SECTION 2. DEFINITIONS**

28
29 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
30 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
31 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
32 Agreement. In the event of conflict between the definition of a term as found in the California Public
33 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
34 supersede the definition found in the Public Resources Code or in County ordinances.
35

36 A. Agreement means this Agreement between the County and Franchisee for the Collection and
37 transportation of Solid Waste and other specified services, including all exhibits, and any future
38 amendments.
39

40 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
41 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
42 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
43 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
44

45 C. Board means the Riverside County Board of Supervisors.
46

47 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
48 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
49 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
50 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in

1 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
2 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
3 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
4 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
5 Persons.

6
7 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
8 this Agreement and its transportation to an appropriate Solid Waste Facility.

9
10 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
11 residential and Multi-Residential Units.

12
13 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
14 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
15 commercial units are required to subscribe to refuse collection.

16
17 H. County means the County of Riverside, State of California.

18
19 I. Department means the Riverside County Department of Environmental Health.

20
21 J. Director means the Director of the Riverside County Department of Environmental Health or
22 their designee.

23
24 K. Diversion (or any variation thereof including "Divert") means activities which reduce or
25 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
26 recycling, and composting.

27
28 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
29 date it is executed by the Board of Supervisors.

30
31 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
32 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
33 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
34 B.

35
36 N. Franchise Area means the geographic territory defined in Exhibit B.

37
38 O. Generator means the owner or occupant of premises, including residences or businesses, which
39 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

40
41 P. Green Waste means organic waste generated from any landscaping including grass clippings,
42 leaves, prunings, tree trimmings, weeds, branches, and brush.

43
44 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
45 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
46 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
47 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
48 of State or other governmental agencies.

1 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
2 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
3 of the following:

- 4 1) Rural, sparsely populated areas,
- 5 2) Hilly or mountainous terrain,
- 6 3) Poorly paved or unpaved roads which may be impassable in poor weather,
- 7 4) Large, uninhabited areas between pockets of homes,
- 8 5) Unusually heavy waste due to large properties, livestock, etc.
- 9 6) Limited access on a private street or alley.

10 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
11 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
12 "Hard to Service"

13
14 S. Integrated Waste Management Act (IWMA) means the California Integrated Waste
15 Management Act of 1989 (AB 939), including all subsequent amendments.

16
17 T. Multi-Residential Units mean permanent buildings containing three or more Residential Units
18 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
19 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.

20
21 U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
22 wood waste, and food-soiled paper waste that is mixed in with food waste.

23
24 V. Recyclable Materials mean material which has been segregated from other Solid Waste
25 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
26 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
27 Recyclables consisting of two or more of the above-referenced material types separated from non-
28 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
29 than five (5) percent Solid Waste by weight.

30
31 W. Residential Unit means an occupied dwelling within the unincorporated area of the County
32 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
33 or domestic light and power services are being supplied thereto. This definition shall apply also to
34 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
35 two (2) attached Residential Units.

36
37 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
38 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
39 A of this Agreement.

40
41 Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
42 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
43 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste
44 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
45 Waste, Recyclable Materials or Organic Waste.

46
47 Z. Term means the Term of this Agreement, as provided for in Section 3.
48

1 AA. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee
2 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
3 to specified System Facilities and kept on file with the DWR.
4

5 BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
6 discarded processed wood materials, and large tree limbs.
7

8 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**
9

10 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
11 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
12 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
13 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
14 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
15 purposes.
16

17 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
18 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
19 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
20 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
21 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
22 Organic Waste.
23

24 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
25 the Exclusive Franchise, to the extent provided for in state and federal law.
26

27 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
28 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
29 provided in Sections 9 and 10 hereof.
30

31 D. Franchisee will commence services under this Agreement on January 1, 2022.
32

33 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
34 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
35 taken.
36

37 **SECTION 4. FRANCHISE AREA**
38

39 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
40 County defined in Exhibit B, "Franchise Area."
41

42 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**
43

44 A. General.
45

46 Franchisee shall provide the Collection and transportation of Solid Waste and
47 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
48 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
49 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
50 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels
51 of Solid Waste service to be provided under this Agreement are defined below, however, no residential or

1 commercial or business customer shall be refused service, if that party is willing to pay for such service and
2 is current in payment. Disputes arising over the terms on which a particular customer may be serviced
3 because of remoteness of location, difficulty of access, particular needs of the customer, etc. shall be
4 decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
5

6 B. Single Family Residential.
7

8 Weekly Service. Not less often than once per week, and more frequently if required to handle the
9 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
10 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
11 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
12 Collection time. Solid Waste must be placed within containers at curbside without obstructions so as to
13 permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
14 Franchisee may negotiate special pickup procedures, above and beyond the normal services described
15 above, with customers for an additional fee in an amount provided in Exhibit D.
16

17 C. Commercial, Industrial, and Multi-Residential.
18

- 19 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
20 if required to handle the waste stream of the premises where the Bins are located,
21 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
22 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
23 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
24
25 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
26 frequently if required to handle the waste stream of the premises where the Bins are located,
27 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
28 Collection in Solid Waste Bins at Commercial Units.
29

30 D. Construction and Temporary Bin/Rolloff Services.
31

32 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
33 Exhibit D.
34

35 E. Semi-Annual Cleanup and Bulky Wastes Collection.
36

- 37 1) Upon verbal or written customer request, made a minimum of two business days prior to
38 the customer's regular service day, Franchisee shall provide on-call Single Family
39 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
40 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
41 customer. Franchisee and County agree that this service is intended to allow residents to
42 safely discard of large household items such as furniture and whitegoods or other large
43 household items that do not fit in their regular weekly trash containers. Each Single
44 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
45 Household Waste Collection Services per calendar year with a maximum of four (4) items
46 at each collection occurrence. The total amount of annual allowable items per household
47 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
48 (4) tires per collection request. Bulky Household Waste items do not include items such as
49 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
50 boats, campers, trailers or household hazardous waste. Additional requests for bulky item

1 service shall be subject to the bulky item rates established on the rate sheets approved by
2 the Board of Supervisors.

- 3
4 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
5 designee to respond to organized community clean up efforts at no charge. Franchisee shall
6 deliver containers to agreed upon collection points and shall cooperate with the Director
7 and designated community leaders to remove containers and dispose of collected Solid
8 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
9 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
10 The DWR will arrange that there shall be no charge of disposal fees for such Solid Waste
11 delivered in separate vehicles to the System Facilities.
12

13 F. Illegal Dumping Retrieval Services

14 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:
15

- 16
17 1) If requested by the County the Franchisee shall turn in a report of illegal dumping of trash
18 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as
19 tires, couches, and appliances) noticed within or along the Roadway in the franchise area.
20 For the purpose of this provision, the Roadway shall include public rights of way within
21 twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of
22 unpaved roadways.
23
24 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
25 reports of illegal dumping reported by citizens to the Department, Department of
26 Transportation, or the DWR.
27
28 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
29 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof
30 (excluding weekends and holidays) except for remote areas, as approved by the director,
31 for which the removal shall occur within five working days. The Franchisee may request
32 that specified roads, determined by the franchisee to be inaccessible for waste removal, be
33 considered by the Director for revised waste removal requirements.
34
35 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
36 or appliances as well as hazardous, medical, and other wastes requiring special handling
37 are exempt from the retrieval requirements set forth herein, provided, however, that of
38 these exempted items noted within the Roadway are to be immediately reported to the
39 Director.
40
41 5) The Franchisee shall, upon request of private property owners, the Director or the
42 Departments of County Transportation and Land Management Agency, provide removal
43 services for waste illegally disposed of on their private property, excluding those wastes
44 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
45 D.
46
47 6) Illegally disposed materials along Roadways within one mile of disposal sites within
48 Riverside County are exempt from the retrieval requirements set forth herein.
49
50

1 G. Collection of Used Motor Oil.

2
3 Franchisee shall collect used motor oil from single family residential customers in accordance with
4 California Public Resources Code Section 48691.

5
6 H. Collection and Equipment

7
8 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
9 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
10 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
11 inspection at the request of the Department.

- 12
13 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
14 the Department of Motor Vehicles of the State of California, shall be kept clean and in
15 good repair, and shall be uniformly painted.
16
17 2) A local or toll free telephone number, and vehicle number shall be clearly visibly displayed
18 on all required vehicles.
19
20

21 **SECTION 6. OWNERSHIP OF SOLID WASTE**

22
23 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
24 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
25 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
26 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
27 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
28 Franchisee.
29

30 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**

31
32 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
33 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
34 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
35 Delivery Agreement to be effective on the same date as this Agreement.
36

37 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

38
39 A. Indemnification of County

40
41 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
42 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
43 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
44 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
45 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
46 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
47 reasonable costs and expenses of investigating and defending against same; provided, however, that
48 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
49 negligence or misconduct of County or their agents, officers, or employees.

1
2 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
3 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
4 survive the term of the franchise.

5
6 B. Hazardous Substances Indemnification.
7

8 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
9 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
10 counsel approved by County, protect and hold harmless County and their respective employees, agents,
11 assigns, and any successor or successors to County's interest from and against all claims, actual damages
12 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
13 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
14 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
15 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
16 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
17 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
18 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
19 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
20 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
21 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
22 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
23 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
24 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.
25

26 C. Minimum Diversion Requirements
27

28 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
29 California Public Resources Code, Section 41780 and any other current or future California Statute that
30 requires the County to divert material from landfills. In the event that the State of California alters the
31 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
32 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
33 associated with any additional recycling programs.
34

35 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
36 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
37 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
38 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
39 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
40 against any third party as a means of meeting its obligation under this section.
41

42 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
43 by the Director as set forth in Section 9.A. of this agreement.
44

45 D. Worker's Compensation Insurance.
46

47 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
48 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
49 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
50 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
51 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in

1 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
2 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
3 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
4 arise from work performed by the named insured for the County.
5

6 E. Public Liability Insurance.
7

8 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
9 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
10 six million dollars (\$6,000,000.00) aggregate and three million dollars (\$3,000,000.00) per occurrence for
11 bodily injury and property damage. Said insurance shall protect Franchisee, the County and their elected
12 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
13 accidental death, as well as from any claim for property damage which may arise from operations performed
14 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
15 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
16 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
17 of the insurance policies required by this Section:
18

- 19 1) "This policy shall be considered primary insurance as respects any other valid and
20 collectible insurance the County may possess including any self-insured retention the
21 County may have, and any other insurance the County does possess shall be considered
22 excess insurance and shall not contribute with it."
23
- 24 2) "This insurance shall act for each insured, as though a separate policy had been written for
25 each. This, however, shall not act to increase the limit of liability of the insuring company."
26
- 27 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
28 certificate(s) of insurance showing that such insurance is in full force and effect, and
29 County are named as additional insureds with respect to this Franchise and the obligations
30 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
31 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
32 modification, cancellation or reduction in coverage of such insurance. In the event of any
33 such modification, cancellation or reduction in coverage and on the effective date thereof,
34 this Franchise shall terminate forthwith, unless County receive prior to such effective date
35 another certificate from an insurance carrier that the insurance required herein is in full
36 force and effect.
37

38 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
39 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
40 shall be named as additional insureds on all policies and endorsements.
41

42 F. Performance Bond or Letter of Credit.
43

44 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
45 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
46 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
47 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
48 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
49 California.
50
51

1 G. Modification.
2

3 The insurance requirements provided herein may be modified or waived in writing by the Board upon
4 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
5 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
6 provided by the parent company of Franchisee.
7

8 **SECTION 9. DEFAULT AND REMEDIES**
9

10 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
11 breached its obligation, the provisions of this Agreement, the requirements of CalRecycle, including, but
12 not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
13 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
14 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Waste and other
15 wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies. The
16 Director may, in such written instrument, set a reasonable time within which correction of all such
17 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
18 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
19 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
20 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
21 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
22 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
23 below.
24

25 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
26 perform its obligations under this Agreement.
27

28 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
29 therefor, not later than 6 months following the date of said hearing at which a majority vote of the board
30 determines it is in the public interest to do so:
31

- 32 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 33
- 34 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
35 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 36
- 37 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
38 compensation, liability, indemnification coverage, and performance bond as required by
39 the Agreement.
- 40
- 41 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
42 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
43 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
44 which case no breach of the franchise shall be deemed to have occurred.
- 45
- 46 5) If the Franchisee ceases to provide Collection services as required under this Agreement
47 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
48 for any reason within the control of the Franchisee.
- 49

- 1 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
2 refuses to provide County with required information, reports, and/or test results in a timely
3 manner as provided in the Franchise Agreement.
4
5 7) For any other act or omission by the Franchisee which materially violates the terms,
6 conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other
7 county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation
8 issued thereunder and which is not corrected or remedied within the time set in the written
9 notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach
10 within the time set forth in such notice, if the Franchisee should fail to commence to correct
11 or remedy such violation within the time set forth in such notice and diligently effect such
12 correction or remedy thereafter.
13
14 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
15 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
16 related to the performance of this Agreement, or of felonious conduct related to anti-trust
17 activities, illegal transport or disposal of hazardous waste or materials, or violation of
18 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
19

20 D. Professional Conduct
21

- 22 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
23 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
24 court in the United States, or is otherwise alleged to have participated in any criminal
25 activity directly or indirectly associated with the solid waste management business,
26 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
27 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
28 description of the indictment, complaint or allegation, as well as a copy of such indictment
29 or complaint or other matters of public record related thereto. In addition to the foregoing,
30 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
31 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
32 securities laws, including quarterly and annual reports.
33
34 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
35 interest, who has any responsibility for any aspect of the franchisee's operations under this
36 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
37 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
38 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
39 upon request of the County be immediately removed from any assignment whatsoever,
40 directly associated with operations under this contract during the pendency of trial and/or
41 following conviction.
42

43 E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
44 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
45 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
46 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
47 such party shall notify the other party of such order or requirement and the law, regulation or order on
48 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
49 or to renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order
50 becomes effective, then this Agreement shall terminate on the thirty-first day following the date said law,
51 regulation or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's

1 sole expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
2 restrict either party's right to legally contest the validity of such law, regulation or order.

3
4 **SECTION 10. DISRUPTIONS IN SERVICE**

5
6 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
7 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
8 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
9 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
10 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
11 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
12 by such conditions with an estimate of when service will be resumed.

13
14 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
15 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
16 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
17 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
18 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
19 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
20 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
21 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
22 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
23 County's sole negligence in providing such substitute service. Employees of Franchisee, including
24 management employees, may be employed by County during any period in which County temporarily
25 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
26 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
27 between Franchisee and its employees at the time Franchisee's service was interrupted.

28
29 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
30 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
31 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
32 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
33 be primarily reserved for use by County access while County or its designated representative is performing
34 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
35 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
36 accordance with the provisions of this Agreement.

37
38 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES**

39
40 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
41 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.

42
43 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
44 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
45 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
46 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
47 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
48 Arbitration and Mediation Services.

49
50 C. The hearing shall be conducted according to the provisions of California Government Code Section
51 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a

1 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
2 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
3 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
4 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
5 reasonably related to the seriousness of the breach of the Agreement.

6
7 D. The party losing the hearing shall be liable for the hearing officer's fees.

8
9 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
10 a material breach of the Agreement, and may be grounds for termination of the Agreement.

11
12 F. Any party to the hearing may issue a request to compel reasonable document production from the
13 other party. Disputes concerning the scope of document production and enforcement of document requests
14 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
15 document request, then by disposition by order of the hearing officer. Any such document request shall be
16 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
17 procedures to protect such rights.

18
19 G. Neither party may communicate separately with the hearing officer after the hearing officer has
20 been selected. All subsequent communications between a party and a hearing officer shall be
21 simultaneously delivered to the other party. This provision shall not apply to communications made to
22 schedule a hearing or request a continuance.

23
24 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
25 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
26 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
27 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
28 the party subject thereto acted with substantial justification or if the interests of justice so require.

29
30 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.

31
32 **SECTION 12. FRANCHISE TRANSFERABILITY**

33
34 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
35 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
36 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
37 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
38 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
39 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
40 such a request using such criteria as it deems necessary including, but not limited to, those listed in
41 Subsection C.

42
43 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
44 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
45 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
46 this Agreement.

47
48 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
49 meet the following requirements:

- 1 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
2 investigation costs necessary to investigate the suitability of any proposed transferee, and
3 to review and finalize any documentation required as a condition for approving any such
4 transfer.
5
6 2) The Franchisee shall furnish the County with audited financial statements of the proposed
7 transferee's operations for the immediately preceding three (3) operating years.
8
9 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
10 transferee has at least five (5) years of solid waste management experience of a scale equal
11 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
12 that in the last five (5) years, the proposed transferee has not suffered any citations or other
13 censure from any federal, state or local agency having jurisdiction over its waste
14 management operations due to any significant failure to comply with state, federal or local
15 waste management laws. Franchisee shall supply the County with a complete list of such
16 citations and censures; (iii) that the proposed transferee has at all times conducted its
17 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
18 transferee conducts its solid waste management practices in accordance with sound waste
19 management practices in full compliance with all federal, state and local laws regulating
20 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
21 insurance and bonds; and (vii) of other material as may be requested by the County.
22

23 This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County without the
24 prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The foregoing
25 is not intended to prevent the County from exercising its right to terminate the agreement consistent with
26 Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
27

28 SECTION 13. REPORTS

29
30 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
31 recovery and disposal specified in Exhibit C of this Agreement.
32

33 B. Franchisee shall make its customer base and records available to the Department for audit at
34 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
35 Agreement.
36

37 SECTION 14. COMPENSATION

38 39 A. Franchisee Rates. 40

41 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
42 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
43 are included in this Exclusive Franchise to the extent provided in state and federal law.
44

45 B. Modification and Adjustment of Rates. 46

47 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
48 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
49 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste

1 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
2 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
3 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
4 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.
5

6 C. Notice of Rate Changes
7

8 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
9 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
10 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
11 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
12 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
13 Services at least forty-five (45) days in advance of the anticipated rate changes.
14

15 D. Resolution of Disputes Regarding Rate Adjustments
16

17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
23 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate. Any
24 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
25 County's Compulsory Collection ordinance.
26

27 E. Billing and Payment.
28

29 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
30 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
31 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
32 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
33 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.
36

37 F. Delinquent Accounts.
38

39 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
40 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
41 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
42 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
43 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
44 Franchisee operating in a Compulsory Collection area shall be subject to all applicable provisions in the
45 Compulsory Collection ordinance.

1
2 G. Refunds.
3

4 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
5 such customer for service not provided when service is discontinued by written notification to Franchisee
6 by the customer.
7

8 **SECTION 15. FRANCHISE FEES**
9

10 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
11 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
12 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
13 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
14 be due for fees not submitted within the thirty (30) day time period.
15

16 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
17 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
18 accordance with Exhibit D.
19

20 **SECTION 16. OTHER REQUIREMENTS**
21

22 A. Privacy
23

24 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
25 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
26 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
27 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
28 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
29 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
30 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
31 that Franchisee may provide such lists to authorized employees and authorized representatives of the
32 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
33 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
34

35 B. Public Access to the Franchisee
36

- 37 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
38 Monday through Friday. A representative of Franchisee shall be available during office
39 hours for communication with the public at Franchisee's principal office. In the event that
40 normal business cannot be conducted over the telephone, a representative of Franchisee
41 shall agree to meet with the public at a location agreeable to Franchisee and the public.
42 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
43 shall also maintain a local or toll free after-hours telephone number for use during other
44 than normal business hours. Franchisee shall have a representative or answering device or
45 system available at said after-hours telephone number during all hours other than normal
46 office hours.

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- 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in Person, by close of business of the second business (waste Collection) day following the date on which such complaint is received. Service complaints may be investigated by the Director or a designee. Franchisee shall maintain records listing the date of customer complaints, the customer, describing the nature of the complaint or request, and when and what action was taken by the Franchisee to resolve the complaint. All such records shall be maintained and shall be available for inspection by County.
 - 3) Government Liaison Person. The Franchisee shall designate a "government liaison Person" who shall be responsible for working with the Department to resolve customer complaints.

15 C. Resolution of Disputed Customer Complaints.
16

17 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
18 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
19 Procedures for resolution of disputed claims shall be as follows:
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- 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the County to review the complaint. To obtain this review, the customer may request County review within thirty (30) days of receipt of Franchisee's response to the Complaint, or within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee has failed to respond to the complaint. The County may extend the time to request its review for good cause.
 - 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the Franchisee fails to cure the complaint within ten (10) days, the Director shall review the customer's complaint and determine if further action is warranted. The Director may request written statements from the Franchisee and customer, and/or oral presentations.
 - 3) The Director 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 Franchise Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in addition to any actual damages.
 - 4) The Director may delegate these duties to a designee. The decision of the Director or a designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee may seek review pursuant to Section 11 above.

44 D. Hazardous Materials and Waste Handling and Disposal
45

46 The Franchisee shall comply with the procedures detailed in State Law.
47
48
49

1 **SECTION 17. FORCE MAJEURE**
2

3 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
4 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
5 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
6 Solid Waste facilities used by Franchisee:

- 7 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
8 earthquakes, tornados, or other catastrophic events;
- 9 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
- 10 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
11 other event leading to the imposition of quarantines, travel or movement restrictions, social
12 distancing, or public health advisories restricting large gatherings;
- 13 D. Accident or other catastrophic event including fire or explosion;
- 14 E. Strikes and labor disputes;
- 15 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
- 16 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.

17
18 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
19 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
20 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
21 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
22 Franchisee intends to take to restore its ability to perform, and such other information as the County may
23 reasonably request.

24
25 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
26 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
27 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
28 Franchisee.

29
30 **SECTION 18. OTHER PROVISIONS**
31

32 A. Independent Contractor.
33

34 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
35 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
36 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
37 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
38 retirement or other benefits which accrue to County employees.

39
40 B. Property Damage.
41

42 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
43 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
44 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

1
2 C. Right of Entry.
3

4 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
5 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
6 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
7 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
8

9 D. Law to Govern.
10

11 The law of the State of California shall govern this Franchise Agreement.
12

13 E. Gratuities.
14

15 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
16 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
17 Franchise Agreement.
18

19 F. Compliance with Franchise Agreement.
20

21 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
22 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
23 the Term of this Franchise Agreement.
24

25 G. Notices.
26

27 All notices required or permitted to be given under this franchise shall be in writing and shall be
28 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
29 receipt requested, and addressed as follows:
30

31 To County: County of Riverside
32 Attn: Department of Environmental Health
33 4065 County Circle Drive
34 Riverside, CA 92503
35

36 Copy to: County Counsel
37

38 To Franchisee: CR&R Incorporated
39 Attn: Senior Regional Vice President
40 P.O. Box 1208
41 Perris, CA 92572
42

43 Copy to: CR&R Incorporated
44 Attn: David Ronnenberg, President
45 11292 Western Ave

1 Stanton, CA 90680

2
3 or to such other address as either party may from time to time designate by notice to the other given in
4 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
5 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
6 receipt of confirmation of delivery which confirmation may be transmitted by fax.

7
8 H. Exhibits Incorporated.

9
10 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
11 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
12 Agreement, the language of the Exhibit shall prevail.

13
14 I. Nondiscrimination.

15
16 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
17 on the ground of race, sex, age, creed, color, religion or national origin.

18
19 J. Laws and Licenses.

20
21 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
22 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
23 to perform the services hereunder and maintain the same in full force and effect.

24
25 K. Waiver.

26
27 No waiver by either party of any one or more defaults or breaches by the other in the performance of
28 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
29 like or different character.

30
31 **SECTION 19. SEVERABILITY**

32
33 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
34 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
35 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
36 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
37 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
38 Agreement.

39
40 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
41 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
42 enforceability of any of the remaining provisions of this Franchise Agreement.

1 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
2

3 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
4 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
5 and all other communications, representations, proposals, understandings or Agreements, either written or
6 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
7 or amended, in whole or in part, except by writing signed by both parties hereto.
8

9 At least once every 5 years, or more often as required by a significant change in law, starting from the
10 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
11 or required amendments.
12

13 **SECTION 21. CONSTRUCTION OF FRANCHISE**
14

15 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
16 attorneys, and no provision contained herein shall be construed against County solely because it prepared
17 this agreement in its executed forms.
18

19 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
20

21 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
22 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
23 another company, all service levels and rates of this contract shall at the discretion of the Board of
24 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

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BY: _____

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Clifford Ronnenberg

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Chairman and CEO

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CR&R Incorporated

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EXHIBIT B

FRANCHISE AREA #7

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description:

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

Hauler Franchise Area 7

1
2
3 Beginning at a point on the Northerly Boundary of the County of Riverside, said point being the Northeast
4 Corner of Section 4, T. 2 S., R. 1 E;

5
6 Thence Southerly along the Easterly Line of Sections 4, 9, 16, 21, 28 and 33 of T. 2 S., R. 1 E to the
7 Southeast Corner of said Section 33, said point being on the Southerly Line of said Township;

8
9 Thence continuing Southerly along the Easterly Line of Sections 4, 9, 16, 21, 28 and 33 of T. 3 S., R. 1 E,
10 to the Southeast Corner of said Section 33, said point being on the Southerly Line of said T. 3 S., R. 1 E;

11
12 Thence continuing Southerly along the Easterly Line of Sections 4, and 9 of T. 4 S., R. 1 E, to the Southeast
13 Corner of said Section 9; of T. 4 S., R. 1 E, said point also being the Northeast Corner of Section 16 of said
14 Township;

15
16 Thence Westerly along the Northerly line of Section 16, 17, and 18, T. 4 S., R. 1 E., to a Point Being the
17 Northwest Corner of Section 18, Said Point Also Falling on the East Line of T. 4 S., R. 1 W;

18
19 Thence Continuing Westerly, along the North Line of Section 13, T. 4 S., R. 1 W., to the Northwest Corner
20 of Said Section;

21
22 Thence Northerly, along the West Line of Section 12 of Said Township, to the Northwest Corner of Said
23 Section;

24
25 Thence Westerly, Along the North Line of Sections 11, 10 and 9 of Said Township to the Southwest Corner
26 of Section 3 of T. 4 S., R. 1 W.;

27
28 Thence Northerly, along the West Line of Said Section 3 to a Point Being the Northeast Corner of Said
29 Section, Said Point Also Falling on the South Line of T. 3 S., R. 1 W.;

30
31 Thence Continuing Northerly, along the West Line Of Section 34, T. 3 S., R. 1 W., to the Northwest Corner
32 of Said Section 34;

33
34 Thence Westerly, along the North Line of Section 33, to the Northwest Corner of Said Section;

35
36 Thence Northerly, along the East Line of Section 29, to the Northeast Corner of Said Section;

37
38 Thence Westerly, along the North Line of Said Section 29, to The Northwest Corner of Said Section;

39
40 Thence Northerly, along the East Line of Section 19, to the Northeast Corner of Said Section;

41
42 Thence Westerly, along the North Line of Said Section 19, to a Point Being the Northwest Corner of Said
43 Section, Said Point Also Falling on the East Line of T. 3 S., R. 2 W.;

44
45 Thence Continuing Westerly, along the North Line Of Section 24, T. 3 S., R. 2 W., to the Northwest Corner
46 of Said Section;

47
48 Thence Northerly, along the East Line of Section 14 of Said Township, to the Northeast Corner of Said
49 Section;

50
51 Thence Westerly, along the North Line of Said Section 14, to the Northwest Corner of Said Section;

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2 Thence Northerly, along the East Line of Section 10 of Said Township, to the Northeast Corner of Said
3 Section;
4
5 Thence Westerly, along the North Line of Said Section10, to the Northwest Corner of Said Section;
6
7 Thence Northerly, along the East Line of Section 4, to a Point Being the Northeast Corner of Said Section,
8 Said Point Also Falling on the North Line of T. 3 S., R 2 W.;
9
10 Thence Westerly, along the North Line of Said Township, to the Southeast Corner of Section 32 T. 2 S.,
11 R. 2 W.;
12
13 Thence Northerly, Along the East Line of Section 32, T. 2 S., R. 2 W., to the Northeast Corner of Said
14 Section;
15
16 Thence Westerly, along the North Line of Section 32 and 31, to a Point Being the Northeast Corner of
17 Section 31, Said Point Also Falling on the West Line of Said Township;
18
19 Thence Northerly, along Said Township Line, Also Being the East Line of Section 25, T. 2 S., R. 3 W., to
20 the Northeast Corner of Said Section;
21
22 Thence Westerly, along the North Line of Sections 25, 26, and 27, To the Northwest corner of Section 27
23 of said Township;
24
25 Thence Northerly, along The East Line Of Section 21 Of Said Township, to the Northeast Corner of Said
26 Section;
27
28 Thence Westerly, along the North Line of Said Section 21, To The Northwest Corner of Said Section;
29
30 Thence Northerly, Along the West Line of Section 16, T. 2 S., R. 3 W., to a Point Being the Northwest
31 Corner of Said Section, Said Point Also Falling on the Northerly Boundary of the County of Riverside;
32
33 Thence Easterly, along Said County Boundary, Also Being the North Line of Sections 16, 15, 14, and 13,
34 T. 2 S., R. 3 W., to a Point Being the Northeast Corner of Section 13, Said Point Also Falling on the East
35 Line of Said Township;
36
37 Thence Continuing Easterly, along Said County Boundary, Also Being the North Line of Sections 18, 17,
38 16, 15, 14, and 13, T. 2 S., R. 2 W., to a Point Being the Northeast Corner of Section 13, Said Point Also
39 Falling on the East Line of Said Township;
40
41 Thence Continuing Easterly, along Said County Boundary, Also Being the North Line of Sections 18, 17,
42 16, 15, 14, 13, T. 2. S, R. 1 W., to a Point Being the Northeast Corner of Section 13, Said Point Also Falling
43 on the East Line of Said Township;
44
45 Thence Northerly, along Said County Boundary, Also Being the West Line of Sections 7 and 6, T. 2 S., R.
46 1 E., to a Point Being the Northwest Corner of Section 6, Said Point Also Falling on the North Line of Said
47 Township;
48
49 Thence Easterly, along Said County Boundary, Also Being the North Line of Said Township, along the
50 North Line of Sections 6, 5 and 4 to a Point Being the Northeast Corner of Section 4, Said Point Also Being
51 the Point of Beginning;

- 1
- 2 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
- 3 in areas 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, and 13.
- 4
- 5 Also excludes are any areas within city boundaries.

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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

Collection Summary

The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not

1 available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall
2 clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density
3 factors.

4
5 **Education and Outreach**

6
7 The Franchisee shall submit copies of public education materials sent to customers or provided
8 electronically on their websites or social media outlets.

9 **Service Performance**

10
11 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
12 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
13 shall identify the total number of all written or oral Customer comments and shall provide the number of
14 comments received in the following categories: praises, litter or property damage complaints, misplacement
15 of containers, stolen containers, personnel complaints, missed pickups, and other.

16
17 **Container Contamination Monitoring**

18
19 The Franchise shall provide a summary of container contamination monitoring activities including
20 information on efforts to minimize container contamination. When applicable a separate detailed report
21 shall be provided to the Department identifying sites that are out of compliance and require additional
22 enforcement by the County.

23
24 **4. ANNUAL REPORTS**

25
26 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
27 Franchisee will be responsible for providing the following reports:

- 28
29 1. Summary reports
30 2. Equipment inventory
31 3. Program implementation
32 4. Future programs
33 5. Litigation information
34 6. Education and Outreach
35

36 **Summary Reports**

37
38 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
39 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
40 provided shall include quantities of materials collected, and if processed by non-system facilities, the
41 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
42 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
43 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
44 experiences, and any problems in program operation and how they were resolved.

45
46 **Equipment Inventory**

47
48 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
49 The inventory list shall indicate the age of the equipment.

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Program Implementation

The Franchisee shall submit a report summarizing the problems or barriers to implementation of services for the year. The report shall address how the problems and barriers were overcome or the proposed resolutions and schedule for correcting the problem.

Future Programs

The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed but have not been planned for.

Litigation Information

The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation against the parent company and all subsidiaries of parent company that may have an effect on the Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

Education and Outreach

The Franchisee shall submit copies of public education materials sent to customers or provided electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. DWR direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.

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3. The DWR directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 4. The County modifies the franchise fee.
 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 6. Significant increases in the number of customer accounts due to development or growth.
 7. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION

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AGREEMENT

8

FOR FRANCHISE

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AREA #8

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- 1 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
2 court or governmental entity against Franchisee or affecting Franchisee, wherein an
3 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
4 of this Agreement, or which would have a material adverse effect on the financial condition
5 of Franchisee.
6
7 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
8 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
9 parent company's financial circumstances since the date of the most recent financial
10 statements submitted to the Environmental Health Department ("Department"). Prior to
11 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
12 most recent annual financial statements. The Department may at its discretion specify the
13 contents and form of such statements. The Director may inspect the financial records of
14 the Franchisee at any reasonable time for any reasonable purpose relevant to the
15 performance of this contract.
16
17 6) Franchisee has the expert, professional, and technical capability to perform all of its
18 obligations under this Agreement.
19
20 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
21 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
22 ~~annual financial statements, as provided in Exhibit C.~~
23

24 B. Representations and Warranties of the County.

25
26 Prior to commencement of any services hereunder, the County hereby makes the following
27 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
28

- 29 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
30 This Agreement constitutes the legal, valid and binding Agreement of the County and is
31 enforceable against the County in accordance with its terms.
32
33 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
34 County before any court or governmental entity wherein an unfavorable decision, ruling or
35 finding would adversely affect the validity or enforceability of this Agreement.
36

37 **SECTION 2. DEFINITIONS**

38
39 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
40 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
41 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
42 Agreement. In the event of conflict between the definition of a term as found in the California Public
43 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
44 supersede the definition found in the Public Resources Code or in County ordinances.
45

46 A. Agreement means this Agreement between the County and Franchisee for the Collection and
47 transportation of Solid Waste and other specified services, including all exhibits, and any future
48 amendments.
49

1 B. Basic Level of Service ~~shall~~ means the provision by the franchisee, and use by residential
2 customers, of Community Drop off centers and collection centers as herein defined as the primary method
3 for residential waste collection within the franchise.
4

5 C. Bins ~~shall~~ mean those containers provided by Franchisee for optional residential, commercial,
6 industrial, construction, and multi-residential and "Basic level of Service" uses. Bins are of two types: (i)
7 Bins (generally +2 to 6 cubic yards in size) which are picked up by refuse trucks by means of front loading
8 apparatus; and (ii) Rolloff Bins (generally 10 to 40 cubic yards in size) which are picked up by trucks using
9 rear loading winches onto rails.
10

11 D. Board ~~shall~~ means the Riverside County Board of Supervisors.
12

13 E. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
14 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
15 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
16 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
17 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
18 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
19 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
20 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
21 Persons.

22 ~~E. Bulky Waste shall mean large, heavy or otherwise difficult to handle items, including, but not~~
23 ~~limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large concrete and~~
24 ~~asphalt chunks, tree stumps, or other waste materials with weights or volumes greater than those allowed~~
25 ~~for containers.~~
26

27 F. Collection ~~means~~ Collection of Solid Waste, recyclable material, or other material specified in
28 this Agreement and its transportation to an appropriate Solid Waste Facility.
29

30 G. Collection Center ~~means~~ permitted intermediate waste handling facilities where Solid Wastes
31 are deposited by residents and collected for transportation to a disposal site, Solid Waste processing facility
32 or other facilities.
33

34 H. Commercial Units ~~shall~~ mean all commercial, industrial, institutional, agricultural or other
35 facilities, except residential and Multi-Residential Units. Agricultural units which require less than 1 ½
36 cubic yards disposal capacity per week shall not be deemed commercial units.
37

38 I. Community Drop-Off Centers ~~shall~~ refer to sites located within and adjacent to the residential
39 communities within which the franchisee has located bins for express use by the residents within those
40 communities.
41

42 ~~J. Compost means a stable humus-like product that results from the biological decomposition of~~
43 ~~organic materials occurring under controlled conditions.~~
44

45 ~~K. Compost Facility means a Solid Waste Facility that processes Organic Waste, Wood Waste or~~
46 ~~other organic materials to produce Compost or mulch.~~
47

48 ~~L.J. Comprehensive Complusory Collection Areas shall~~ mean specific portions or areas of the
49 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
50 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection service.

1
2 ~~M.K. County~~ means the County of Riverside, State of California.

3
4 ~~N.L. Department~~ means the Riverside County Department of Environmental Health.

5
6 ~~M. Director shall~~ means the Director of the Riverside County Department of Environmental Health
7 or ~~his or her~~their designee.

8
9 ~~O.N. Diversion (or any variation thereof including "Divert")~~ means activities which reduce or
10 ~~eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,~~
11 ~~recycling, and composting.~~

12
13 ~~P. District~~ means the Riverside County Waste Resources Management District.

14
15 ~~Q.O. Effective Date~~ means the date on which this Agreement becomes effective, which shall be the
16 date it is executed by the Board of Supervisors.

17
18 ~~R.P. Exclusive Franchise~~ means the rights granted to the Franchisee under the terms and conditions
19 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
20 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
21 B.

22
23 ~~S. Extremely Hazardous Waste~~ shall mean any Hazardous Waste or mixture of Hazardous Wastes
24 which, if human exposure should occur, may likely result in death, disabling personal injury or illness,
25 during or as a proximate result of, any disposal of such waste or mixture of wastes.

26
27 ~~T.Q. Franchise Area~~ means the geographic territory defined in Exhibit B.

28
29 ~~U. Franchise Documents~~ shall mean the Agreement (as herein defined), the separately executed
30 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
31 under this Agreement.

32
33 ~~V.R. Generator~~ means the owner or occupant of premises, including residences or businesses, which
34 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

35
36 ~~W.S. Green Waste~~ means organic waste generated from any landscaping including grass clippings,
37 leaves, prunings, tree trimmings, weeds, branches, and brush.

38
39 ~~X.T. Gross Receipts~~ means all monies received by Franchisee for providing franchise services
40 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
41 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
42 accounts. Gross Receipts does not include uncollectible accounts, landfill disposal components,
43 transportation components and pass through costs collected on behalf of State or other governmental
44 agencies.

45
46 ~~Y.U. Hard-to-Service~~ may refer to any service area that is not standard curb and gutter service or
47 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
48 of the following:

- 49 1) Rural, sparsely populated areas,
50 2) Hilly or mountainous terrain,

1 3) Poorly paved or unpaved roads which may be ~~un~~impassable in poor weather,

2 4) Large, uninhabited areas between pockets of customers,

3 ~~5) Unusually heavy waste due to large properties, livestock, etc.~~

4 ~~5)~~

5 6) Limited access on a private street or alley.

6 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
7 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
8 "Hard to Service"

9
10 ~~Z. Hazardous Waste. shall mean any waste material or mixture of wastes which is defined or~~
11 ~~otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an~~
12 ~~irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a~~
13 ~~waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,~~
14 ~~or as a proximate result of any disposal of such wastes or mixture of wastes. The term "toxic", "corrosive",~~
15 ~~"flammable", "irritant", or "strong sensitizer" shall be given the same meaning as found in the California~~
16 ~~Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.~~

17
18 ~~AA.V. Integrated Waste Management Act (IWMA)-shall means the California Integrated Waste~~
19 ~~Management Act of 1989 (AB 939), including all subsequent amendments.~~

20
21 ~~BB. Materials Recovery Facility. means a facility intended primarily for recovery and processing of~~
22 ~~Recyclable Materials that are source separated, or a facility intended to recover Recyclable Materials from~~
23 ~~Solid Waste. Such a facility may also function as a Transfer Station.~~

24
25 ~~CC.W. Multi-Residential Units-shall mean permanent buildings containing five or more~~
26 ~~Residential Units including, but not limited to, condominiums, apartment houses, motels, hotels,~~
27 ~~mobilehome parks where mobilehome lots are not individually owned, travel trailer parks, and recreational~~
28 ~~vehicle parks.~~

29
30 ~~DD.X. Organic Waste. means food waste, green waste, landscape and pruning waste, nonhazardous~~
31 ~~wood waste, and food-soiled paper waste that is mixed in with food waste.~~

32
33 ~~EE. Permitted Hauler. means a Solid Waste service provider who has a valid permit to operate within~~
34 ~~all, or a portion of, the unincorporated County.~~

35
36 ~~FF. Person. shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,~~
37 ~~trust, association, or corporation whether for profit or non-profit.~~

38
39 ~~GG.Y. Recyclable Materials. means material which has been segregated from other Solid Waste~~
40 ~~material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,~~
41 ~~cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed~~
42 ~~Recyclables consisting of two or more of the above-referenced material types separated from non-~~
43 ~~Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more~~
44 ~~than five (5) percent Solid Waste by weight.~~

45
46 ~~HH.Z. Residential Unit-shall means an occupied dwelling within the unincorporated area of the~~
47 ~~County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when~~
48 ~~either water or domestic light and power services are being supplied thereto. This definition shall apply also~~
49 ~~to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to~~
50 ~~be two (2) attached Residential Units.~~

1
2 HH.AA. Small Quantity generator shall mean a Commercial unit that generates no more than 2 cubic
3 yards of waste per week.

4
5 ~~JJ. Solid Waste means all putrescible and non putrescible solid, semisolid and liquid wastes,~~
6 ~~including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction~~
7 ~~wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,~~
8 ~~and other discarded solid and semisolid wastes.~~

9
10 ~~Solid Waste does not include any of the following wastes:~~

- 11 ~~○ Hazardous waste, as defined in Public Resources Code Section 40141.~~
- 12 ~~○ Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8~~
13 ~~(commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety~~
14 ~~Code).~~
- 15 ~~○ Medical waste regulated pursuant to the Medical Waste Management Act (Part 14~~
16 ~~(commencing with Section 117600) of Division 104 of the Health and Safety Code).~~
17 ~~Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in~~
18 ~~Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall~~
19 ~~be regulated pursuant to this division.~~

20
21 ~~KK. Solid Waste Facility means any facility that is licensed, permitted or otherwise approved by all~~
22 ~~governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,~~
23 ~~Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material~~
24 ~~recovery, composting, waste to energy, or landfill facilities.~~

25
26 ~~LL.BB. System Facility means a Solid Waste Facility that is owned and/or operated by the~~
27 ~~DistrictRiverside County Department of Waste Resources (DWR), or with which the DistrictDWR has~~
28 ~~entered into an Agreement, and that for the purposes of this Agreement is designated by the DistrictDWR~~
29 ~~through a separately executed Waste Delivery Agreement to be used by the Franchisee for the processing,~~
30 ~~recovery and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.~~

31
32 MM.CC. Term means the Term of this Agreement, as provided for in Section 3.

33
34 ~~NN. Transfer Station shall include those intermediate waste handling facilities where Solid Wastes~~
35 ~~are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof~~
36 ~~may undergo incidental processing, recycling or further handling before transportation to a disposal site,~~
37 ~~Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer~~
38 ~~station":~~

- 39
- 40 ~~1) Locations where less than 15 cubic yards of combined container volume are provided to serve~~
41 ~~as community or multi-residence receptacles for residential refuse.~~
- 42 ~~2) Storage receptacles for waste from multi-residential buildings or for commercial Solid Wastes.~~
- 43 ~~3) A container used to store construction or demolition wastes at the place of generation.~~
- 44 ~~4) Containers used to store salvaged materials.~~

45
46 OO.DD. Waste Delivery Agreement means the contract entered into by the DistrictDWR and the
47 Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to
48 be directed to specified System Facilities and kept on file with the DWR.

1 ~~PP.EE.~~ Wood Waste, means industrial dimension lumber, pallets, shipping dunnage, and similar
2 discarded processed wood materials, and large tree limbs.
3

4 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE 5

6 A. Pursuant to Ordinance ~~657745~~, and the IWMA, and subject to the terms and conditions of this
7 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
8 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
9 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
10 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
11 purposes.
12

13 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
14 hereby agrees to provide the services set forth in Exhibit A of this Agreement within the portion of the
15 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
16 forth below. ~~Franchisee hereby waives any right it may have pursuant to Public Resources Code section~~
17 ~~49520 or other laws to advance notice of the cancellation of such permit or other authorization for territory~~
18 ~~described in Exhibit B of this Franchise.~~
19

20 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to~~
21 ~~its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement.~~
22 ~~Nothing in this Agreement authorizes the Franchisee to take any action to breach any existing contract as~~
23 ~~of the effective date of this Franchise.~~
24

25 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
26 the Exclusive Franchise, to the extent provided for in state and federal law.
27

28 C. This Agreement shall continue ~~until June 30, 2028, for a period of seven (7) years from the Effective~~
29 ~~Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of this~~
30 ~~Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior thereto~~
31 ~~either the County or the Franchisee gives written notice of non renewal to the other party. Only one notice~~
32 ~~of non renewal shall be required hereunder. Notice of non renewal need not be based on cause.~~ The above
33 provisions in no way affect the County's right to terminate this Agreement following thirty (30) days notice
34 for nonperformance, as provided in Sections 9 and 10 hereof.
35

36 D. Franchisee will commence services under this Agreement on ~~July 1st, 1997~~ January 1, 2022.
37

38 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
39 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
40 taken.
41

42 SECTION 4. FRANCHISE AREA 43

44 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated
45 Riverside County defined in Exhibit B, "Franchise Area."
46

47 SECTION 5. SERVICES PROVIDED BY FRANCHISEE 48

49 A. General.
50

1 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
2 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which
3 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
4 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
5 Exhibit A, and the rates set forth in accordance with Exhibit ED. Minimum levels of Solid Waste service
6 to be provided under this Agreement are defined below, however, no residential or commercial or business
7 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
8 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
9 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
10 provisions of Section 16 (B) (2) related to "service complaints."
11

12 B. Single Family Residential.
13

14 Basic Level of Service. Not less often than once per week, and more frequently as required to handle
15 the waste stream from residential units, Franchisee shall collect the Solid Waste and Recyclable Materials
16 (except Bulky Wastes, Hazardous Wastes and other waste requiring special handling) which have been
17 placed, kept, or accumulated in containers at Collection Centers (Transfer Stations) or Community Drop-
18 off Centers within the Franchise Area. Franchisee may negotiate special pickup procedures, (outlined in
19 Exhibit "A") above and beyond the normal services described above, with customers for an additional fee
20 in an amount provided in Exhibit ED.
21

22 C. Commercial, Industrial, and Multi-Residential.
23

24 Services are designated as mandatory for these customers under the conditions established under
25 Ordinance No 745 and Resolution No 97 107, and are subject to the enforcement conditions therein
26 included.
27

- 28 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
29 if required to handle the waste stream of the premises where the Bins are located,
30 Franchisee shall collect the Solid Wastes (except Bulky Wastes, Hazardous Wastes and
31 other waste requiring special handling) which have been placed, kept or accumulated for
32 Collection in Solid Waste Bins at Multi- Residential Units.
33
- 34 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
35 frequently if required to handle the waste stream of the premises where the Bins are located,
36 Franchisee shall collect the Solid Wastes (except Bulky Wastes, Hazardous Wastes and
37 other waste requiring special handling) which have been placed, kept or accumulated for
38 Collection in Solid Waste Bins at Commercial Units.
39
- 40 3) Small Quantity Generators. Upon approval of the franchisee, two or more small quantity
41 generators may share waste collection bins, subject to the criteria noted in "1" and "2"
42 above. Approval for shared bins by small quantity generators shall not be unduly withheld
43 by the franchisee. A determination of non-approval for such a request is subject to review
44 by the Director.
45
- 46 4) Commercial Can Service. In special case where there is not appropriate space on site or
47 with neighboring businesses for the placement of commercial bins, the franchisee may
48 allow Commercial can service to satisfy the requirement of refuse removal service. The
49 franchisee shall supply each business that subscribes to this service with up to three (3) 32
50 gallon sized roll-carts for storage of solid waste using the rates reflected in Exhibit E
51

1 D. Construction and Temporary Bin/Rolloff Services.

2
3 Franchisee shall provide construction and temporary bin/rolloff services outlined in Exhibit A using
4 rates ~~reflected established per in~~ Exhibit ~~ED~~.

5
6 E. Bulky Wastes Collection.

- 7
8 1) Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service
9 arranged at the request of the customer for large household appliances or furniture or
10 multiple smaller items not exceeding one and one-half cubic yards. Collection of heavy
11 waste materials such as dirt, rock, concrete, and asphalt are not included in this service.
12 Franchisee shall advertise the availability of the Bulky Wastes Collection service and shall
13 provide the Bulky Waste Collection service within fifteen (15) working days of request by
14 customer unless there is insufficient demand to warrant collection in which case service
15 shall be provided in no less than thirty (30) working days. Franchisee shall bill the
16 customer for Bulky Waste Collection at the rate established in Exhibit E. Disposal rates at
17 the system facilities shall be as stated in Section 5 of the Waste Delivery Agreement
18 excepting special handling charges as required by the Riverside County Waste Resources
19 Management District.
20
21 2) Collection of heavy waste materials such as dirt, rock, concrete, and asphalt shall be
22 handled as per construction and demolition efforts as described in Exhibit A and charged
23 as outlined in Exhibit E.
24

25 F. Collection and Equipment

26
27 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
28 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
29 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
30 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~—The equipment of
31 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
32 ~~Department on an annual basis at the request of the Department.~~

- 33
34 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
35 the Department of Motor Vehicles of the State of California, shall be kept clean and in
36 good repair, and shall be uniformly painted.
37
38 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
39 ~~days.~~
40
41 ~~3) 2)~~ A local or toll free telephone number, and vehicle number shall be clearly visibly
42 displayed on all required vehicles, ~~in letters and figures no less than three inches (3") high.~~
43

44 **SECTION 6. OWNERSHIP OF SOLID WASTE**

45
46 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
47 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
48 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
49 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
50 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
51 Franchisee.

1
2 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**
3

4 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
5 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
6 and the ~~District~~DWR. The rates ~~referenced shown~~ in Exhibit ~~ED~~ are based on the _____ facility(ies)
7 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.
8

9 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**
10

11 A. Indemnification of County ~~and District~~.
12

13 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
14 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
15 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
16 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
17 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
18 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
19 reasonable costs and expenses of investigating and defending against same; provided, however, that
20 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
21 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.
22

23 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
24 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
25 survive the term of the franchise.
26

27 B. Hazardous Substances Indemnification.
28

29 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
30 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
31 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
32 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
33 damages (including, but not limited to, special and consequential damages), natural resources damage,
34 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
35 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
36 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
37 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
38 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
39 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
40 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
41 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
42 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
43 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
44 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
45 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
46 from liability.
47

48 C. Minimum Diversion Requirements
49

50 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
51 California Public Resources Code, Section 41780 and any other current or future California Statute that

1 requires the County to divert material from landfills. In the event that the State of California alters the
2 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
3 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
4 associated with any additional recycling programs.

5
6 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
7 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
8 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
9 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
10 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
11 against any third party as a means of meeting its obligation under this section.

12
13 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
14 by the Director as set forth in Section 9.A. of this agreement.

15
16 A.D. Worker's Compensation Insurance.

17
18 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
19 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
20 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
21 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
22 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
23 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
24 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
25 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
26 losses which arise from work performed by the named insured for the County.

27
28 B.E. Public Liability Insurance.

29
30 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
31 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
32 ~~three-six~~ million dollars ~~(\$3,000,000.00)~~ ~~(\$6,000,000.00)~~ aggregate and ~~one-three~~ million ~~five hundred~~
33 ~~thousand~~ dollars ~~(\$1,500,000.00)~~ ~~(\$3,000,000.00)~~ per occurrence for bodily injury and property damage.
34 Said insurance shall protect Franchisee, the County, ~~the District~~, and their elected or appointed officials,
35 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
36 as from any claim for property damage which may arise from operations performed pursuant to this
37 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
38 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
39 the Director. All of the following endorsements are required to be made a part of the insurance policies
40 required by this Section:

- 41
42 1) "This policy shall be considered primary insurance as respects any other valid and
43 collectible insurance the County may possess including any self-insured retention the
44 County may have, and any other insurance the County ~~or District~~ does possess shall be
45 considered excess insurance and shall not contribute with it."
46
47 2) "This insurance shall act for each insured, as though a separate policy had been written for
48 each. This, however, shall not act to increase the limit of liability of the insuring company."
49
50 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
51 with certificate(s) of insurance showing that such insurance is in full force and effect, and

1 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
2 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
3 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
4 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
5 the event of any such modification, cancellation or reduction in coverage and on the
6 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
7 receive prior to such effective date another certificate from an insurance carrier that the
8 insurance required herein is in full force and effect.
9

10 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
11 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
12 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.
13

14 ~~C.F.~~ Performance Bond or Letter of Credit.
15

16 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
17 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
18 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
19 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
20 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
21 California.
22

23 ~~D.G.~~ Modification.
24

25 The insurance requirements provided herein may be modified or waived in writing by the Board upon
26 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
27 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
28 provided by the parent company of Franchisee.
29

30 **SECTION 9. DEFAULT AND REMEDIES**
31

32 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
33 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
34 provisions of this Agreement, the requirements of ~~the California Integrated Waste Management~~
35 ~~Board CalRecycle~~, including, but not limited to, requirements for source reduction and recycling (as to the
36 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
37 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
38 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
39 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
40 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
41 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
42 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
43 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
44 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
45 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
46 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or refer the matter to a hearing~~
47 ~~officer as provided in Section 11, below. Where the County and the Franchisee have claims pending against~~
48 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~
49

50 ~~B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
51 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the hearing,~~

1 the Board shall consider the report of the Director indicating the deficiencies, and shall give the Franchisee,
2 or its representatives and any other interested Person, a reasonable opportunity to be heard.
3

4 ~~C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution
5 whether the Agreement should be terminated or other remedies imposed. If, based upon the record, the
6 Board determines that the performance of Franchisee is in breach of any material Term of this Agreement
7 or any material provision of any applicable Federal, State, or local statute, ordinance or regulation, or is
8 deficient with respect to prevailing industry standards, the Board in the exercise of its sole discretion, may
9 terminate forthwith, this Agreement. Franchisee's performance under its franchise is not excused during
10 the period of time prior to the Board's final determination as to whether such performance is deficient.~~
11

12 D.B. The right of termination is in addition to any other rights of County upon failure of
13 Franchisee to perform its obligations under this Agreement.
14

15 E.C. The County further reserves the right to terminate Franchisee's franchise, following public
16 hearing therefor, not sooner than 6 months following the date of said hearing at which a majority vote of
17 the board determines it is in the public interest to do so:
18

- 19 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 20
- 21 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
22 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 23
- 24 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
25 compensation, liability, indemnification coverage, and performance bond as required by
26 the Agreement.
- 27
- 28 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
29 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
30 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
31 which case no breach of the franchise shall be deemed to have occurred.
- 32
- 33 5) If the Franchisee ceases to provide Collection services as required under this Agreement
34 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
35 for any reason within the control of the Franchisee.
- 36
- 37 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
38 refuses to provide County with required information, reports, and/or test results in a timely
39 manner as provided in the Franchise Agreement.
- 40
- 41 7) For any other act or omission by the Franchisee which materially violates the terms,
42 conditions, or requirements of this franchise, Ordinance ~~657745~~, successor ordinance,
43 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
44 regulation issued thereunder and which is not corrected or remedied within the time set in
45 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
46 the breach within the time set forth in such notice, if the Franchisee should fail to
47 commence to correct or remedy such violation within the time set forth in such notice and
48 diligently effect such correction or remedy thereafter.
- 49
- 50 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
51 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct

1 related to the performance of this Agreement, or of felonious conduct related to anti-trust
2 activities, illegal transport or disposal of hazardous waste or materials, or violation of
3 Racketeer - Influenced Corrupt Organizations (RICO) Statutes
4

5 F.D. Professional Conduct
6

- 7 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
8 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
9 court in the United States, or is otherwise alleged to have participated in any criminal
10 activity directly or indirectly associated with the solid waste management business,
11 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
12 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
13 description of the indictment, complaint or allegation, as well as a copy of such indictment
14 or complaint or other matters of public record related thereto. In addition to the foregoing,
15 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
16 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
17 securities laws, including quarterly and annual reports.
18
- 19 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
20 interest, who has any responsibility for any aspect of the franchisee's operations under this
21 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
22 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
23 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
24 upon request of the County be immediately removed from any assignment whatsoever,
25 directly associated with operations under this contract during the pendency of trial and/or
26 following conviction.
27

28 G.E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
29 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
30 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
31 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
32 such party shall notify the other party of such order or requirement and the law, regulation or order on
33 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement
34 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of such said~~
35 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
36 following the ~~Effective Date of such date said~~ law, regulation or order becomes effective. Nothing in this
37 Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking to obtain
38 modification or repeal of such law, regulation or order or restrict either party's right to legally contest the
39 validity of such law, regulation or order.
40

41 **SECTION 10. DISRUPTIONS IN SERVICE**
42

43 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
44 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
45 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
46 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
47 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
48 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
49 by such conditions with an estimate of when service will be resumed.
50

1 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
2 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
3 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
4 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
5 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
6 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
7 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
8 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
9 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
10 County's sole negligence in providing such substitute service. Employees of Franchisee, including
11 management employees, may be employed by County during any period in which County temporarily
12 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
13 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
14 between Franchisee and its employees at the time Franchisee's service was interrupted.
15

16 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
17 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
18 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
19 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
20 be primarily reserved for use by County access while County or its designated representative is performing
21 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
22 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
23 accordance with the provisions of this Agreement.
24

25 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES

26
27 A. Should Franchisee or the County contend that the County/other party is in breach of this Franchise
28 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
29

30 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
31 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
32 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
33 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
34 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
35 Arbitration and Mediation Services.
36

37 C. The hearing shall be conducted according to the provisions of California Government Code Section
38 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
39 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
40 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
41 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
42 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
43 reasonably related to the seriousness of the breach of the Agreement.
44

45 D. The party losing the hearing shall be liable for the hearing officer's fees.
46

47 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
48 a material breach of the Agreement, and may be grounds for termination of the Agreement.
49

50 F. Any party to the hearing may issue a request to compel reasonable document production from the
51 other party. Disputes concerning the scope of document production and enforcement of document requests

1 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
2 document request, then by disposition by order of the hearing officer. Any such document request shall be
3 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
4 procedures to protect such rights.
5

6 G. Neither party may communicate separately with the hearing officer after the hearing officer has
7 been selected. All subsequent communications between a party and a hearing officer shall be
8 simultaneously delivered to the other party. This provision shall not apply to communications made to
9 schedule a hearing or request a continuance.
10

11 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
12 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
13 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
14 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
15 the party subject thereto acted with substantial justification or if the interests of justice so require.
16

17 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
18

19 SECTION 12. FRANCHISE TRANSFERABILITY 20

21 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
22 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
23 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
24 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
25 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
26 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
27 such a request using such criteria as it deems necessary including, but not limited to, those listed in
28 Subsection C.
29

30 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
31 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
32 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
33 this Agreement.
34

35 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
36 meet the following requirements:
37

- 38 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
39 investigation costs necessary to investigate the suitability of any proposed transferee, and
40 to review and finalize any documentation required as a condition for approving any such
41 transfer.
42
- 43 2) The Franchisee shall furnish the County with audited financial statements of the proposed
44 transferee's operations for the immediately preceding three (3) operating years.
45
- 46 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
47 transferee has at least five (5) years of solid waste management experience of a scale equal
48 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
49 that in the last five (5) years, the proposed transferee has not suffered any citations or other
50 censure from any federal, state or local agency having jurisdiction over its waste
51 management operations due to any significant failure to comply with state, federal or local

1 waste management laws. Franchisee shall supply the County with a complete list of such
2 citations and censures; (iii) that the proposed transferee has at all times conducted its
3 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
4 transferee conducts its solid waste management practices in accordance with sound waste
5 management practices in full compliance with all federal, state and local laws regulating
6 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
7 insurance and bonds; and (vii) of other material as may be requested by the County.
8

9 3) This franchise may not be transferred, sold, hypothecated, leased, or assigned by
10 the County without the prior written consent of the Franchisee, which consent shall not be
11 unreasonably withheld. The foregoing is not intended to prevent the County from
12 exercising its right to terminate the agreement consistent with Section 3, and for the County
13 to seek a new franchisee at the expiration of this Agreement.
14

15 SECTION 13. REPORTS

16
17 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
18 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.
19

20 B. Franchisee shall make its customer base and records available to the Department for audit at
21 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
22 Agreement.
23

24 SECTION 14. COMPENSATION

25 A. Franchisee Rates.

26 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
27 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
28 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
29 ~~the maximum rate to be charged for such materials.~~
30
31
32

33 B. Payment by the County for Basic Service.

34 The County shall reimburse the Franchisee quarterly from the funds received ~~for the “Basic Level of~~
35 ~~Service” as described in Exhibit E. These funds shall be drawn from those parcel fees collected for that~~
36 ~~express purpose as a result of in accordance with~~ Ordinance No. 769. A parcel report shall be submitted to
37 the franchisee with the County’s payment providing detail of the payment received by parcel.
38
39

40 C. Modification and Adjustment of Rates.

41
42 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
43 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
44 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
45 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
46 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
47 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates set

1 ~~forth on Exhibit E~~ shall remain in effect until adjusted by County following a public hearing as provided in
2 Exhibit ~~FD~~.

3
4 D. Notice of Rate Changes

5
6 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
7 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
8 from County regarding approved changes in landfill fees and CPI adjustments. ~~The wording of the notice~~
9 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
10 ~~prior to release. If requested by the Department, the Franchisee will provide a copy of the written notice~~
11 ~~for review.~~ County shall provide Franchisee with written notice of changes in System Facility, Franchise,
12 or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated rate
13 changes.

14
15 E. Resolution of Disputes Regarding Rate Adjustments

16
17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution can-not be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The ~~Effective-Datedate~~ of any dispute resolution, whether retroactive or
23 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
24 appropriate. Any Franchisee operating in a ~~Comprehensive-Compulsory~~ Collection Area shall be subject
25 to all applicable provisions in the County's ~~comprehensive-Compulsory e~~Collection ordinance.

26
27 F. Billing and Payment.

28
29 Franchisee may bill and receive payment as provided ~~in Exhibit E~~herein. In cases where Franchisee
30 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
31 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
32 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
33 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.

36
37 G. Delinquent Accounts.

38
39 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
40 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
41 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
42 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
43 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
44 Franchisee operating in a ~~comprehensive-Compulsory e~~Collection area shall be subject to all applicable
45 provisions in the ~~Compulsorye~~comprehensive eCollection ordinance.

1
2 H. Refunds.
3

4 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
5 such customer for service not provided when service is discontinued by written notification to Franchisee
6 by the customer.
7

8 **SECTION 15. FRANCHISE FEES**
9

10 A Franchise Fee of ~~eight (8)~~ ten (10) percent of the Franchisee's Gross Receipts, ~~less transportation fees~~
11 ~~as described in the Schedule of Approved Rates (in Exhibit E) and landfill fees or Transfer Station Tipping~~
12 ~~Fees~~, shall be payable by Franchisee to the Department thirty (30) days after the close of each quarter of
13 each year this Agreement remains in effect. The Franchise Fee shall not be required to be paid for ~~revenues~~
14 ~~generated by Residential Parcel Charges for waste collection as established by Ordinance No 769~~, the
15 collection or sale of Recyclable Materials and Organic Waste collected by the Franchisee, ~~or for the~~
16 ~~provision of construction roll-off services~~. A penalty of ten (10) percent shall be due for fees not submitted
17 within the thirty (30) day time period.
18

19 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
20 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
21 accordance with Exhibit ~~FD~~.
22

23 **SECTION 16. OTHER REQUIREMENTS**
24

25 A. Privacy
26

27 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
28 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
29 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
30 statute, or upon valid authorization of the customer. — This provision shall not be construed to preclude
31 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
32 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
33 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
34 that Franchisee may provide such lists to authorized employees and authorized representatives of the
35 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
36 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
37

38 B. Public Access to the Franchisee
39

- 40 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00 a.m. to 5:00
41 p.m. Monday through Friday. A representative of Franchisee shall be available during
42 office hours for communication with the public at Franchisee's principal office. In the
43 event that normal business cannot be conducted over the telephone, a representative of
44 Franchisee shall agree to meet with the public at a location agreeable to Franchisee and the
45 public. Normal office hours telephone numbers shall either be a local or toll free call.

1 Franchisee shall also maintain a local or toll free after-hours telephone number for use
2 during other than normal business hours. Franchisee shall have a representative or
3 answering device or system available at said after-hours telephone number during all hours
4 other than normal office hours.
5

6 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
7 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
8 Person, by close of business of the second business (waste Collection) day following the
9 date on which such complaint is received. Service complaints may be investigated by the
10 Director or a designee. Franchisee shall maintain records listing the date of customer
11 complaints, the customer, describing the nature of the complaint or request, and when and
12 what action was taken by the Franchisee to resolve the complaint. All such records shall
13 be maintained and shall be available for inspection by County.
14

15 3) Government Liaison Person. The Franchisee shall designate a "government liaison
16 Person" who shall be responsible for working with the Department to resolve customer
17 complaints.
18

19 C. Resolution of Disputed Customer Complaints.
20

21 The Franchisee shall ~~notify~~ supply, upon customers request, a copy of this complaint arbitration
22 procedure at the time a ~~customers~~ applies for or ~~are~~ is provided service, and subsequently, annually
23 requested by the customer. Procedures for resolution of disputed claims shall be as follows:
24

25 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
26 County to review the complaint. To obtain this review, the customer may request County
27 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
28 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
29 has failed to respond to the complaint. The County may extend the time to request its
30 review for good cause.
31

32 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
33 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
34 customer's complaint and determine if further action is warranted. The Director may
35 request written statements from the Franchisee and customer, and/or oral presentations.
36

37 3) The Director shall determine if the Customer's complaint is justified, and if so, what
38 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
39 of customer charges related to the period of breach of any of the terms of this Franchise
40 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
41 addition to any actual damages.
42

43 4) The Director may delegate these duties to a designee. The decision of the Director or a
44 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
45 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
46 may seek review pursuant to Section 11 above.
47

48 D. Hazardous Materials and Waste Handling and Disposal
49

1 The Franchisee shall comply with the procedures detailed in ~~Exhibit G of this Agreement~~ State Law.

2
3 **SECTION 17. FORCE MAJEURE**
4

5
6 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so long as,
7 it is impossible or extremely impractical for it to perform its obligations in whole or in part for any of the
8 following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the Solid
9 Waste facilities used by Franchisee:

- 10 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
11 earthquakes, tornados, or other catastrophic events;
12 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
13 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
14 other event leading to the imposition of quarantines, travel or movement restrictions, social
15 distancing, or public health advisories restricting large gatherings;
16 D. Accident or other catastrophic event including fire or explosion;
17 E. Strikes and labor disputes;
18 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
19 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
20

21 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
22 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
23 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
24 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
25 Franchisee intends to take to restore its ability to perform, and such other information as the County may
26 reasonably request.
27

28 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
29 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
30 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
31 Franchisee.

32 ~~Franchisee shall not be in default under this Franchise Agreement in the event that the services provided by~~
33 ~~the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,~~
34 ~~sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,~~
35 ~~landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are~~
36 ~~beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability~~
37 ~~of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from~~
38 ~~other governmental agencies or the right to use the facilities of any public utility where such failure is due~~
39 ~~solely to the acts or omissions of the Franchisee.~~
40

41 **SECTION 18. OTHER PROVISIONS**
42

- 43 A. Independent Contractor.
44

1 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
2 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
3 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
4 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
5 retirement or other benefits which accrue to County employees.

6
7 B. Property Damage.
8

9 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
10 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee. upon
11 completion of a proper investigation which proves that the Franchisee was at fault of said damage.
12

13 With respect to driving surfaces, Franchisee shall be responsible for damage, whether or not paved,
14 resulting from the weight of vehicles providing refuse collection services at the location of Bins and
15 containers on public or private property when it can be demonstrated that said damage is the result of
16 vehicles exceeding the legal maximum weight limits of the State of California or the negligent operation of
17 vehicles by Franchisee's employees.
18

19 C. Right of Entry.
20

21 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
22 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
23 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
24 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
25

26 D. Law to Govern.
27

28 The law of the State of California shall govern this Franchise Agreement.
29

30 E. Gratuities.
31

32 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
33 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
34 Franchise Agreement.
35

36 F. Compliance with Franchise Agreement.
37

38 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and~~ 745, or any
39 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
40 during the Term of this Franchise Agreement.
41

42 G. Notices.
43

1 All notices required or permitted to be given under this franchise shall be in writing and shall be
2 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
3 receipt requested, and addressed as follows:

4
5 To County: County of Riverside
6 Attn: Department of Environmental Health
7 4065 County Circle Drive
8 Riverside, CA 92503
9

10 Copy to: County Counsel
11

12 To Franchisee: CR&R Incorporated
13 Attn: Senior Regional Vice President
14 P.O. Box 1208
15 Perris, CA 92572
16

17 Copy to: CR&R Incorporated
18 Attn: David ~~Fahri~~Ronnenberg, President
19 ~~P.O. Box 1208~~11292 Western Ave
20 ~~Perris~~Stanton, CA ~~92572~~90680
21

22 or to such other address as either party may from time to time designate by notice to the other given in
23 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
24 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
25 receipt of confirmation of delivery which confirmation may be transmitted by fax.
26

27 H. Exhibits Incorporated.
28

29 Exhibits A through ~~I-D~~ are attached to and incorporated in the Franchise Agreement by reference. In
30 the event of differences or conflicts between the language of an Exhibit and the language of the Franchise
31 Agreement, the language of the Exhibit shall prevail.
32

33 I. Nondiscrimination.
34

35 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
36 on the ground of race, sex, age, creed, color, religion or national origin.
37

38 J. Laws and Licenses.
39

40 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
41 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
42 to perform the services hereunder and maintain the same in full force and effect.
43

44 K. Waiver.
45

1 No waiver by either party of any one or more defaults or breaches by the other in the performance of
2 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
3 like or different character.

4
5 **SECTION 19. SEVERABILITY**

6
7 A. ———The parties agree that the Waste Delivery Agreement referenced in this agreement is a
8 material part of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to
9 challenge the validity or enforceability of the Waste Delivery Agreement or any term or provision found in
10 such agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void
11 or unenforceable by a court of law, then, the County may consider termination or amendment of the
12 Franchise Agreement.

13
14 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
15 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
16 enforceability of any of the remaining provisions of this Franchise Agreement.

17
18 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**

19
20 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
21 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
22 and all other communications, representations, proposals, understandings or Agreements, either written or
23 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
24 or amended, in whole or in part, except by writing signed by both parties hereto.

25
26 At least once every 5 years, or more often as required by a significant change in law, starting from the
27 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
28 or required amendments.

29
30 **SECTION 21. ORDINANCE NO 769: IMPACT TO RATES, SERVICES AND COMPENSATION**

31
32 If the County for any reason is unable to enforce and collect parcel fees associated with Riverside
33 County Ordinance No. 769 due to failure to approve, legal challenge, or revocation, all conditions and
34 exhibits related to compensation, rates and services shall be deemed void and subject to renegotiations. The
35 County shall negotiate in good faith with Franchisee.

36
37 **SECTION 22. CONSTRUCTION OF FRANCHISE**

38
39 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
40 attorneys, and no provision contained herein shall be construed against County solely because it prepared
41 this agreement in its executed forms.

42
43 **SECTION 23. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

1 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
2 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
3 another company, all service levels and rates of this contract shall at the discretion of the Board of
4 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on May 5, 2016.

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

~~Steve Van Stockum~~ Keith Jones

Riverside County

Department of Environmental Health

9

10

11

12

13

FRANCHISEE

14

15

BY: _____

~~J. Alex Braicovich~~ Clifford Ronnenberg

~~Senior Regional Vice President~~ Chairman and

CEO

CR&R Incorporated

16

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EXHIBIT B

FRANCHISE AREA 8

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

1
2
3 **HAULER FRANCHISE AREA 8**

4 Beginning at the Southwest Corner of Section 33, T. 8 S., R. 1 E., S.B.M., Said point also being on the
5 Southerly Boundary of the County of Riverside;

6 Thence Northerly, along the West Line of Sections 33, 28, 21, 16, 9, and 4 to the Northwest Corner of
7 Section 4, Said Corner Also Being on the North Line of T. 8 S., R.1 E.;

8
9 Thence Easterly, along the North Line of Said Township, Said Line Also Being the North Line of Sections
10 4, 3, and 2, to the Southerly Quarter Corner of Section 35, of T. 7 S., R. 1 E.;

11
12 Thence Northerly, along the Center Section Line of said Section 35, to the Northerly Quarter Corner thereof;

13
14 Thence Easterly along the Northerly line of said Section Line 35, to the Southwest Corner of Section 25,
15 T. 7 S., R. 1 E.;

16
17 Thence Northerly along the Westerly Line of Said Section 25, to the Northwest Corner thereof;

18
19 Thence Easterly along the Northerly Line of Section 25, T. 7 S., R. 1 E., to the Northeast Corner thereof,
20 Said Point Also Being on the Boundary of the San Bernardino National Forest;

21
22 Thence Northerly, along Said National Forest Boundary to the Southeast Corner of Section 1, of Said T. 7
23 S., R. 1 E.,

24
25 Thence Westerly along the Southerly Line of Said Section 1, of T. 7 S., R. 1 E., to the Southwest Corner
26 Thereof;

27
28 Thence Northerly along the Westerly Line of Said Section 1, of T. 7 S., R. 1 E., to the Northwest Corner
29 Thereof;

30
31 Thence Easterly along the Northerly Line of Said Section 1, of T. 7 S., R. 1 E., to the Northeast Corner of
32 Said Section 1, Said Point Also Being on the Boundary of the San Bernardino National Forest;

33
34 Thence Northerly, along Said National Forest Boundary to the East Quarter Corner of Section 25, T. 6 S.,
35 R. 1 E.;

36
37 Thence Westerly, along Said National Forest Boundary, Also Being the Center Section Line of Said Section
38 25 and 26, to the West Quarter Corner of Section 26 of Said Township;

39
40 Thence Northerly, along Said National Forest Boundary, Also Being the West Line of Sections 26, 23, 14,
41 11, and 2 of Said Township, to a Point Being the Northwest Corner of Section 2, Said Point Also Being on
42 the North Line of T. 6 S., R. 1 E.;

43
44 Thence Easterly, along Said National Forest Boundary, Also Being the North Line of Said Section 2, Also
45 Being the North Line of T. 6 S., R. 1 E., to the Northeast Corner of Said Section;

46
47 Thence Northerly, along Said National Forest Boundary, Also Being the West Line of Sections 36, 25, and
48 24, T. 5 S., R. 1 E., to the Northwest Corner of Section 24;

1 Thence Easterly, Leaving Said National Forest Boundary, along the North Line of Section 24 of Said
2 Township, to a Point Being the Northeast Corner of Said Section, Said Point Also Falling on the West Line
3 of T. 5 S., R. 2 E.;

4

5 Thence Continuing Easterly, along the North Line of Section 19 of Said Township, to the Northeast Corner
6 of Said Section;

7

8 Thence Northerly along the East Line of Section 18, of Said Township, to the Northeast Corner of Said
9 Section;

10

11 Thence Westerly, along the North Line of Said Section 18, to a Point Being the Northwest Corner of Said
12 Section, Said Point Also Falling on the East Line of T. 5 S., R. 1 E.;

13

14 Thence Westerly, along the North Line of Section 13, of T. 5 S., R. 1 E., to the Northwest Corner thereof,
15 Said Point Also Falling on the Boundary of the San Bernardino National Forest;

16

17 Thence Northerly, along Said National Forest Boundary, Also Being the East Line of Sections 11 and 2, to
18 a Point Being the Northeast Corner of Section 2, T. 5 S., R. 1 E., Said Point Also Falling on the North Line
19 of Said Township;

20

21 Thence Continuing Northerly, along Said National Forest Boundary, Also Being the East Line of Sections
22 35 and 26, T. 4 S., R. 1 E., to the Northeast Corner of Section 26 of Said Township;

23

24 Thence Westerly, along Said National Forest Boundary, Also Being the North Line of Section 26, to the
25 Northwest Corner of Said Section;

26

27 Thence Northerly, along Said National Forest Boundary, Also Being the West Line of Section 23 of said
28 T. 4 S., R. 1 E., To the Northwest Corner thereof;

29

30 Thence Westerly along the Northerly line of Section 22 of said T. 4 S., R. 1 E, to the Northwest Corner
31 Thereof;

32

33 Thence Northerly along the Westerly Lines of Sections 15, 10 and 3 to the Northwest Corner of Section 3,
34 of Said T. 4 S., R. 1 E. said point also being on the Township Boundary;

35

36 Thence Easterly along the Northerly line of Section 3 and 2, being also the Township boundary to the
37 Southerly Quarter Corner of Section 35, of T. 3 S., R. 1. E;

38

39 Thence Northerly along the Center Section Line to the Northwest Corner of the South Half of the Southeast
40 Quarter of said Section 35;

41

42 Thence Easterly along the north line of the South Half of the Southeast Quarter of said Section, to the West
43 Line of Section 36, of said T. 3 S., R. 1. E;

44

45 Thence Northerly along the Westerly Lines of Sections 36 and 25 to the Northwest of said Section 25, T. 3
46 S., R. 1. E;

47

48 Thence Easterly along the Northerly Line of Section 25 of said T. 3 S., R. 1. E, to the Easterly boundary of
49 said Township;

50

1 Thence Continuing Easterly along the Northerly Lines of Sections 30 and 29 of T. 3 S., R. 2 E., to the
2 Northeast corner of Said Section 29;
3
4 Thence Southerly along the Easterly Line of Said Sections 29 and 32, to the Southeast Corner of Said
5 Section 32, Said point also being on the Northerly Boundary of T. 4 S., R. 2 E.;

6
7 Thence Continuing Southerly along the Westerly Line of Section 4, of Said T. 4 S., R. 2 E., to the Southwest
8 Corner Thereof;
9
10 Thence Easterly along the Southerly Line of Section 4, to the Southwest Corner of Section 3, of Said T. 4
11 S., R. 2 E.;

12
13 Thence Northerly, along the West Line of Section 3 of Said Township, to the Northwest Corner of Section
14 3, Said Point Also Falling on the North Line of T. 4 S., R. 2 E.;

15
16 Thence Easterly, along Said Township Line, Also Being the North Line of Sections 3, 2, and 1 of Said
17 Township, to a Point Being the Northeast Corner of Said Section 1, Said Point Also Being the Northeast
18 Corner of T. 4 S., R. 2 E.;

19
20 Thence Southerly, along the Line common to T. 4 S., R. 2 E. and T. 4 S., R. 3 E., to the Northwest Corner
21 of Section 18, of T. 4 S., R. 3 E.;

22
23 Thence Easterly, along the Northerly Lines of Sections 18, 17, 16, 15, 14, and 13 of Said T. 4 S., R. 3 E.,
24 to the Easterly Boundary of said Township, Said Point Also Being the on the Boundary of the San
25 Bernardino National Forest;

26
27 Thence Southerly, along Said National Forest Boundary Line, Also Being the East Line of T. 4 S., R. 3 E.,
28 to the Southeast Corner of Said Township;

29
30 Thence Continuing Southerly, along Said National Forest Boundary, Also Being the West Line of T. 5 S.,
31 R. 4 E., to the Southwest Corner of Said Township;

32
33 Thence Easterly, along Said National Forest Boundary, Also Being the North Line of T. 6 S., R. 4 E., to the
34 Northeast corner of said T. 6 S., R. 4 E.;

35
36 Thence Southerly, along Said National Forest Boundary, Also Being the Palm Springs City Limits
37 Boundary, to the Southwest Corner of Section 7, T. 6 S., R. 5 E.;

38
39 Thence Easterly, along Said National Forest Boundary, Also Being the Palm Springs City Limits Boundary,
40 to the Southeast Corner of Section 7 of Said Township;

41
42 Thence Southerly, along the Westerly Lines of Sections 17 and 20 of T. 6 S., R. 5 E., to the Southwest
43 Corner of Section 20 of Said Township;

44
45 Thence Easterly, along the Southerly Line of Section 20, To the Southeast Corner Thereof, said point also
46 being the Northwest Corner of Section 28, of T. 6 S., R. 5 E.;

47
48 Thence Southerly, along the Westerly Line of Said Section 28 to the Southwest Corner Thereof;

49
50 Thence Easterly, along the Southerly Line of Section 28, to the Southeast Corner of Said Section 28, of T.6
51 S., R. 5 E.;

1
2 Thence Northerly along the Westerly Lines of Sections 27 and 22 of said Township, to the
3 Southwest Corner of Section 15 of said T. 6 S., R. 5 E;
4
5 Thence Easterly along the Southerly line Section 15, to the Southeast Corner Thereof;
6
7 Thence Northerly along the Easterly Line of Section 15 to the Northeast Corner of Said Section, said point
8 also being the Northwest Corner of Section 14 of Said T. 6 S., R. 5 E.;

9
10 Thence in a general Southeasterly direction, in a straight line, to the Northeast Corner of Section 24 of T. 6
11 S., R. 5 E;
12
13 Thence Southerly along the Easterly Line of Section 24, said Line also Being the Westerly Line of T. 6 S.,
14 R. 6 E., to the Northwest Corner of Section 30, of said T. 6 S., R. 6 E.;

15
16 Thence Easterly, along the North Line of Section 30, T. 6 S., R. 6 E., to the Point of Intersection with the
17 Easterly Right of Way Line of State Highway 74, Also Known as Pines to Palms Highway;

18
19 Thence Northerly, along the Easterly Right of Way of Said State Highway 74 Through its Various Courses
20 to the Point of Intersection with the North Line of Section 19, T. 6 S., R. 6 E.;

21
22 Thence Easterly, along the North Line of Sections 19, 20, 21, 22, and 23 to a Point Being the Northeast
23 Corner of Section 23 of Said Township, Said Point Also Falling on the La Quinta City Limits Boundary;

24
25 Thence Southerly, along the Westerly Lines of Sections 24 and 25, to the Southwest corner of Section 25
26 of said Township;

27
28 Thence Easterly, along the South Line of Section 25, of T. 6 S., R. 6 E., to the Westerly line of T. 6 S., R.
29 7 E.;

30
31 Thence Southerly along the Westerly line of said T. 6 S., R. 7 E., to the Southwest Corner of said Township;

32
33 Thence Easterly along the Southerly Line of Said T. 6 S., R. 7 E., said line also being the Northerly line of
34 Section 6 of T. 7 S., R. 7 E., to the Northeast Corner of Section 6, of T. 7 S., R. 7 E.;

35
36 Thence Southerly, along the East Line of Section 6 to the Southeast Corner of Said Section;

37
38 Thence Easterly, along the North Line of Sections 8 and 9 to the Northeast Corner of Section 9;

39
40 Thence Southerly, along the East Line of Section 9 and 16, T. 7 S., R. 7 E., To the Southeast Corner of Said
41 Section 16;

42
43 Thence Easterly, along the North Line of Sections 22 and 23 of Said Township, to the Northeast Corner of
44 Said Section 23;

45
46 Thence Southerly, along the East Line of Sections 23, 26 and 35, to the Southeast Corner of Section 35,
47 Said Point Also Falling on the North Line of T. 8 S., R. 7 E.;

48
49 Thence Easterly, along the North Line of Section 1, Said Line Also Being the North Line of T. 8 S., R. 7
50 E., to the Northeast Corner of Section 1, Said Point Also Being the Northeast Corner of Said Township;

51

1 Thence Southerly, along the East Line of Sections 1, 12 and 13, Said Line Also Being the Westerly Line of
2 T. 8 S., R. 8 E. To the Northwest Corner of Section 18, of said T. 8 S., R. 8 E;
3
4 Thence Easterly, along the North Line of Section 18 of Said Township, to the Northeast Corner of Said
5 Section;
6
7 Thence Southerly, Along the East Line of Sections 18 and 19, T. 8 S., R. 8 E., to the Southeast Corner Of
8 Section 19, said point also being the Northwest Corner of Section 29, T. 8 S., R. 8 E.;;
9
10 Thence Easterly, along the North Line of Section 29 to the Northeast Corner Thereof;
11
12 Thence Southerly, along the East Line of Sections 29 and 32, to the Southeast Corner of Section 32, Said
13 Point Also Falling on the South Line of T. 8 S., R. 8 E., Said Line Also Being the Southerly Boundary of
14 the County of Riverside;
15
16 Thence Westerly, along Said Southerly County Boundary, through all its various courses to the Southeast
17 Corner of Section 33 of T. 8 S., R. 1 E., being also the Point of Beginning.
18
19 Any parcel not included entirely within the above described boundary, shall be considered inside, if a
20 dwelling unit is within the boundary.
21

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EXHIBIT DC

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the District DWR reserve the right to request additional information as necessary to meet their needs, including but not limited to the AB 939 reporting requirements and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Pine Needles and Slash - All pine needles and slash collected as the Idyllwild brush collection center.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit ~~all~~ completed ticket transactions to the District DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the District DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the District DWR and placed on Franchisee's monthly billing, for each day' delinquencies as described in the CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No. 1.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary ~~Summary~~ reports
2. ~~Equipment inventory~~
3. ~~Future programs~~
2. Litigation information Education and Outreach
3. Service Performance

1 4. Container contamination monitoring

2
3 **Collection ~~Information~~ Summary**

4
5 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material
6 collected by month and the number of accounts serviced monthly. The quantities of solid waste, ~~recyclables~~
7 ~~and green waste~~ and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
8 tonnage information is not available). The Department may, at its discretion, also require reporting by
9 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
10 information such as density factors.

11
12 **Education and Outreach**

13
14 The Franchisee shall submit copies of public education materials sent to customers or provided
15 electronically on their websites or social media outlets.

16 **Service Performance**

17
18 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
19 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
20 shall identify the total number of all written or oral Customer comments and shall provide the number of
21 comments received in the following categories: praises, litter or property damage complaints, misplacement
22 of containers, stolen containers, personnel complaints, missed pickups, and other.

23
24 **Container Contamination Monitoring**

25
26 The Franchisee shall provide a summary of container contamination monitoring activities including
27 information on efforts to minimize container contamination. When applicable a separate detailed report
28 shall be provided to the Department identifying sites that are out of compliance and require additional
29 enforcement by the County.

30
31 **~~Program Implementation~~**

32
33 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
34 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
35 ~~resolutions and schedule for correcting the problem.~~

36
37 **4. ANNUAL REPORTS**

38
39 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
40 Franchisee will be responsible for providing the following reports:

- 41
42 1. Summary reports
43 2. Equipment inventory
44 3. Program implementation
45 ~~3.4.~~ Future programs
46 5. Litigation information
47 ~~4.6.~~ Education and Outreach

48
49 **Summary Reports**

1
2 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
3 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
4 provided shall include quantities of materials collected, and if processed by non-system facilities, the
5 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
6 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
7 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
8 experiences, and any problems in program operation and how they were resolved.
9

10 **Equipment Inventory**

11
12 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
13 The inventory list shall indicate the age of the equipment.
14

15 Program Implementation

16
17 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
18 for the quarter/year. The report shall address how the problems and barriers were overcome or the proposed
19 resolutions and schedule for correcting the problem.
20

21 **Future Programs**

22
23 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
24 but have not been planned for.
25

26 **Litigation Information**

27
28 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
29 against the parent company and all subsidiaries of parent company that may have an effect on the
30 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.
31

32 Education and Outreach

33
34 The Franchisee shall submit copies of public education materials sent to customers or provided
35 electronically on their websites or social media outlets.

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EXHIBIT FD

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

~~All Rate adjustments must receive approval by the Board of Supervisors following public hearings.~~

1.3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates ~~provided-referenced in Exhibit ESection 1~~ shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st ~~with the first such adjustment occurring July 1, 1999~~. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario-Los Angeles/Anaheim/Riverside Metropolitan Area or equivalent successor index, (1982-84=100), as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). ~~For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service.~~ Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year, January through December. The first adjustment shall be effective July 1, 1999, based upon changes in the consumer Price Index formula for the period January 1998 through December 1998. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. ~~District-DWR~~ direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

For services associated with Residential Parcel Fees associated with Riverside County Ordinance No. 769, adjustments to the parcel fee charges will be submitted as per the processes required under that Ordinance using the above criteria. All other rate adjustments shall be governed by the terms and processes described in this exhibit.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. ~~Revisions~~ to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

1
2
3 **~~2. PERIODIC RATE ADJUSTMENT MECHANISM~~**
4

5 ~~The Department reserves the right to review the Franchisee's rates every three years from the effective date~~
6 ~~of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in~~
7 ~~comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that the~~
8 ~~Department makes such a determination the Franchisee's rates may be adjusted to any level at or above the~~
9 ~~average rates in the comparable jurisdictions.~~

10
11 **3.4. EXTRAORDINARY RATE REVIEW**
12

13 A. The Director or Franchisee may initiate a special rate review by the Department should an
14 extraordinary event or circumstance arise which has a significant impact on the economic operation
15 of the Franchisee or the rates charged to customer as follows:
16

17 1. Revenue or waste volumes do not meet the projections upon which the franchise rates were
18 negotiated, including Franchise Area waste volume, exclusive of Pine needles and recyclables,
19 in volume significantly greater or less than 15250 tons per year or Pine Needles in volume
20 significantly greater or less than 2380 tons per year.

21 ~~2.~~
22 3.2. An event or circumstance (including changes in law) occurs which is beyond the control of
23 Franchisee or County.
24

25 4.3. Changes to operations mandated by the County or proposed by Franchisee and approved by the
26 County.
27

28 ~~5. Any change in disposal/Green Waste tip fees.~~
29

30 6.4. The ~~District~~ DWR directs Franchisee to use a different System Facility for more than thirty (30)
31 days that involves a change in round trip time or distance.
32

33 7.5. The County modifies the franchise fee.
34

35 8.6. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
36

37 9.7. Significant increases in the number of customer accounts due to development or growth.
38

39 10.8. Other circumstances at the discretion of the Director or the Board of Supervisors.
40

41 B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which
42 warrant consideration of a special rate review, as specified above, will be reviewed and considered.
43

44 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
45 operational information at least three months prior to the proposed effective date of any rate
46 adjustment.
47

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #8

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EXHIBITS

A. SERVICES

B. FRANCHISE AREA

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1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND CR&R INCORPORATED
4 FOR THE COLLECTION AND TRANSPORTATION
5 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
6

7 This Franchise Agreement ("Franchise Agreement") by and between the County of Riverside
8 ("County") and CR&R Incorporated ("Franchisee"), for the Collection and transportation of Solid Waste,
9 Recyclable Materials, Organic Waste, and construction debris and other specified services, originally
10 entered into on June 20, 1997, and most recently amended on May 5, 2016, is hereby amended and
11 restated on December 7, 2021.
12

13 **RECITALS**
14

15 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
16 Ordinance 745 the County of Riverside ("County") has determined that the public health, safety, and well-
17 being requires that an Exclusive Franchise be awarded to a qualified enterprise for waste management
18 services for residential, commercial, and industrial customers in the County of Riverside; and
19

20 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
21 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
22 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
23 recovery and disposal; and
24

25 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
26 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
27

28 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
29

30 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
31

32 **A. Representations and Warranties of Franchisee.**
33

34 Franchisee hereby makes the following representations and warranties for the benefit of the County as
35 of the date of this Agreement.
36

- 37 1) Franchisee is duly organized and validly existing as a corporation in good standing under
38 the laws of the State of California.
39
- 40 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
41 Agreement, and has duly authorized the execution and delivery of this Agreement.
42
- 43 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
44 Franchisee to do so, and this Agreement has been duly executed and delivered by
45 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
46 against Franchisee in accordance with its terms.
47
- 48 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
49 court or governmental entity against Franchisee or affecting Franchisee, wherein an
50 unfavorable decision, ruling or finding would adversely affect the validity or enforceability

1 of this Agreement, or which would have a material adverse effect on the financial condition
2 of Franchisee.
3

- 4 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
5 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
6 parent company's financial circumstances since the date of the most recent financial
7 statements submitted to the Environmental Health Department ("Department"). Prior to
8 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
9 most recent annual financial statements. The Department may at its discretion specify the
10 contents and form of such statements. The Director may inspect the financial records of
11 the Franchisee at any reasonable time for any reasonable purpose relevant to the
12 performance of this contract.
13
- 14 6) Franchisee has the expert, professional, and technical capability to perform all of its
15 obligations under this Agreement.
16

17 **B. Representations and Warranties of the County.**
18

19 Prior to commencement of any services hereunder, the County hereby makes the following
20 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
21

- 22 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
23 This Agreement constitutes the legal, valid and binding Agreement of the County and is
24 enforceable against the County in accordance with its terms.
25
- 26 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
27 County before any court or governmental entity wherein an unfavorable decision, ruling or
28 finding would adversely affect the validity or enforceability of this Agreement.
29

30 **SECTION 2. DEFINITIONS**
31

32 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
33 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
34 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
35 Agreement. In the event of conflict between the definition of a term as found in the California Public
36 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
37 supersede the definition found in the Public Resources Code or in County ordinances.
38

39 A. Agreement means this Agreement between the County and Franchisee for the Collection and
40 transportation of Solid Waste and other specified services, including all exhibits, and any future
41 amendments.
42

43 B. Basic Level of Service means the provision by the franchisee, and use by residential customers,
44 of Community Drop off centers and collection centers as herein defined as the primary method for
45 residential waste collection within the franchise.
46

47 C. Bins mean those containers provided by Franchisee for optional residential, commercial,
48 industrial, construction, and multi-residential and "Basic level of Service" uses. Bins are of two types: (i)
49 Bins (generally 2 to 6 cubic yards in size) which are picked up by refuse trucks by means of front loading
50 apparatus; and (ii) Rolloff Bins (generally 10 to 40 cubic yards in size) which are picked up by trucks using
51 rear loading winches onto rails.

1
2 D. Board means the Riverside County Board of Supervisors.
3

4 E. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
5 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
6 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
7 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
8 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
9 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
10 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
11 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
12 Persons.
13

14 F. Collection means Collection of Solid Waste, recyclable material, or other material specified in
15 this Agreement and its transportation to an appropriate Solid Waste Facility.
16

17 G. Collection Center means permitted intermediate waste handling facilities where Solid Wastes
18 are deposited by residents and collected for transportation to a disposal site, Solid Waste processing facility
19 or other facilities.
20

21 H. Commercial Units mean all commercial, industrial, institutional, agricultural or other facilities,
22 except residential and Multi-Residential Units. Agricultural units which require less than 1 ½ cubic yards
23 disposal capacity per week shall not be deemed commercial units.
24

25 I. Community Drop-Off Centers refer to sites located within and adjacent to the residential
26 communities within which the franchisee has located bins for express use by the residents within those
27 communities.
28

29 J. Complusory Collection Areas mean specific portions or areas of the County designated by an
30 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
31 commercial units are required to subscribe to refuse collection service.
32

33 K. County means the County of Riverside, State of California.
34

35 L. Department means the Riverside County Department of Environmental Health.
36

37 M. Director means the Director of the Riverside County Department of Environmental Health or
38 their designee.
39

40 N. Diversion (or any variation thereof including "Divert") means activities which reduce or
41 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
42 recycling, and composting.
43

44 O. Effective Date means the date on which this Agreement becomes effective, which shall be the
45 date it is executed by the Board of Supervisors.
46

47 P. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
48 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
49 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
50 B.

1
2 Q. Franchise Area means the geographic territory defined in Exhibit B.
3

4 R. Generator means the owner or occupant of premises, including residences or businesses, which
5 initially produces Solid Waste, Recyclable Materials, or Organic Waste.
6

7 S. Green Waste means organic waste generated from any landscaping including grass clippings,
8 leaves, prunings, tree trimmings, weeds, branches, and brush.
9

10 T. Gross Receipts mean all monies received by Franchisee for providing franchise services
11 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
12 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
13 accounts. Gross Receipts does not include uncollectible accounts, landfill disposal components,
14 transportation components and pass through costs collected on behalf of State or other governmental
15 agencies.
16

17 U. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
18 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
19 of the following:

- 20 1) Rural, sparsely populated areas,
- 21 2) Hilly or mountainous terrain,
- 22 3) Poorly paved or unpaved roads which may be impassable in poor weather,
- 23 4) Large, uninhabited areas between pockets of customers,
- 24 5) Unusually heavy waste due to large properties, livestock, etc.
- 25 6) Limited access on a private street or alley.

26 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
27 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
28 "Hard to Service"
29

30 V. Integrated Waste Management Act (IWMA) means the California Integrated Waste
31 Management Act of 1989 (AB 939), including all subsequent amendments.
32

33 W. Multi-Residential Units mean permanent buildings containing five or more Residential Units
34 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
35 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
36

37 X. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
38 wood waste, and food-soiled paper waste that is mixed in with food waste.
39

40 Y. Recyclable Materials mean material which has been segregated from other Solid Waste material
41 for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass, cardboard,
42 plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
43 Recyclables consisting of two or more of the above-referenced material types separated from non-
44 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
45 than five (5) percent Solid Waste by weight.
46

47 Z. Residential Unit means an occupied dwelling within the unincorporated area of the County
48 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
49 or domestic light and power services are being supplied thereto. This definition shall apply also to

1 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
2 two (2) attached Residential Units.
3

4 AA. Small Quantity generator shall mean a Commercial unit that generates no more than 2 cubic
5 yards of waste per week.
6

7 BB. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
8 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
9 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste
10 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
11 Waste, Recyclable Materials or Organic Waste.
12

13 CC. Term. means the Term of this Agreement, as provided for in Section 3.
14

15 DD. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee
16 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
17 to specified System Facilities and kept on file with the DWR.
18

19 EE. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
20 discarded processed wood materials, and large tree limbs.
21

22 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE 23

24 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
25 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
26 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
27 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
28 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
29 purposes.
30

31 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
32 hereby agrees to provide the services set forth in Exhibit A of this Agreement within the portion of the
33 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
34 forth below.
35

36 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
37 the Exclusive Franchise, to the extent provided for in state and federal law.
38

39 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
40 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
41 provided in Sections 9 and 10 hereof.
42

43 D. Franchisee will commence services under this Agreement on January 1, 2022.
44

45 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
46 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
47 taken.
48
49
50

1 **SECTION 4. FRANCHISE AREA**

2
3 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated
4 Riverside County defined in Exhibit B, "Franchise Area."
5

6 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE**

7
8 A. General.
9

10 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
11 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which
12 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
13 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
14 Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels of Solid Waste service to
15 be provided under this Agreement are defined below, however, no residential or commercial or business
16 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
17 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
18 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
19 provisions of Section 16 (B) (2) related to "service complaints."
20

21 B. Single Family Residential.
22

23 Basic Level of Service. Not less often than once per week, and more frequently as required to handle
24 the waste stream from residential units, Franchisee shall collect the Solid Waste and Recyclable Materials
25 (except Bulky Wastes, Hazardous Wastes and other waste requiring special handling) which have been
26 placed, kept, or accumulated in containers at Collection Centers (Transfer Stations) or Community Drop-
27 off Centers within the Franchise Area. Franchisee may negotiate special pickup procedures, (outlined in
28 Exhibit "A") above and beyond the normal services described above, with customers for an additional fee
29 in an amount provided in Exhibit D.
30

31 C. Commercial, Industrial, and Multi-Residential.
32

33 Services are designated as mandatory for these customers under the conditions established under
34 Ordinance No 745, and are subject to the enforcement conditions therein included.
35

- 36 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
37 if required to handle the waste stream of the premises where the Bins are located,
38 Franchisee shall collect the Solid Wastes (except Bulky Wastes, Hazardous Wastes and
39 other waste requiring special handling) which have been placed, kept or accumulated for
40 Collection in Solid Waste Bins at Multi- Residential Units.
41
- 42 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
43 frequently if required to handle the waste stream of the premises where the Bins are located,
44 Franchisee shall collect the Solid Wastes (except Bulky Wastes, Hazardous Wastes and
45 other waste requiring special handling) which have been placed, kept or accumulated for
46 Collection in Solid Waste Bins at Commercial Units.
47
- 48 3) Small Quantity Generators. Upon approval of the franchisee, two or more small quantity
49 generators may share waste collection bins, subject to the criteria noted in "1" and "2"
50 above. Approval for shared bins by small quantity generators shall not be unduly withheld

1 by the franchisee. A determination of non-approval for such a request is subject to review
2 by the Director.
3

- 4 4) Commercial Can Service. In special case where there is not appropriate space on site or
5 with neighboring businesses for the placement of commercial bins, the franchisee may
6 allow Commercial can service to satisfy the requirement of refuse removal service. The
7 franchisee shall supply each business that subscribes to this service with up to three (3) 32
8 gallon sized roll-carts for storage of solid waste using the rates reflected in Exhibit E
9

10 D. Construction and Temporary Bin/Rolloff Services.
11

12 Franchisee shall provide construction and temporary bin/rolloff services outlined in Exhibit A using
13 rates established per Exhibit D.
14

15 E. Bulky Wastes Collection.
16

- 17 1) Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service
18 arranged at the request of the customer for large household appliances or furniture or
19 multiple smaller items not exceeding one and one-half cubic yards. Collection of heavy
20 waste materials such as dirt, rock, concrete, and asphalt are not included in this service.
21 Franchisee shall advertise the availability of the Bulky Wastes Collection service and shall
22 provide the Bulky Waste Collection service within fifteen (15) working days of request by
23 customer unless there is insufficient demand to warrant collection in which case service
24 shall be provided in no less than thirty (30) working days. Franchisee shall bill the
25 customer for Bulky Waste Collection at the rate established in Exhibit E. Disposal rates at
26 the system facilities shall be as stated in Section 5 of the Waste Delivery Agreement
27 excepting special handling charges as required by the Riverside County Waste Resources
28 Management District.
29
30 2) Collection of heavy waste materials such as dirt, rock, concrete, and asphalt shall be
31 handled as per construction and demolition efforts as described in Exhibit A and charged
32 as outlined in Exhibit E.
33

34 F. Collection and Equipment
35

36 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
37 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
38 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
39 inspection at the request of the Department.
40

- 41 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
42 the Department of Motor Vehicles of the State of California, shall be kept clean and in
43 good repair, and shall be uniformly painted.
44
45
46 2) A local or toll free telephone number, and vehicle number shall be clearly visibly displayed
47 on all required vehicles.
48
49
50
51

1 **SECTION 6. OWNERSHIP OF SOLID WASTE**

2
3 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
4 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
5 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
6 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
7 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
8 Franchisee.
9

10 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**

11
12 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
13 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
14 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
15 Delivery Agreement to be effective on the same date as this Agreement.
16

17 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

18
19 A. Indemnification of County.

20
21 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
22 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
23 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
24 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
25 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
26 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
27 reasonable costs and expenses of investigating and defending against same; provided, however, that
28 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
29 negligence or misconduct of County or their agents, officers, or employees.
30

31 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
32 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
33 survive the term of the franchise.
34

35 B. Hazardous Substances Indemnification.

36
37 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
38 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
39 counsel approved by County, protect and hold harmless County and their respective employees, agents,
40 assigns, and any successor or successors to County's interest from and against all claims, actual damages
41 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
42 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
43 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
44 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
45 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
46 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
47 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
48 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
49 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
50 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
51 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental

1 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
2 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.

3
4 C. Minimum Diversion Requirements

5
6 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
7 California Public Resources Code, Section 41780 and any other current or future California Statute that
8 requires the County to divert material from landfills. In the event that the State of California alters the
9 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
10 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
11 associated with any additional recycling programs.

12
13 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
14 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
15 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
16 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
17 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
18 against any third party as a means of meeting its obligation under this section.

19
20 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
21 by the Director as set forth in Section 9.A. of this agreement.

22
23 D. Worker's Compensation Insurance.

24
25 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
26 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
27 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
28 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
29 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
30 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
31 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
32 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
33 arise from work performed by the named insured for the County.

34
35 E. Public Liability Insurance.

36
37 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
38 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
39 six million dollars (\$6,000,000.00) aggregate and three million dollars (\$3,000,000.00) per occurrence for
40 bodily injury and property damage. Said insurance shall protect Franchisee, the County, and their elected
41 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
42 accidental death, as well as from any claim for property damage which may arise from operations performed
43 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
44 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
45 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
46 of the insurance policies required by this Section:

- 47
48 1) "This policy shall be considered primary insurance as respects any other valid and
49 collectible insurance the County may possess including any self-insured retention the
50 County may have, and any other insurance the County does possess shall be considered
51 excess insurance and shall not contribute with it."

- 1
2 2) "This insurance shall act for each insured, as though a separate policy had been written for
3 each. This, however, shall not act to increase the limit of liability of the insuring company."
4
5 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
6 certificate(s) of insurance showing that such insurance is in full force and effect, and
7 County are named as additional insureds with respect to this Franchise and the obligations
8 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
9 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
10 modification, cancellation or reduction in coverage of such insurance. In the event of any
11 such modification, cancellation or reduction in coverage and on the effective date thereof,
12 this Franchise shall terminate forthwith, unless County receive prior to such effective date
13 another certificate from an insurance carrier that the insurance required herein is in full
14 force and effect.
15

16 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
17 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
18 shall be named as additional insureds on all policies and endorsements.
19

20 F. Performance Bond or Letter of Credit.
21

22 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
23 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
24 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
25 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
26 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
27 California.
28

29 G. Modification.
30

31 The insurance requirements provided herein may be modified or waived in writing by the Board upon
32 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
33 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
34 provided by the parent company of Franchisee.
35

36 **SECTION 9. DEFAULT AND REMEDIES**
37

38 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
39 breached its obligation, the provisions of this Agreement, the requirements of CalRecycle, including, but
40 not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
41 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
42 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Waste and other
43 wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies. The
44 Director may, in such written instrument, set a reasonable time within which correction of all such
45 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
46 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
47 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
48 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
49 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
50 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
51 below.

1
2 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
3 perform its obligations under this Agreement.
4

5 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
6 therefor, not sooner than 6 months following the date of said hearing at which a majority vote of the board
7 determines it is in the public interest to do so:
8

- 9 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 10 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
11 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 12 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
13 compensation, liability, indemnification coverage, and performance bond as required by
14 the Agreement.
- 15 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
16 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
17 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
18 which case no breach of the franchise shall be deemed to have occurred.
- 19 5) If the Franchisee ceases to provide Collection services as required under this Agreement
20 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
21 for any reason within the control of the Franchisee.
- 22 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
23 refuses to provide County with required information, reports, and/or test results in a timely
24 manner as provided in the Franchise Agreement.
- 25 7) For any other act or omission by the Franchisee which materially violates the terms,
26 conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other
27 county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation
28 issued thereunder and which is not corrected or remedied within the time set in the written
29 notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach
30 within the time set forth in such notice, if the Franchisee should fail to commence to correct
31 or remedy such violation within the time set forth in such notice and diligently effect such
32 correction or remedy thereafter.
- 33 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
34 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
35 related to the performance of this Agreement, or of felonious conduct related to anti-trust
36 activities, illegal transport or disposal of hazardous waste or materials, or violation of
37 Racketeer - Influenced Corrupt Organizations (RICO) Statutes
38
39

40
41
42
43
44
45
46 D. Professional Conduct
47

- 48 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
49 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
50 court in the United States, or is otherwise alleged to have participated in any criminal
51 activity directly or indirectly associated with the solid waste management business,

1 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
2 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
3 description of the indictment, complaint or allegation, as well as a copy of such indictment
4 or complaint or other matters of public record related thereto. In addition to the foregoing,
5 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
6 required to be prepared by Franchisee or its successor-in-interest pursuant to federal
7 securities laws, including quarterly and annual reports.
8

- 9 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
10 interest, who has any responsibility for any aspect of the franchisee's operations under this
11 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
12 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
13 conduct of doing business for Franchisee or its successor-in-interest, this person shall,
14 upon request of the County be immediately removed from any assignment whatsoever,
15 directly associated with operations under this contract during the pendency of trial and/or
16 following conviction.
17

18 E. This Agreement is subject to all present and future laws, regulations and orders of Federal, State,
19 County, and City governments and any instrumentalities thereof. Should either of the parties hereto at any
20 time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or orders,
21 to do any act that substantially impairs the party's ability to perform under this Agreement, then such party
22 shall notify the other party of such order or requirement and the law, regulation or order on which such
23 order or requirement is based. Unless the parties agree in writing to continue this Agreement or to
24 renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order becomes
25 effective, then this Agreement shall terminate on the thirty-first day following the date said law, regulation
26 or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's sole
27 expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
28 restrict either party's right to legally contest the validity of such law, regulation or order.
29

30 SECTION 10. DISRUPTIONS IN SERVICE

31
32 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
33 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
34 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
35 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
36 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
37 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
38 by such conditions with an estimate of when service will be resumed.
39

40 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
41 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
42 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
43 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
44 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
45 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
46 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
47 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
48 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
49 County's sole negligence in providing such substitute service. Employees of Franchisee, including
50 management employees, may be employed by County during any period in which County temporarily
51 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to

1 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
2 between Franchisee and its employees at the time Franchisee's service was interrupted.
3

4 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
5 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
6 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
7 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
8 be primarily reserved for use by County access while County or its designated representative is performing
9 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
10 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
11 accordance with the provisions of this Agreement.
12

13 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES 14

15 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
16 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
17

18 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
19 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
20 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
21 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
22 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
23 Arbitration and Mediation Services.
24

25 C. The hearing shall be conducted according to the provisions of California Government Code Section
26 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
27 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
28 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
29 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
30 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
31 reasonably related to the seriousness of the breach of the Agreement.
32

33 D. The party losing the hearing shall be liable for the hearing officer's fees.
34

35 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
36 a material breach of the Agreement, and may be grounds for termination of the Agreement.
37

38 F. Any party to the hearing may issue a request to compel reasonable document production from the
39 other party. Disputes concerning the scope of document production and enforcement of document requests
40 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
41 document request, then by disposition by order of the hearing officer. Any such document request shall be
42 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
43 procedures to protect such rights.
44

45 G. Neither party may communicate separately with the hearing officer after the hearing officer has
46 been selected. All subsequent communications between a party and a hearing officer shall be
47 simultaneously delivered to the other party. This provision shall not apply to communications made to
48 schedule a hearing or request a continuance.
49

50 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
51 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any

1 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
2 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
3 the party subject thereto acted with substantial justification or if the interests of justice so require.
4

5 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
6

7 **SECTION 12. FRANCHISE TRANSFERABILITY** 8

9 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
10 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
11 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
12 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
13 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
14 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
15 such a request using such criteria as it deems necessary including, but not limited to, those listed in
16 Subsection C.
17

18 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
19 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
20 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
21 this Agreement.
22

23 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
24 meet the following requirements:
25

- 26 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
27 investigation costs necessary to investigate the suitability of any proposed transferee, and
28 to review and finalize any documentation required as a condition for approving any such
29 transfer.
30
- 31 2) The Franchisee shall furnish the County with audited financial statements of the proposed
32 transferee's operations for the immediately preceding three (3) operating years.
33
- 34 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
35 transferee has at least five (5) years of solid waste management experience of a scale equal
36 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
37 that in the last five (5) years, the proposed transferee has not suffered any citations or other
38 censure from any federal, state or local agency having jurisdiction over its waste
39 management operations due to any significant failure to comply with state, federal or local
40 waste management laws. Franchisee shall supply the County with a complete list of such
41 citations and censures; (iii) that the proposed transferee has at all times conducted its
42 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
43 transferee conducts its solid waste management practices in accordance with sound waste
44 management practices in full compliance with all federal, state and local laws regulating
45 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
46 insurance and bonds; and (vii) of other material as may be requested by the County.
47

48 This franchise may not be transferred, sold, hypothecated, leased, or assigned by the
49 County without the prior written consent of the Franchisee, which consent shall not be
50 unreasonably withheld. The foregoing is not intended to prevent the County from

1 exercising its right to terminate the agreement consistent with Section 3, and for the County
2 to seek a new franchisee at the expiration of this Agreement.

3
4 **SECTION 13. REPORTS**

5
6 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
7 recovery and disposal specified in Exhibit C of this Agreement.

8
9 B. Franchisee shall make its customer base and records available to the Department for audit at
10 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
11 Agreement.

12
13 **SECTION 14. COMPENSATION**

14
15 A. Franchisee Rates.

16
17 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
18 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
19 are included in this Exclusive Franchise to the extent provided in state and federal law.

20
21 B. Payment by the County for Basic Service.

22
23 The County shall reimburse the Franchisee quarterly from the funds received in accordance with
24 Ordinance No. 769. A parcel report shall be submitted to the franchisee with the County's payment
25 providing detail of the payment received by parcel.

26
27 C. Modification and Adjustment of Rates.

28
29 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
30 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
31 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
32 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
33 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
34 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
35 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.

36
37 D. Notice of Rate Changes

38
39 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
40 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
41 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
42 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
43 Franchisee with written notice of changes in System Facility, Franchise, or Illegal Dumping Retrieval
44 Services at least forty-five (45) days in advance of the anticipated rate changes.

1 E. Resolution of Disputes Regarding Rate Adjustments
2

3 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
4 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
5 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
6 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
7 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
8 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
9 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate. Any
10 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
11 County's Compulsory Collection ordinance.
12

13 F. Billing and Payment.
14

15 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
16 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
17 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
18 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
19 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
20 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
21 of Franchisee's billing dates.
22

23 G. Delinquent Accounts.
24

25 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
26 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
27 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
28 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
29 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
30 Franchisee operating in a Compulsory Collection area shall be subject to all applicable provisions in the
31 Compulsory Collection ordinance.
32

33 H. Refunds.
34

35 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
36 such customer for service not provided when service is discontinued by written notification to Franchisee
37 by the customer.
38

39 **SECTION 15. FRANCHISE FEES**
40

41 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
42 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
43 effect. The Franchise Fee shall not be required to be paid for the collection or sale of Recyclable Materials
44 and Organic Waste collected by the Franchisee,. A penalty of ten (10) percent shall be due for fees not
45 submitted within the thirty (30) day time period.

1
2 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
3 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
4 accordance with Exhibit D.
5

6 **SECTION 16. OTHER REQUIREMENTS**
7

8 A. Privacy
9

10 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
11 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
12 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
13 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
14 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
15 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
16 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
17 that Franchisee may provide such lists to authorized employees and authorized representatives of the
18 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
19 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
20

21 B. Public Access to the Franchisee
22

- 23 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00 a.m. to 5:00
24 p.m. Monday through Friday. A representative of Franchisee shall be available during
25 office hours for communication with the public at Franchisee's principal office. In the
26 event that normal business cannot be conducted over the telephone, a representative of
27 Franchisee shall agree to meet with the public at a location agreeable to Franchisee and the
28 public. Normal office hours telephone numbers shall either be a local or toll free call.
29 Franchisee shall also maintain a local or toll free after-hours telephone number for use
30 during other than normal business hours. Franchisee shall have a representative or
31 answering device or system available at said after-hours telephone number during all hours
32 other than normal office hours.
33
- 34 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
35 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
36 Person, by close of business of the second business (waste Collection) day following the
37 date on which such complaint is received. Service complaints may be investigated by the
38 Director or a designee. Franchisee shall maintain records listing the date of customer
39 complaints, the customer, describing the nature of the complaint or request, and when and
40 what action was taken by the Franchisee to resolve the complaint. All such records shall
41 be maintained and shall be available for inspection by County.
42
- 43 3) Government Liaison Person. The Franchisee shall designate a "government liaison
44 Person" who shall be responsible for working with the Department to resolve customer
45 complaints.
46
47

1 C. Resolution of Disputed Customer Complaints.
2

3 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
4 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
5 Procedures for resolution of disputed claims shall be as follows:
6

- 7 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
8 County to review the complaint. To obtain this review, the customer may request County
9 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
10 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
11 has failed to respond to the complaint. The County may extend the time to request its
12 review for good cause.
13
14 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
15 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
16 customer's complaint and determine if further action is warranted. The Director may
17 request written statements from the Franchisee and customer, and/or oral presentations.
18
19 3) The Director shall determine if the Customer's complaint is justified, and if so, what
20 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
21 of customer charges related to the period of breach of any of the terms of this Franchise
22 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
23 addition to any actual damages.
24
25 4) The Director may delegate these duties to a designee. The decision of the Director or a
26 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
27 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
28 may seek review pursuant to Section 11 above.
29

30 D. Hazardous Materials and Waste Handling and Disposal
31

32 The Franchisee shall comply with the procedures detailed in State Law.
33

34 **SECTION 17. FORCE MAJEURE**
35

36 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so long as,
37 it is impossible or extremely impractical for it to perform its obligations in whole or in part for any of the
38 following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the Solid
39 Waste facilities used by Franchisee:

- 40 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
41 earthquakes, tornados, or other catastrophic events;
42 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
43 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
44 other event leading to the imposition of quarantines, travel or movement restrictions, social
45 distancing, or public health advisories restricting large gatherings;
46 D. Accident or other catastrophic event including fire or explosion;
47 E. Strikes and labor disputes;

- 1 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
2 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
3

4 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
5 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
6 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
7 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
8 Franchisee intends to take to restore its ability to perform, and such other information as the County may
9 reasonably request.
10

11 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
12 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
13 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
14 Franchisee.
15

16 SECTION 18. OTHER PROVISIONS 17

18 A. Independent Contractor. 19

20 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
21 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
22 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
23 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
24 retirement or other benefits which accrue to County employees.
25

26 B. Property Damage. 27

28 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
29 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee. upon
30 completion of a proper investigation which proves that the Franchisee was at fault of said damage.
31

32 With respect to driving surfaces, Franchisee shall be responsible for damage, whether or not paved,
33 resulting from the weight of vehicles providing refuse collection services at the location of Bins and
34 containers on public or private property when it can be demonstrated that said damage is the result of
35 vehicles exceeding the legal maximum weight limits of the State of California or the negligent operation of
36 vehicles by Franchisee's employees.
37

38 C. Right of Entry. 39

40 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
41 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
42 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
43 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
44

1 D. Law to Govern.

2
3 The law of the State of California shall govern this Franchise Agreement.

4
5 E. Gratuities.

6
7 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
8 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
9 Franchise Agreement.

10
11 F. Compliance with Franchise Agreement.

12
13 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
14 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
15 the Term of this Franchise Agreement.

16
17 G. Notices.

18
19 All notices required or permitted to be given under this franchise shall be in writing and shall be
20 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
21 receipt requested, and addressed as follows:

22
23 To County: County of Riverside
24 Attn: Department of Environmental Health
25 4065 County Circle Drive
26 Riverside, CA 92503

27
28 Copy to: County Counsel

29
30 To Franchisee: CR&R Incorporated
31 Attn: Senior Regional Vice President
32 P.O. Box 1208
33 Perris, CA 92572

34
35 Copy to: CR&R Incorporated
36 Attn: David Ronnenberg, President
37 11292 Western Ave
38 Stanton, CA 90680

39
40 or to such other address as either party may from time to time designate by notice to the other given in
41 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
42 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
43 receipt of confirmation of delivery which confirmation may be transmitted by fax.

1 H. Exhibits Incorporated.
2

3 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
4 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
5 Agreement, the language of the Exhibit shall prevail.
6

7 I. Nondiscrimination.
8

9 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
10 on the ground of race, sex, age, creed, color, religion or national origin.
11

12 J. Laws and Licenses.
13

14 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
15 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
16 to perform the services hereunder and maintain the same in full force and effect.
17

18 K. Waiver.
19

20 No waiver by either party of any one or more defaults or breaches by the other in the performance of
21 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
22 like or different character.
23

24 **SECTION 19. SEVERABILITY**
25

26 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
27 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
28 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
29 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
30 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
31 Agreement.
32

33 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
34 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
35 enforceability of any of the remaining provisions of this Franchise Agreement.
36

37 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
38

39 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
40 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
41 and all other communications, representations, proposals, understandings or Agreements, either written or
42 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
43 or amended, in whole or in part, except by writing signed by both parties hereto.
44

1 At least once every 5 years, or more often as required by a significant change in law, starting from the
2 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
3 or required amendments.
4

5 **SECTION 21. ORDINANCE NO 769: IMPACT TO RATES, SERVICES AND COMPENSATION**
6

7 If the County for any reason is unable to enforce and collect parcel fees associated with Riverside
8 County Ordinance No. 769 due to failure to approve, legal challenge, or revocation, all conditions and
9 exhibits related to compensation, rates and services shall be deemed void and subject to renegotiations. The
10 County shall negotiate in good faith with Franchisee.
11

12 **SECTION 22. CONSTRUCTION OF FRANCHISE**
13

14 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
15 attorneys, and no provision contained herein shall be construed against County solely because it prepared
16 this agreement in its executed forms.
17

18 **SECTION 23. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
19

20 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
21 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
22 another company, all service levels and rates of this contract shall at the discretion of the Board of
23 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

Clifford Ronnenberg

17

Chairman and CEO

18

CR&R Incorporated

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EXHIBIT B

FRANCHISE AREA 8

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

HAULER FRANCHISE AREA 8

1
2
3 Beginning at the Southwest Corner of Section 33, T. 8 S., R. 1 E., S.B.M., Said point also being on the
4 Southerly Boundary of the County of Riverside;

5
6 Thence Northerly, along the West Line of Sections 33, 28, 21, 16, 9, and 4 to the Northwest Corner of
7 Section 4, Said Corner Also Being on the North Line of T. 8 S., R.1 E.;

8
9 Thence Easterly, along the North Line of Said Township, Said Line Also Being the North Line of Sections
10 4, 3, and 2, to the Southerly Quarter Corner of Section 35, of T. 7 S., R. 1 E.;

11
12 Thence Northerly, along the Center Section Line of said Section 35, to the Northerly Quarter Corner thereof;

13
14 Thence Easterly along the Northerly line of said Section Line 35, to the Southwest Corner of Section 25,
15 T. 7 S., R. 1 E.;

16
17 Thence Northerly along the Westerly Line of Said Section 25, to the Northwest Corner thereof;

18
19 Thence Easterly along the Northerly Line of Section 25, T. 7 S., R. 1 E., to the Northeast Corner thereof,
20 Said Point Also Being on the Boundary of the San Bernardino National Forest;

21
22 Thence Northerly, along Said National Forest Boundary to the Southeast Corner of Section 1, of Said T. 7
23 S., R. 1 E.,

24
25 Thence Westerly along the Southerly Line of Said Section 1, of T. 7 S., R. 1 E., to the Southwest Corner
26 Thereof;

27
28 Thence Northerly along the Westerly Line of Said Section 1, of T. 7 S., R. 1 E., to the Northwest Corner
29 Thereof;

30
31 Thence Easterly along the Northerly Line of Said Section 1, of T. 7 S., R. 1 E., to the Northeast Corner of
32 Said Section 1, Said Point Also Being on the Boundary of the San Bernardino National Forest;

33
34 Thence Northerly, along Said National Forest Boundary to the East Quarter Corner of Section 25, T. 6 S.,
35 R. 1 E.;

36
37 Thence Westerly, along Said National Forest Boundary, Also Being the Center Section Line of Said Section
38 25 and 26, to the West Quarter Corner of Section 26 of Said Township;

39
40 Thence Northerly, along Said National Forest Boundary, Also Being the West Line of Sections 26, 23, 14,
41 11, and 2 of Said Township, to a Point Being the Northwest Corner of Section 2, Said Point Also Being on
42 the North Line of T. 6 S., R. 1 E.;

43
44 Thence Easterly, along Said National Forest Boundary, Also Being the North Line of Said Section 2, Also
45 Being the North Line of T. 6 S., R. 1 E., to the Northeast Corner of Said Section;

46
47 Thence Northerly, along Said National Forest Boundary, Also Being the West Line of Sections 36, 25, and
48 24, T. 5 S., R. 1 E., to the Northwest Corner of Section 24;

1 Thence Easterly, Leaving Said National Forest Boundary, along the North Line of Section 24 of Said
2 Township, to a Point Being the Northeast Corner of Said Section, Said Point Also Falling on the West Line
3 of T. 5 S., R. 2 E.;

4

5 Thence Continuing Easterly, along the North Line of Section 19 of Said Township, to the Northeast Corner
6 of Said Section;

7

8 Thence Northerly along the East Line of Section 18, of Said Township, to the Northeast Corner of Said
9 Section;

10

11 Thence Westerly, along the North Line of Said Section 18, to a Point Being the Northwest Corner of Said
12 Section, Said Point Also Falling on the East Line of T. 5 S., R. 1 E.;

13

14 Thence Westerly, along the North Line of Section 13, of T. 5 S., R. 1 E., to the Northwest Corner thereof,
15 Said Point Also Falling on the Boundary of the San Bernardino National Forest;

16

17 Thence Northerly, along Said National Forest Boundary, Also Being the East Line of Sections 11 and 2, to
18 a Point Being the Northeast Corner of Section 2, T. 5 S., R. 1 E., Said Point Also Falling on the North Line
19 of Said Township;

20

21 Thence Continuing Northerly, along Said National Forest Boundary, Also Being the East Line of Sections
22 35 and 26, T. 4 S., R. 1 E., to the Northeast Corner of Section 26 of Said Township;

23

24 Thence Westerly, along Said National Forest Boundary, Also Being the North Line of Section 26, to the
25 Northwest Corner of Said Section;

26

27 Thence Northerly, along Said National Forest Boundary, Also Being the West Line of Section 23 of said
28 T. 4 S., R. 1 E., To the Northwest Corner thereof;

29

30 Thence Westerly along the Northerly line of Section 22 of said T. 4 S., R. 1 E, to the Northwest Corner
31 Thereof;

32

33 Thence Northerly along the Westerly Lines of Sections 15, 10 and 3 to the Northwest Corner of Section 3,
34 of Said T. 4 S., R. 1 E. said point also being on the Township Boundary;

35

36 Thence Easterly along the Northerly line of Section 3 and 2, being also the Township boundary to the
37 Southerly Quarter Corner of Section 35, of T. 3 S., R. 1. E;

38

39 Thence Northerly along the Center Section Line to the Northwest Corner of the South Half of the Southeast
40 Quarter of said Section 35;

41

42 Thence Easterly along the north line of the South Half of the Southeast Quarter of said Section, to the West
43 Line of Section 36, of said T. 3 S., R. 1. E;

44

45 Thence Northerly along the Westerly Lines of Sections 36 and 25 to the Northwest of said Section 25, T. 3
46 S., R. 1. E;

47

48 Thence Easterly along the Northerly Line of Section 25 of said T. 3 S., R. 1. E, to the Easterly boundary of
49 said Township;

50

1 Thence Continuing Easterly along the Northerly Lines of Sections 30 and 29 of T. 3 S., R. 2 E., to the
2 Northeast corner of Said Section 29;
3
4 Thence Southerly along the Easterly Line of Said Sections 29 and 32, to the Southeast Corner of Said
5 Section 32, Said point also being on the Northerly Boundary of T. 4 S., R. 2 E.;
6
7 Thence Continuing Southerly along the Westerly Line of Section 4, of Said T. 4 S., R. 2 E., to the Southwest
8 Corner Thereof;
9
10 Thence Easterly along the Southerly Line of Section 4, to the Southwest Corner of Section 3, of Said T. 4
11 S., R. 2 E.;
12
13 Thence Northerly, along the West Line of Section 3 of Said Township, to the Northwest Corner of Section
14 3, Said Point Also Falling on the North Line of T. 4 S., R. 2 E.;
15
16 Thence Easterly, along Said Township Line, Also Being the North Line of Sections 3, 2, and 1 of Said
17 Township, to a Point Being the Northeast Corner of Said Section 1, Said Point Also Being the Northeast
18 Corner of T. 4 S., R. 2 E.;
19
20 Thence Southerly, along the Line common to T. 4 S., R. 2 E. and T. 4 S., R. 3 E., to the Northwest Corner
21 of Section 18, of T. 4 S., R. 3 E.;
22
23 Thence Easterly, along the Northerly Lines of Sections 18, 17, 16, 15, 14, and 13 of Said T. 4 S., R. 3 E.,
24 to the Easterly Boundary of said Township, Said Point Also Being the on the Boundary of the San
25 Bernardino National Forest;
26
27 Thence Southerly, along Said National Forest Boundary Line, Also Being the East Line of T. 4 S., R. 3 E.,
28 to the Southeast Corner of Said Township;
29
30 Thence Continuing Southerly, along Said National Forest Boundary, Also Being the West Line of T. 5 S.,
31 R. 4 E., to the Southwest Corner of Said Township;
32
33 Thence Easterly, along Said National Forest Boundary, Also Being the North Line of T. 6 S., R. 4 E., to the
34 Northeast corner of said T. 6 S., R. 4 E.;
35
36 Thence Southerly, along Said National Forest Boundary, Also Being the Palm Springs City Limits
37 Boundary, to the Southwest Corner of Section 7, T. 6 S., R. 5 E.;
38
39 Thence Easterly, along Said National Forest Boundary, Also Being the Palm Springs City Limits Boundary,
40 to the Southeast Corner of Section 7 of Said Township;
41
42 Thence Southerly, along the Westerly Lines of Sections 17 and 20 of T. 6 S., R. 5 E., to the Southwest
43 Corner of Section 20 of Said Township;
44
45 Thence Easterly, along the Southerly Line of Section 20, To the Southeast Corner Thereof, said point also
46 being the Northwest Corner of Section 28, of T. 6 S., R. 5 E.;
47
48 Thence Southerly, along the Westerly Line of Said Section 28 to the Southwest Corner Thereof;
49
50 Thence Easterly, along the Southerly Line of Section 28, to the Southeast Corner of Said Section 28, of T.6
51 S., R. 5 E;

1
2 Thence Northerly along the Westerly Lines of Sections 27 and 22 of said Township, to the
3 Southwest Corner of Section 15 of said T. 6 S., R. 5 E;
4
5 Thence Easterly along the Southerly line Section 15, to the Southeast Corner Thereof;
6
7 Thence Northerly along the Easterly Line of Section 15 to the Northeast Corner of Said Section, said point
8 also being the Northwest Corner of Section 14 of Said T. 6 S., R. 5 E.;

9
10 Thence in a general Southeasterly direction, in a straight line, to the Northeast Corner of Section 24 of T. 6
11 S., R. 5 E;
12
13 Thence Southerly along the Easterly Line of Section 24, said Line also Being the Westerly Line of T. 6 S.,
14 R. 6 E., to the Northwest Corner of Section 30, of said T. 6 S., R. 6 E.;

15
16 Thence Easterly, along the North Line of Section 30, T. 6 S., R. 6 E., to the Point of Intersection with the
17 Easterly Right of Way Line of State Highway 74, Also Known as Pines to Palms Highway;

18
19 Thence Northerly, along the Easterly Right of Way of Said State Highway 74 Through its Various Courses
20 to the Point of Intersection with the North Line of Section 19, T. 6 S., R. 6 E.;

21
22 Thence Easterly, along the North Line of Sections 19, 20, 21, 22, and 23 to a Point Being the Northeast
23 Corner of Section 23 of Said Township, Said Point Also Falling on the La Quinta City Limits Boundary;

24
25 Thence Southerly, along the Westerly Lines of Sections 24 and 25, to the Southwest corner of Section 25
26 of said Township;

27
28 Thence Easterly, along the South Line of Section 25, of T. 6 S., R. 6 E., to the Westerly line of T. 6 S., R.
29 7 E;

30
31 Thence Southerly along the Westerly line of said T. 6 S., R. 7 E., to the Southwest Corner of said Township;

32
33 Thence Easterly along the Southerly Line of Said T. 6 S., R. 7 E., said line also being the Northerly line of
34 Section 6 of T. 7 S., R. 7 E., to the Northeast Corner of Section 6, of T. 7 S., R. 7 E.;

35
36 Thence Southerly, along the East Line of Section 6 to the Southeast Corner of Said Section;

37
38 Thence Easterly, along the North Line of Sections 8 and 9 to the Northeast Corner of Section 9;

39
40 Thence Southerly, along the East Line of Section 9 and 16, T. 7 S., R. 7 E., To the Southeast Corner of Said
41 Section 16;

42
43 Thence Easterly, along the North Line of Sections 22 and 23 of Said Township, to the Northeast Corner of
44 Said Section 23;

45
46 Thence Southerly, along the East Line of Sections 23, 26 and 35, to the Southeast Corner of Section 35,
47 Said Point Also Falling on the North Line of T. 8 S., R. 7 E.;

48
49 Thence Easterly, along the North Line of Section 1, Said Line Also Being the North Line of T. 8 S., R. 7
50 E., to the Northeast Corner of Section 1, Said Point Also Being the Northeast Corner of Said Township;

51

1 Thence Southerly, along the East Line of Sections 1, 12 and 13, Said Line Also Being the Westerly Line of
2 T. 8 S., R. 8 E. To the Northwest Corner of Section 18, of said T. 8 S., R. 8 E;
3
4 Thence Easterly, along the North Line of Section 18 of Said Township, to the Northeast Corner of Said
5 Section;
6
7 Thence Southerly, Along the East Line of Sections 18 and 19, T. 8 S., R. 8 E., to the Southeast Corner Of
8 Section 19, said point also being the Northwest Corner of Section 29, T. 8 S., R. 8 E.;;
9
10 Thence Easterly, along the North Line of Section 29 to the Northeast Corner Thereof;
11
12 Thence Southerly, along the East Line of Sections 29 and 32, to the Southeast Corner of Section 32, Said
13 Point Also Falling on the South Line of T. 8 S., R. 8 E., Said Line Also Being the Southerly Boundary of
14 the County of Riverside;
15
16 Thence Westerly, along Said Southerly County Boundary, through all its various courses to the Southeast
17 Corner of Section 33 of T. 8 S., R. 1 E., being also the Point of Beginning.
18
19 Any parcel not included entirely within the above described boundary, shall be considered inside, if a
20 dwelling unit is within the boundary.
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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Pine Needles and Slash - All pine needles and slash collected as the Idyllwild brush collection center.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

Collection Summary

The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste and Recyclable

1 Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not
2 available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall
3 clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density
4 factors.
5

6 **Education and Outreach**

7

8 The Franchisee shall submit copies of public education materials sent to customers or provided
9 electronically on their websites or social media outlets.

10 **Service Performance**

11

12 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
13 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
14 shall identify the total number of all written or oral Customer comments and shall provide the number of
15 comments received in the following categories: praises, litter or property damage complaints, misplacement
16 of containers, stolen containers, personnel complaints, missed pickups, and other.
17

18 **Container Contamination Monitoring**

19

20 The Franchisee shall provide a summary of container contamination monitoring activities including
21 information on efforts to minimize container contamination. When applicable a separate detailed report
22 shall be provided to the Department identifying sites that are out of compliance and require additional
23 enforcement by the County.
24

25 **4. ANNUAL REPORTS**

26

27 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
28 Franchisee will be responsible for providing the following reports:
29

- 30 1. Summary reports
- 31 2. Equipment inventory
- 32 3. Program implementation
- 33 4. Future programs
- 34 5. Litigation information
- 35 6. Education and Outreach
36

37 **Summary Reports**

38

39 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
40 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
41 provided shall include quantities of materials collected, and if processed by non-system facilities, the
42 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
43 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
44 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
45 experiences, and any problems in program operation and how they were resolved.
46

47 **Equipment Inventory**

48

49 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.

1 The inventory list shall indicate the age of the equipment.

2

3 **Program Implementation**

4

5 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
6 for the year. The report shall address how the problems and barriers were overcome or the proposed
7 resolutions and schedule for correcting the problem.

8

9 **Future Programs**

10

11 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
12 but have not been planned for.

13

14 **Litigation Information**

15

16 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
17 against the parent company and all subsidiaries of parent company that may have an effect on the
18 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

19

20 **Education and Outreach**

21

22 The Franchisee shall submit copies of public education materials sent to customers or provided
23 electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. DWR direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

For services associated with Residential Parcel Fees associated with Riverside County Ordinance No. 769, adjustments to the parcel fee charges will be submitted as per the processes required under that Ordinance using the above criteria. All other rate adjustments shall be governed by the terms and processes described in this exhibit.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. Revenue or waste volumes do not meet the projections upon which the franchise rates were

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negotiated, including Franchise Area waste volume, exclusive of Pine needles and recyclables, in volume significantly greater or less than 15250 tons per year or Pine Needles in volume significantly greater or less than 2380 tons per year.

- 2. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
 - 3. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.
 - 4. The DWR directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 - 5. The County modifies the franchise fee.
 - 6. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 - 7. Significant increases in the number of customer accounts due to development or growth.
 - 8. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #9

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- 1 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
2 court or governmental entity against Franchisee or affecting Franchisee, wherein an
3 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
4 of this Agreement, or which would have a material adverse effect on the financial condition
5 of Franchisee.
6
7 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
8 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
9 parent company's financial circumstances since the date of the most recent financial
10 statements submitted to the Environmental Health Department ("Department"). Prior to
11 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
12 most recent annual financial statements. The Department may at its discretion specify the
13 contents and form of such statements. The Director of Environmental Health may inspect
14 the financial records of the Franchisee at any reasonable time for any reasonable purpose
15 relevant to the performance of this contract.
16
17 6) Franchisee has the expert, professional, and technical capability to perform all of its
18 obligations under this Agreement.
19
20 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
21 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
22 ~~annual financial statements, as provided in Exhibit C.~~
23

24 B. Representations and Warranties of the County.
25

26 Prior to commencement of any services hereunder, the County hereby makes the following
27 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
28

- 29 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
30 This Agreement constitutes the legal, valid and binding Agreement of the County and is
31 enforceable against the County in accordance with its terms.
32
33 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
34 County before any court or governmental entity wherein an unfavorable decision, ruling or
35 finding would adversely affect the validity or enforceability of this Agreement.
36

37 **SECTION 2. DEFINITIONS**
38

39 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
40 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
41 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
42 Agreement. In the event of conflict between the definition of a term as found in the California Public
43 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
44 supersede the definition found in the Public Resources Code or in County ordinances.
45

46 A. Agreement: means this Agreement between the County and Franchisee for the Collection and
47 transportation of Solid Waste and other specified services, including all exhibits, and any future
48 amendments.
49

50 B. Bins ~~shall~~ mean those containers provided by Franchisee for commercial, industrial,
51 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~1~~2 to 6 cubic yards in
2

1 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
2 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.

3
4 C. Board ~~shall~~ means the Riverside County Board of Supervisors.

5
6 ~~Bulky Waste shall mean large, heavy or otherwise difficult to handle items, including, but not
7 limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large
8 concrete and asphalt chunks, tree stumps, or other waste materials with weights or volumes
9 greater than those allowed for containers.~~

10 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
11 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
12 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
13 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
14 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
15 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
16 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
17 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
18 Persons.

19 ~~D.~~

20
21 E. Collection ~~means~~ Collection of Solid Waste, recyclable material, or other material specified
22 in this Agreement and its transportation to an appropriate Solid Waste Facility.

23
24 F. Commercial Units ~~shall~~ mean all commercial, industrial, institutional or other facilities, except
25 residential and Multi-Residential Units.

26
27 ~~G. — Compost means a stable humus-like product that results from the biological decomposition of
28 organic materials occurring under controlled conditions.~~

29
30 ~~H. — Compost Facility means a Solid Waste Facility that processes Organic Waste, Wood Waste or
31 other organic materials to produce Compost or mulch.~~

32
33 ~~I.G. Comprehensive Compulsory Collection Areas shall~~ mean specific portions or areas of the
34 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
35 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.

36
37 ~~J.H. County~~ means the County of Riverside, State of California.

38
39 ~~K.I. Department~~ means the Riverside County Department of Environmental Health.

40
41 J. Director ~~shall~~ means the Director of the Riverside County Department of Environmental
42 Health or ~~his or her~~their designee.

43
44 ~~L.K. Diversion (or any variation thereof including "Divert")~~ means activities which reduce or
45 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
46 recycling, and composting.

47
48 M. ~~District~~ means the Riverside County Waste Resources Management District.

1 ~~N.L.~~ Effective Date: means the date on which this Agreement becomes effective, which shall be the
2 date it is executed by the Board of Supervisors.
3

4 ~~O.M.~~ Exclusive Franchise: means the rights granted to the Franchisee under the terms and conditions
5 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
6 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
7 B.
8

9 ~~P.~~ Extremely Hazardous Waste: shall mean any Hazardous Waste or mixture of Hazardous
10 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
11 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.
12

13 ~~Q.N.~~ Franchise Area: means the geographic territory defined in Exhibit B.
14

15 ~~R.~~ Franchise Documents: shall mean the Agreement (as herein defined), the separately executed
16 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
17 under this Agreement.
18

19 ~~S.O.~~ Generator: means the owner or occupant of premises, including residences or businesses, which
20 initially produces Solid Waste, Recyclable Materials, or Organic Waste.
21

22 ~~T.P.~~ Green Waste: means organic waste generated from any landscaping including grass clippings,
23 leaves, prunings, tree trimmings, weeds, branches, and brush.
24

25 ~~U.Q.~~ Gross Receipts: means all monies received by Franchisee for providing franchise services
26 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
27 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
28 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
29 of State or other governmental agencies.
30

31 ~~V.R.~~ Hard-to-Service: may refer to any service area that is not standard curb and gutter service or
32 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
33 of the following:

- 34 1) Rural, sparsely populated areas,
- 35 2) Hilly or mountainous terrain,
- 36 3) Poorly paved or unpaved roads which may be ~~im~~unpassable in poor weather,
- 37 4) Large, uninhabited areas between pockets of homes,
- 38 ~~5) Unusually heavy waste due to large properties, livestock, etc.~~
- 39 ~~5)~~
- 40 6) Limited access on a private street or alley.

41 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
42 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
43 "Hard to Service"

44 ~~W.~~ Hazardous Waste: shall mean any waste material or mixture of wastes which is defined or
45 otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an
46 irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a
47 waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,
48 or as a proximate result of any disposal of such wastes or mixture of wastes. The term "toxic", "corrosive",
49 "flammable", "irritant", or "strong sensitizer" shall be given the same meaning as found in the California
50 Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.

1
2 ~~X.S.~~ Integrated Waste Management Act (IWMA) shall mean the California Integrated Waste
3 Management Act of 1989 (AB 939), including all subsequent amendments.
4

5 ~~Y. — Materials Recovery Facility. means a facility intended primarily for recovery and processing~~
6 ~~of Recyclable Materials that are source-separated, or a facility intended to recover Recyclable Materials~~
7 ~~from Solid Waste. Such a facility may also function as a Transfer Station.~~
8

9 ~~Z.T.~~ Multi-Residential Units shall mean permanent buildings containing three or more Residential
10 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
11 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
12

13 ~~AA.U.~~ Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
14 wood waste, and food-soiled paper waste that is mixed in with food waste.
15

16 ~~BB. — Permitted Hauler. means a Solid Waste service provider who has a valid permit to operate~~
17 ~~within all, or a portion of, the unincorporated County.~~
18

19 ~~CC. — Person. shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,~~
20 ~~trust, association, or corporation whether for profit or non profit.~~
21

22 ~~DD.V.~~ Recyclable Materials means material which has been segregated from other Solid Waste
23 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
24 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
25 Recyclables consisting of two or more of the above-referenced material types separated from non-
26 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
27 than five (5) percent Solid Waste by weight.
28

29 ~~EE.W.~~ Residential Unit shall mean an occupied dwelling within the unincorporated area of the
30 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
31 either water or domestic light and power services are being supplied thereto. This definition shall apply also
32 to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to
33 be two (2) attached Residential Units.
34

35 ~~FF.X.~~ Roadways means all County maintained roadways in the unincorporated area of the County
36 or private roadways, accessible by the Franchisee and used for providing routine service as defined in
37 Exhibit A of this Agreement.
38

39 ~~GG. — Solid Waste. means all putrescible and non-putrescible solid, semisolid and liquid wastes,~~
40 ~~including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction~~
41 ~~wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,~~
42 ~~and other discarded solid and semisolid wastes.~~
43

44 ~~Solid Waste does not include any of the following wastes:~~

- 45 ~~○ Hazardous waste, as defined in Public Resources Code Section 40141.~~
- 46 ~~○ Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8~~
- 47 ~~(commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety~~
- 48 ~~Code).~~
- 49 ~~○ Medical waste regulated pursuant to the Medical Waste Management Act (Part 14~~
- 50 ~~(commencing with Section 117600) of Division 104 of the Health and Safety Code).~~

1 Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in
2 Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall
3 be regulated pursuant to this division.
4

5 ~~HH.~~ Solid Waste Facility, means any facility that is licensed, permitted or otherwise approved by
6 all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,
7 Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material
8 recovery, composting, waste to energy, or landfill facilities.
9

10 ~~II.Y.~~ System Facility, means a Solid Waste Facility that is owned and/or operated by the District
11 Riverside County Department of Waste Resources (DWR), or with which the District-DWR has entered
12 into an Agreement, and that for the purposes of this Agreement is designated by the District-DWR through
13 a separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery
14 and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.
15

16 ~~II.Z.~~ Term, means the Term of this Agreement, as provided for in Section 3.
17

18 ~~KK.~~ Transfer Station, shall include those intermediate waste handling facilities where Solid Wastes
19 are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof
20 may undergo incidental processing, recycling or further handling before transportation to a disposal site,
21 Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer
22 station":

- 23 1) ~~Locations where less than 15 cubic yards of combined container volume are~~
24 ~~provided to serve as community or multi-residence receptacles for residential refuse.~~
- 25 2) ~~Storage receptacles for waste from multi-residential buildings or for commercial~~
26 ~~Solid Wastes.~~
- 27 3) ~~A container used to store construction or demolition wastes at the place of~~
28 ~~generation.~~
- 29 4) ~~Containers used to store salvaged materials.~~
30

31 ~~LL-AA.~~ Waste Delivery Agreement, means the contract entered into by the District-DWR and the
32 Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to
33 be directed to specified System Facilities and kept on file with the DWR.
34

35 ~~MM-BB.~~ Wood Waste, means industrial dimension lumber, pallets, shipping dunnage, and similar
36 discarded processed wood materials, and large tree limbs.
37

38 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE 39

40 A. Pursuant to Ordinance 657745, and the IWMA, and subject to the terms and conditions of this
41 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
42 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
43 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
44 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
45 purposes.
46

47 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
48 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
49 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
50 forth below; and (2) to not collect from any other portions of the unincorporated county covered by

1 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
2 Organic Waste; ~~(3) to the cancellation, upon the Effective Date of this Agreement, of any permit or other~~
3 ~~authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable~~
4 ~~Materials, or Organic Waste for the portion of the unincorporated county permit area covered by Exclusive~~
5 ~~Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code~~
6 ~~section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for~~
7 ~~those areas represented by Exclusive Franchise Agreements.~~

8
9 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to~~
10 ~~its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement~~
11 ~~and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in~~
12 ~~accordance with the provisions of this Agreement.~~

13
14 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
15 the Exclusive Franchise, to the extent provided for in state and federal law.

16
17 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the~~
18 ~~Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of~~
19 ~~this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior~~
20 ~~thereto either the County or the Franchisee gives written notice of non-renewal to the other party. Only one~~
21 ~~notice of non-renewal shall be required hereunder. Notice of non-renewal need not be based on cause.~~ The
22 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
23 notice for nonperformance, as provided in Sections 9 and 10 hereof.

24
25 D. Franchisee will commence services under this Agreement on January ~~4st, 1999~~, 2022.

26
27 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
28 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
29 taken.

30 31 32 SECTION 4. FRANCHISE AREA

33
34 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
35 County defined in Exhibit B, "Franchise Area."

36 37 SECTION 5. SERVICES PROVIDED BY FRANCHISEE

38 39 A. General.

40
41 Franchisee shall provide the Collection and transportation of Solid Waste and
42 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
43 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
44 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
45 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit ~~ED~~. Minimum
46 levels of Solid Waste service to be provided under this Agreement are defined below, however, no
47 residential or commercial or business customer shall be refused service, if that party is willing to pay for
48 such service and is current in payment. Disputes arising over the terms on which a particular customer may
49 be serviced because of remoteness of location, difficulty of access, particular needs of the customer, etc.
50 shall be decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
51

1 B. Single Family Residential.

2
3 Weekly Service. Not less often than once per week, and more frequently if required to handle the
4 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
5 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
6 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
7 Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without obstructions so as
8 to permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
9 ~~Franchisee may supply containers, and/or may require the use of specific containers as specified in Exhibit~~
10 ~~A.~~ Franchisee may negotiate special pickup procedures, above and beyond the normal services described
11 above, with customers for an additional fee in an amount provided in Exhibit ED.

12
13 C. Commercial, Industrial, and Multi-Residential.

- 14
15 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
16 if required to handle the waste stream of the premises where the Bins are located,
17 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
18 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
19 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
20
21 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
22 frequently if required to handle the waste stream of the premises where the Bins are located,
23 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
24 Collection in Solid Waste Bins at Commercial Units.

25
26 D. Construction and Temporary Bin/Rolloff Services.

27
28 Franchisee shall provide construction and temporary bin/rolloff services using rates ~~reflected~~
29 ~~in~~ established per Exhibit ED.

30
31 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 32
33 ~~1) At least twice a year, Franchisee shall provide a one (1) day cleanup service to all~~
34 ~~Residential Unit customers on its routes wherein all bulky materials left on the curb, or~~
35 ~~other designated location on or adjacent to customer's property, up to a maximum of one~~
36 ~~and one-half cubic yards, will be removed and disposed. Cost for this service, excluding~~
37 ~~the cost of disposal, shall be included within the normal monthly rates for Residential Unit~~
38 ~~Solid Waste Collection as specified in Exhibit E. When feasible, the bulky material will~~
39 ~~be collected in a vehicle separate from the one used to pick up the residential unit's Solid~~
40 ~~Waste on a weekly basis so that it can be readily identified as not requiring tipping fees~~
41 ~~when it arrives at the designated landfill. Franchisee will make a good faith effort to divert~~
42 ~~the bulky material away from the designated landfill and to another facility where it can be~~
43 ~~either recycled or refurbished for reuse. Collection of heavy waste materials such as dirt,~~
44 ~~rock, concrete, and asphalt are not included in this service.~~

45
46 ~~Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service arranged~~
47 ~~at the request of the customer for large household appliances or furniture or multiple smaller~~
48 ~~items not exceeding one and one-half cubic yards. Collection of heavy waste materials such as~~
49 ~~dirt, rock, concrete, and asphalt are not included in this service. Franchisee shall advertise the~~
50 ~~availability of the Bulky Wastes Collection service and shall provide the Bulky Waste Collection~~

1 ~~service within seven (7) working days of request by customer. Franchisee shall bill the customer~~
2 ~~for Bulky Waste Collection at the rate established in Exhibit E. Standard disposal rates shall be~~
3 ~~paid by franchisee at System Facility.~~

4 1) Upon verbal or written customer request, made a minimum of two business days prior to
5 the customer's regular service day, Franchisee shall provide on-call Single Family
6 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
7 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
8 customer. Franchisee and County agree that this service is intended to allow residents to
9 safely discard of large household items such as furniture and whitegoods or other large
10 household items that do not fit in their regular weekly trash containers. Each Single
11 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
12 Household Waste Collection Services per calendar year with a maximum of four (4) items
13 at each collection occurrence. The total amount of annual allowable items per household
14 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
15 (4) tires per collection request. Bulky Household Waste items do not include items such as
16 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
17 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
18 service shall be subject to the bulky item rates established on the rate sheets approved by
19 the Board of Supervisors.

20 ~~2)_____~~

21
22 ~~3)2)_____~~ Franchisee shall provide large rolloff refuse containers requested by the Director
23 or his designee to respond to organized community clean up efforts at no charge.
24 Franchisee shall deliver containers to agreed upon collection points and shall cooperate
25 with the Director and designated community leaders to remove containers and dispose of
26 collected Solid Waste. Franchisee is obligated to provide the equivalent of two 40-cubic
27 yard bins/loads per year for each 1,000 Residential Unit customers serviced within the
28 Franchise Area. The ~~District-DWR~~ will arrange that there shall be no charge of disposal
29 fees for such Solid Waste delivered in separate vehicles to the System Facilities.

30 31 F. Illegal Dumping Retrieval Services

32
33 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

- 34
35 1) If requested by the County the Franchisee shall turn in ~~to County~~ a ~~monthly~~ report of illegal
36 dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky
37 items (such as tires, couches, and appliances) noticed within or along the Roadway in the
38 franchise area. For the purpose of this provision, the Roadway shall include public rights
39 of way within twenty (20) feet of the paved roadways and within twenty (20) feet of the
40 shoulders of unpaved roadways.
- 41
42 2) Franchisee shall anticipate and arrange to receive daily by ~~faesimile~~electronic methods,
43 copies of reports of illegal dumping reported by citizens to the Department ~~of~~
44 Environmental Health, Department of Transportation, or the ~~Waste Resources~~
45 Management DistrictDWR.
- 46
47 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
48 materials on the Roadway within ~~forty eight (48)~~seventy-two (72) hours of the receipt of
49 reports thereof (excluding weekends and holidays) except for remote areas, as approved by
50 the director, for which the removal shall occur within five working days. The Franchisee

1 may request that specified roads, determined by the franchisee to be inaccessible for waste
2 removal, be considered by the Director for revised waste removal requirements.
3

4 ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at
5 County disposal sites at the time of delivery of the corresponding loads of illegally dumped
6 debris. Nothing herein shall prevent the immediate pickup, delivery and reporting thereof,
7 as part of the normal route collection activities, of illegally discarded material.~~

8
9 ~~5) Abandoned vehicles and objects or appliances larger than conventional household
10 furniture or appliances as well as hazardous, and medical, and other wastes requiring
11 special handling are exempt from the retrieval requirements set forth herein, provided,
12 however, that of these exempted items noted within the Roadway are to be immediately
13 reported to the Director.~~

14
15 ~~6) The Franchisee shall, upon request of private property owners, the Director or the
16 Departments of County Transportation and Land Management Agency, provide removal
17 services for waste illegally disposed of on their private property, excluding those wastes
18 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
19 ED.~~

20
21 ~~7) Illegally disposed materials along Roadways within one mile of disposal sites
22 within Riverside County are exempt from the retrieval requirements set forth herein.~~

23
24 ~~8) For sixty (60) days from the effective date of this contract, the County will arrange that
25 there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall
26 pay the usual fees charged for comparable types and quantities of Solid Waste.~~

27
28 ~~9) Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit
29 to the Director an accurate accounting of its costs to provide Illegal Dumping Retrieval
30 Service.~~

31
32 G. Collection of Used Motor Oil.

33
34 Franchisee shall collect used motor oil from single family residential customers in accordance with
35 ~~California Public Resources Code Section 48691, the Recycled Oil Collection and Storage Standards~~
36 ~~pursuant to Riverside County Ordinance 657 and Riverside County Resolution 90-668.~~
37

38 H. Diversion Services

39
40 ~~1) Diversion services proposed by Franchisee as described in Exhibit H shall be provided
41 throughout the duration of this contract.~~

42
43 ~~2) At any time during the term of this Agreement, upon one hundred eighty (180) days written
44 notice from the Director, Franchisee shall provide collection of Green Waste or Organic
45 Waste from Residential Units throughout, or in designated portions of its Exclusive
46 Franchise Area. Franchisee's rates for this service shall be as established in Exhibit E as
47 adjusted by the methodology established in Exhibit F.~~

48
49 I.H. Collection and Equipment

1
2 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
3 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
4 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
5 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~ The equipment of
6 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
7 ~~Department on an annual basis at the request of the Department.~~

8
9 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
10 the Department of Motor Vehicles of the State of California, shall be kept clean and in
11 good repair, and shall be uniformly painted.

12
13 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
14 ~~days.~~

15
16 ~~3)2)~~ _____ A local or toll free telephone number, and vehicle number shall be clearly visibly
17 displayed on all required vehicles, ~~in letters and figures no less than three inches (3") high.~~

18
19 **SECTION 6. OWNERSHIP OF SOLID WASTE**

20
21 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
22 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
23 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
24 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
25 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
26 Franchisee.

27
28 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**

29
30 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
31 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
32 and the ~~District DWR~~. The rates ~~shown-referenced~~ in Exhibit ~~E-D~~ are based on the _____ facility(ies)
33 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.

34
35 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

36
37 A. Indemnification of County ~~and District~~.

38
39 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
40 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
41 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
42 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
43 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
44 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
45 reasonable costs and expenses of investigating and defending against same; provided, however, that
46 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
47 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.
48

1 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
2 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
3 survive the term of the franchise.

4
5
6 B. Hazardous Substances Indemnification.
7

8 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
9 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
10 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
11 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
12 damages (including, but not limited to, special and consequential damages), natural resources damage,
13 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
14 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
15 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
16 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
17 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
18 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
19 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
20 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
21 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
22 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
23 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
24 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
25 from liability.

26
27 C. Minimum Diversion Requirements
28

29 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
30 California Public Resources Code, Section 41780 and any other current or future California Statute that
31 requires the County to divert material from landfills. In the event that the State of California alters the
32 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
33 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
34 associated with any additional recycling programs.
35

36 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
37 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
38 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
39 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
40 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
41 against any third party as a means of meeting its obligation under this section.
42

43 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
44 by the Director as set forth in Section 9.A. of this agreement.

45 ~~—The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in~~
46 ~~programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner~~
47 ~~which entitles County to diversion credit as specified in California Public Resources Code, Section 41780~~
48 ~~measured on a calendar year basis beginning January 1st, 1999 ("Minimum Diversion Requirement")~~
49 ~~provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.~~
50 ~~Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing~~
51 ~~to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it~~

1 ~~had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for~~
2 ~~calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum~~
3 ~~Diversion Requirements two (2) times after the execution of the agreement, County may terminate this~~
4 ~~Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,~~
5 ~~finds that additional programs are necessary to meet any IWMA required diversion goals the County, or~~
6 ~~District on behalf of the County, may require proposals for additional diversion programs to meet the~~
7 ~~diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if~~
8 ~~agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon~~
9 ~~one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid~~
10 ~~Waste, Recyclable Materials, and/or Organic Waste, and/or to independently implement programs that may~~
11 ~~be needed to meet the minimum diversion requirement.~~

12
13 ~~— If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
14 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
15 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
16 ~~Diversion Requirement, which shall not be unreasonably denied.~~

17
18 D. Worker's Compensation Insurance.

19
20 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
21 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
22 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
23 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
24 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
25 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
26 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
27 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
28 losses which arise from work performed by the named insured for the County.

29
30 E. Public Liability Insurance.

31
32 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
33 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
34 ~~three-six~~ million dollars ~~(\$3,000,000.00)~~ (\$6,000,000.00) aggregate and ~~one-three~~ million ~~five-hundred~~
35 ~~thousand~~ dollars ~~(\$1,500,000.00)~~ (\$3,000,000.00) per occurrence for bodily injury and property damage.
36 Said insurance shall protect Franchisee, the County, ~~the District~~, and their elected or appointed officials,
37 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
38 as from any claim for property damage which may arise from operations performed pursuant to this
39 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
40 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
41 the Director. All of the following endorsements are required to be made a part of the insurance policies
42 required by this Section:

- 43
44 1) "This policy shall be considered primary insurance as respects any other valid and
45 collectible insurance the County may possess including any self-insured retention the
46 County may have, and any other insurance the County ~~or District~~ does possess shall be
47 considered excess insurance and shall not contribute with it."
48
49 2) "This insurance shall act for each insured, as though a separate policy had been written for
50 each. This, however, shall not act to increase the limit of liability of the insuring company."
51

1 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
2 with certificate(s) of insurance showing that such insurance is in full force and effect, and
3 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
4 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
5 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
6 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
7 the event of any such modification, cancellation or reduction in coverage and on the
8 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
9 receive prior to such effective date another certificate from an insurance carrier that the
10 insurance required herein is in full force and effect.
11

12 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
13 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
14 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.
15

16 F. Performance Bond or Letter of Credit.
17

18 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
19 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
20 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
21 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
22 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
23 California.
24

25 G. Modification.
26

27 The insurance requirements provided herein may be modified or waived in writing by the Board upon
28 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
29 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
30 provided by the parent company of Franchisee.
31

32 **SECTION 9. DEFAULT AND REMEDIES**
33

34 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
35 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
36 provisions of this Agreement, the requirements of ~~the California Integrated Waste Management~~
37 ~~Board CalRecycle~~, including, but not limited to, requirements for source reduction and recycling (as to the
38 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
39 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
40 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
41 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
42 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
43 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
44 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
45 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
46 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
47 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
48 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or refer the matter to a hearing~~
49 officer as provided in Section 11, below. ~~Where the County and the Franchisee have claims pending against~~
50 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~
51

1 ~~B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
2 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the~~
3 ~~hearing, the Board shall consider the report of the Director indicating the deficiencies, and shall~~
4 ~~give the Franchisee, or its representatives and any other interested Person, a reasonable opportunity~~
5 ~~to be heard.~~

6
7 ~~C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
8 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record,~~
9 ~~the Board determines that the performance of Franchisee is in breach of any material Term of this~~
10 ~~Agreement or any material provision of any applicable Federal, State, or local statute, ordinance or~~
11 ~~regulation, or is deficient with respect to prevailing industry standards, the Board in the exercise of~~
12 ~~its sole discretion, may terminate forthwith, this Agreement. Franchisee's performance under its~~
13 ~~franchise is not excused during the period of time prior to the Board's final determination as to~~
14 ~~whether such performance is deficient.~~

15
16 ~~D.B.~~ The right of termination is in addition to any other rights of County upon failure of
17 Franchisee to perform its obligations under this Agreement.

18
19 ~~E.C.~~ The County further reserves the right to terminate Franchisee's franchise, following public
20 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
21 board determines it is in the public interest to do so:

- 22
23 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
24
25 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
26 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
27
28 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
29 compensation, liability, indemnification coverage, and performance bond as required by
30 the Agreement.
31
32 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
33 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
34 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
35 which case no breach of the franchise shall be deemed to have occurred.
36
37 5) If the Franchisee ceases to provide Collection services as required under this Agreement
38 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
39 for any reason within the control of the Franchisee.
40
41 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
42 refuses to provide County with required information, reports, and/or test results in a timely
43 manner as provided in the Franchise Agreement.
44
45 7) For any other act or omission by the Franchisee which materially violates the terms,
46 conditions, or requirements of this franchise, Ordinance 657745, successor ordinance,
47 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
48 regulation issued thereunder and which is not corrected or remedied within the time set in
49 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
50 the breach within the time set forth in such notice, if the Franchisee should fail to

1 commence to correct or remedy such violation within the time set forth in such notice and
2 diligently effect such correction or remedy thereafter.

- 3
4 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
5 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
6 related to the performance of this Agreement, or of felonious conduct related to anti-trust
7 activities, illegal transport or disposal of hazardous waste or materials, or violation of
8 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.

9
10 **F.D. Professional Conduct**

- 11
12 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
13 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
14 court in the United States, or is otherwise alleged to have participated in any criminal
15 activity directly or indirectly associated with the solid waste management business,
16 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
17 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
18 description of the indictment, complaint or allegation, as well as a copy of such indictment
19 or complaint or other matters of public record related thereto. In addition to the foregoing,
20 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
21 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
22 securities laws, including quarterly and annual reports.
- 23
24 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
25 interest, who has any responsibility for any aspect of the franchisee's operations under this
26 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
27 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
28 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
29 upon request of the County be immediately removed from any assignment whatsoever,
30 directly associated with operations under this contract during the pendency of trial and/or
31 following conviction.

32
33 **G.E.** This Agreement is subject to all present and future laws, regulations and orders of Federal,
34 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
35 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
36 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
37 such party shall notify the other party of such order or requirement and the law, regulation or order on
38 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
39 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of suchsaid~~
40 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
41 following the ~~Effective Datedate of suchsaid~~ law, regulation or order becomes effective. Nothing in this
42 Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking to obtain
43 modification or repeal of such law, regulation or order or restrict either party's right to legally contest the
44 validity of such law, regulation or order.

45
46 **SECTION 10. DISRUPTIONS IN SERVICE**

47
48 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
49 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
50 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
51 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County

1 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
2 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
3 by such conditions with an estimate of when service will be resumed.
4

5 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
6 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
7 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
8 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
9 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
10 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
11 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
12 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
13 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
14 County's sole negligence in providing such substitute service. Employees of Franchisee, including
15 management employees, may be employed by County during any period in which County temporarily
16 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
17 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
18 between Franchisee and its employees at the time Franchisee's service was interrupted.
19

20 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
21 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
22 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
23 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
24 be primarily reserved for use by County access while County or its designated representative is performing
25 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
26 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
27 accordance with the provisions of this Agreement.
28

29 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES 30

31 A. Should Franchisee or the County contend that the County-other party is in breach of this Franchise
32 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
33

34 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
35 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
36 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
37 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
38 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
39 Arbitration and Mediation Services.
40

41 C. The hearing shall be conducted according to the provisions of California Government Code Section
42 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
43 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
44 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
45 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
46 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
47 reasonably related to the seriousness of the breach of the Agreement.
48

49 D. The party losing the hearing shall be liable for the hearing officer's fees.
50

1 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
2 a material breach of the Agreement, and may be grounds for termination of the Agreement.

3
4 F. Any party to the hearing may issue a request to compel reasonable document production from the
5 other party. Disputes concerning the scope of document production and enforcement of document requests
6 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
7 document request, then by disposition by order of the hearing officer. Any such document request shall be
8 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
9 procedures to protect such rights.

10
11 G. Neither party may communicate separately with the hearing officer after the hearing officer has
12 been selected. All subsequent communications between a party and a hearing officer shall be
13 simultaneously delivered to the other party. This provision shall not apply to communications made to
14 schedule a hearing or request a continuance.

15
16 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
17 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
18 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
19 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
20 the party subject thereto acted with substantial justification or if the interests of justice so require.

21
22 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.

23
24 **SECTION 12. FRANCHISE TRANSFERABILITY**

25
26 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
27 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
28 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
29 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
30 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
31 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
32 such a request using such criteria as it deems necessary including, but not limited to, those listed in
33 Subsection C.

34
35 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
36 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
37 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
38 this Agreement.

39
40 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
41 meet the following requirements:

- 42
43 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
44 investigation costs necessary to investigate the suitability of any proposed transferee, and
45 to review and finalize any documentation required as a condition for approving any such
46 transfer.
47
48 2) The Franchisee shall furnish the County with audited financial statements of the proposed
49 transferee's operations for the immediately preceding three (3) operating years.
50

1 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
2 transferee has at least five (5) years of solid waste management experience of a scale equal
3 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
4 that in the last five (5) years, the proposed transferee has not suffered any citations or other
5 censure from any federal, state or local agency having jurisdiction over its waste
6 management operations due to any significant failure to comply with state, federal or local
7 waste management laws. Franchisee shall supply the County with a complete list of such
8 citations and censures; (iii) that the proposed transferee has at all times conducted its
9 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
10 transferee conducts its solid waste management practices in accordance with sound waste
11 management practices in full compliance with all federal, state and local laws regulating
12 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
13 insurance and bonds; and (vii) of other material as may be requested by the County.
14

15 ~~D.—This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County~~
16 ~~without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The~~
17 ~~foregoing is not intended to prevent the County from exercising its right to terminate the agreement~~
18 ~~consistent with Section 3, and for the County to seek a new franchisee at the expiration of this~~
19 ~~Agreement. This franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned~~
20 ~~by the County to any Public Agency having the authority to provide solid waste collection services if the~~
21 ~~Board determines it is in the public interest to do so.~~
22

23 SECTION 13. REPORTS

24
25 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
26 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.
27

28 B. Franchisee shall make its customer base and records available to the Department for audit at
29 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
30 Agreement.
31

32 SECTION 14. COMPENSATION

33 A. Franchisee Rates.

34 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
35 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
36 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
37 ~~the maximum rate to be charged for such materials.~~
38
39
40

41 B. Modification and Adjustment of Rates.

42
43 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
44 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
45 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
46 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or ~~District~~
47 ~~DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
48 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The ~~rates set~~

1 ~~forth on Exhibit E rates~~ shall remain in effect until adjusted by County following a public hearing as
2 provided in Exhibit ~~FD~~.

3
4 C. Notice of Rate Changes

5
6 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
7 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
8 from County regarding approved changes in landfill fees and CPI adjustments. ~~The wording of the notice~~
9 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
10 ~~prior to release. If requested by the Department, the Franchisee will provide a copy of the written notice~~
11 ~~for review.~~ County shall provide Franchisee with written notice of changes in System Facility, franchise,
12 or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated rate
13 changes.

14
15 D. Resolution of Disputes Regarding Rate Adjustments

16
17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution can-not be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The ~~Effective Date~~ of any dispute resolution, whether retroactive or
23 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
24 appropriate. Any Franchisee operating in a ~~Comprehensive Compulsory~~ Collection Area shall be subject
25 to all applicable provisions in the County's ~~comprehensive Compulsory e~~Collection ordinance.

26
27 E. Billing and Payment.

28
29 Franchisee may bill and receive payment as provided ~~in Exhibit E herein~~. In cases where Franchisee
30 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
31 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
32 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
33 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.

36
37
38 F. Delinquent Accounts.

39
40 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
41 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
42 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
43 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
44 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any

1 Franchisee operating in a ~~comprehensive-Compulsory e~~Collection area shall be subject to all applicable
2 provisions in the ~~comprehensive-Compulsory e~~Collection ordinance.

3
4 G. Refunds.

5
6 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
7 such customer for service not provided when service is discontinued by written notification to Franchisee
8 by the customer.

9
10 **SECTION 15. FRANCHISE FEES**

11
12 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
13 ~~Transfer Station Tipping Fees~~, shall be payable by Franchisee to the Department thirty (30) days after the
14 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
15 to be paid for revenues generated by the collection or sale of Recyclable Materials and Organic Waste
16 collected by the Franchisee, ~~or for the provision of construction roll-off services~~. A penalty of ten (10)
17 percent shall be due for fees not submitted within the thirty (30) day time period.

18
19 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
20 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
21 accordance with Exhibit ~~FD~~.

22
23 **SECTION 16. OTHER REQUIREMENTS**

24
25 A. Privacy

26
27 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
28 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
29 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
30 statute, or upon valid authorization of the customer. — This provision shall not be construed to preclude
31 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
32 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
33 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
34 that Franchisee may provide such lists to authorized employees and authorized representatives of the
35 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
36 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.

37
38 B. Public Access to the Franchisee

- 39
40 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
41 Monday through Friday. A representative of Franchisee shall be available during office
42 hours for communication with the public at Franchisee's principal office. In the event that
43 normal business cannot be conducted over the telephone, a representative of Franchisee
44 shall agree to meet with the public at a location agreeable to Franchisee and the public.
45 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee

1 shall also maintain a local or toll free after-hours telephone number for use during other
2 than normal business hours. Franchisee shall have a representative or answering device or
3 system available at said after-hours telephone number during all hours other than normal
4 office hours.

- 5
- 6 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
7 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
8 Person, by close of business of the second business (waste Collection) day following the
9 date on which such complaint is received. Service complaints may be investigated by the
10 Director or a designee. Franchisee shall maintain records listing the date of customer
11 complaints, the customer, describing the nature of the complaint or request, and when and
12 what action was taken by the Franchisee to resolve the complaint. All such records shall
13 be maintained and shall be available for inspection by County.
- 14
- 15 3) Government Liaison Person. The Franchisee shall designate a "government liaison
16 Person" who shall be responsible for working with the Department to resolve customer
17 complaints.
- 18

19 C. Resolution of Disputed Customer Complaints.

20

21 The Franchisee shall ~~notify-supply, upon~~ customers request, a copy of this complaint arbitration
22 procedure at the time a customers ~~applies~~ for or ~~are~~is provided service, and subsequently, as requested by
23 the customer annually. Procedures for resolution of disputed claims shall be as follows:

24

- 25 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
26 County to review the complaint. To obtain this review, the customer may request County
27 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
28 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
29 has failed to respond to the complaint. The County may extend the time to request its
30 review for good cause.
- 31
- 32 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
33 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
34 customer's complaint and determine if further action is warranted. The Director may
35 request written statements from the Franchisee and customer, and/or oral presentations.
- 36
- 37 3) The Director shall determine if the Customer's complaint is justified, and if so, what
38 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
39 of customer charges related to the period of breach of any of the terms of this Franchise
40 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
41 addition to any actual damages.
- 42
- 43 4) The Director may delegate these duties to a designee. The decision of the Director or a
44 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
45 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
46 may seek review pursuant to Section 11 above.
- 47

48 D. Hazardous Materials and Waste Handling and Disposal

49

1 The Franchisee shall comply with the procedures detailed in ~~Exhibit G of this Agreement~~ State Law.

2
3 **SECTION 17. FORCE MAJEURE**
4

5 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
6 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
7 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
8 Solid Waste facilities used by Franchisee:

9 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
10 earthquakes, tornados, or other catastrophic events;

11 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;

12 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
13 other event leading to the imposition of quarantines, travel or movement restrictions, social
14 distancing, or public health advisories restricting large gatherings;

15 D. Accident or other catastrophic event including fire or explosion;

16 E. Strikes and labor disputes;

17 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.

18 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
19

20 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
21 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
22 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
23 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
24 Franchisee intends to take to restore its ability to perform, and such other information as the County may
25 reasonably request.
26

27 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
28 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
29 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
30 Franchisee.

31 Franchisee shall not be in default under this Franchise Agreement in the event that the services provided
32 by the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,
33 sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,
34 landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are
35 beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability
36 of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from
37 other governmental agencies or the right to use the facilities of any public utility where such failure is due
38 solely to the acts or omissions of the Franchisee.
39

40 **SECTION 18. OTHER PROVISIONS**
41

42 A. Independent Contractor.
43

1 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
2 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
3 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
4 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
5 retirement or other benefits which accrue to County employees.

6
7 B. Property Damage.
8

9 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
10 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
11 completion of a proper investigation which proves that the Franchisee was at fault of said damage.
12

13 C. Right of Entry.
14

15 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
16 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
17 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
18 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
19

20 D. Law to Govern.
21

22 The law of the State of California shall govern this Franchise Agreement.
23

24 E. Gratuities.
25

26 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
27 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
28 Franchise Agreement.
29

30 F. Compliance with Franchise Agreement.
31

32 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and~~ 745, or any
33 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
34 during the Term of this Franchise Agreement.
35

36 G. Notices.
37

38 All notices required or permitted to be given under this franchise shall be in writing and shall be
39 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
40 receipt requested, and addressed as follows:
41

42 To County: County of Riverside
43 Attn: Department of Environmental Health
44 4065 County Circle Drive
45 Riverside, CA 92503

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Copy to: County Counsel

To Franchisee: CR&R Incorporated
Attn: Senior Regional Vice President
P.O. Box 1208
Perris, CA 92572

Copy to: CR&R Incorporated
Attn: David ~~Fahrion~~Ronnenberg, President
~~P.O. Box 1208~~1292 Western Ave
~~Perris, Ca. 92572~~Stanton, CA 90680

or to such other address as either party may from time to time designate by notice to the other given in accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed, three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon receipt of confirmation of delivery which confirmation may be transmitted by fax.

H. Exhibits Incorporated.

Exhibits A through ~~I-D~~ are attached to and incorporated in the Franchise Agreement by reference. In the event of differences or conflicts between the language of an Exhibit and the language of the Franchise Agreement, the language of the Exhibit shall prevail.

I. Nondiscrimination.

In performing the Collection services hereunder, Franchisee shall not discriminate against any Person on the ground of race, sex, age, creed, color, religion or national origin.

J. Laws and Licenses.

Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary to perform the services hereunder and maintain the same in full force and effect.

K. Waiver.

No waiver by either party of any one or more defaults or breaches by the other in the performance of this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a like or different character.

SECTION 19. SEVERABILITY

A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit I~~ referenced in this agreement is a material part of the franchise agreement, itself, and is not severable from

1 it. Franchisee agrees not to challenge the validity or enforceability of the Waste Delivery Agreement or
2 any term or provision found in such agreement. If for any reason this Waste Delivery Agreement or any
3 part thereof is found to be void or unenforceable ~~or any part thereof~~ by a court of law, then, ~~the Franchise~~
4 ~~agreement, itself, is deemed to be terminated thereupon and to be of no further force or effect.~~ the County
5 may consider termination or amendment of the Franchise Agreement.
6

7 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
8 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
9 enforceability of any of the remaining provisions of this Franchise Agreement.
10

11 SECTION 20. ENTIRE AGREEMENT; AMENDMENT

12 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
13 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
14 and all other communications, representations, proposals, understandings or Agreements, either written or
15 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
16 or amended, in whole or in part, except by writing signed by both parties hereto.
17

18 At least once every 5 years, or more often as required by a significant change in law, starting from the
19 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
20 or required amendments.
21
22

23 SECTION 21. CONSTRUCTION OF FRANCHISE

24 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
25 attorneys, and no provision contained herein shall be construed against County solely because it prepared
26 this agreement in its executed forms.
27
28

29 SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES

30 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
31 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
32 another company, all service levels and rates of this contract shall at the discretion of the Board of
33 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.
34
35

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

2

3 Executed on ~~May 5th, 2016.~~ _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

~~Steve Van Stockum~~ Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

~~J. Alex Braicovich~~ Clifford Ronnenberg

17

Chairman and CEO ~~Senior Regional Vice~~

18

~~President~~

19

CR&R Incorporated

Hauler Franchise Area 9

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3
4 Beginning at a point on the Northerly Boundary of the County of Riverside, said point being the Northeast
5 Corner of Section 1, T. 2 S., R. 3 E., S.B.B. & M.;

6
7 Thence Southerly, along the East Line of Said Township, Said Line Also Being the East Line of Sections
8 1, 12 and 13 to the Southeast Corner of Section 13 of said Township;

9
10 Thence Westerly, along the South Line of Section 13, to the Southwest Corner of Said Section, Said point
11 also being the Northeast Corner of Section 23 of said Township;

12
13 Thence Southerly, along the east line of Sections 23, 26 and 35, to the Southeast Corner of Section 35 T. 2
14 S., R. 3 E., Said point also falling on the North Line of T. 3 S., R. 3 E.;

15
16 Thence Easterly, along the North Line of said Township to the Northeast Corner of Section 1, T. 3 S., R. 3
17 E.;

18
19 Thence Southerly, along the East Line Of Section 1, T. 3 S., R. 3 E., to the Southeast Corner of Said Section;

20
21 Thence Westerly, along the South Line of Said Section 1, to the Southwest Corner of Said Section;

22
23 Thence Southerly, along the East Line of Sections 11, 14, 23, 26 and 35 to the Southeast Corner of Section
24 35, T. 3 S., R. 3 E. Said point also being on the Northerly line of T. 4 S., R. 3 E.;

25
26 Thence Easterly, along Said Township Line, to the Northeast Corner of Section 1 of Said Township,

27
28 Thence Southerly, along the East Line of T. 4 S., R. 3 E., Also Being the East Line of Sections 1 and 12, to
29 the Southeast Corner of Section 12 of said Township;

30
31 Thence Westerly, along the Southerly Lines of Sections 12, 11, 10, 9, 8 and 7 of Said T. 4 S., R. 3 E., to
32 the Westerly Boundary of said Township, Said point also being the Southwest Corner of Section 7, of said
33 Township, also falling on the East Line of T. 4 S., R. 2 E.;

34
35 Thence Northerly, along Said Township Line, Also Being the East Line of Sections 12 and 1, to the
36 Northeast Corner of Section 1, Said Point Also Being the Northeast Corner of T. 4 S., R. 2 E.;

37
38 Thence Westerly, along the North Line of Said Township, Also Being the North Line of Sections 1, 2, and
39 3 of Said Township, to the Northwest Corner of Section 3;

40
41 Thence Southerly, along the West Line of Section 3, to the Southeast Corner of Section 4, T. 4 S., R. 2 E.;

42
43 Thence Westerly, along the Southerly Line of Section 4, to the Southwest Corner of said Section;

44
45 Thence Northerly along the Westerly Line of Section 4, to the Northwest Corner of said Section, Said point
46 also being on the Southerly Boundary of T. 3 S., R. 2 E.;

47
48 Thence Continuing Northerly, along the Easterly Line of Sections 32 and 29 of T. 3 S., R. 2 E., to the
49 Northeast Corner of said Section 29;

1 Thence Westerly, along the Northerly Line of Sections 29 and 30 of T. 3 S., R. 2 E., to the Westerly
2 boundary of said Township, said point also being on the Easterly line of T. 3 S., R. 1 E.,
3
4 Thence Continuing Westerly, along the Northerly line of Section 25 of T. 3 S., R. 1 E.;
5
6 Thence Southerly, along the westerly line of Sections 25 and 36 of said T. 3 S., R. 1 E. to the Northeast
7 Corner of the South Half of the Southeast Quarter of Section 35;
8
9 Thence Westerly, along the North line of the south half of the southeast quarter of said Section 35, to the
10 Northwest Corner of the South Half of the southeast quarter of said Section 35;
11
12 Thence Southerly along the Center Section line to the Southerly Quarter Corner of Section 35 T. 3 S., R. 1
13 E.;
14
15 Thence Westerly, along the Southerly Section Line of Sections 35 and 34 of Said Township, to the
16 Southwest Corner of Section 34 T. 3 S., R. 1 E.;
17
18 Thence Northerly along the Westerly Line of Sections 34, 27, 22, 15, 10 and 3 of T. 3 S., R. 1 E. to the
19 Northwest Corner of said Section 3, said point also being on the Southerly Line of said T. 2 S., R. 1 E.;
20
21 Thence Northerly along the Westerly Line of Sections 34, 27, 22, 15, 10 and 3 of T. 2 S., R. 1 E. to the
22 Northwest Corner of said Section 3, said point also being on the Northerly Line of said T. 2 S., R. 1 E, said
23 point also being on the Northerly boundary of the County of Riverside;
24
25 Thence Easterly along the Northerly County Boundary, being also the Northerly Line of Sections 3, 2, and
26 1 of said T. 2 S., R. 1 E., to the Northeast corner of Section 1;
27
28 Thence Continuing Easterly along said Northerly County Boundary and along the Northerly Line of T. 2
29 S., R. 2 E., to the Northeast Corner of Section 1 of said township.
30
31 Thence Continuing Easterly along said Northerly County Boundary and along the Northerly Line of T. 2
32 S., R. 3 E., to the Northeast Corner of Section 1 of said township. said point also being the Point of
33 Beginning.
34
35 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
36 in areas 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, and 13.
37
38 Also excluded are any areas within City Boundaries.

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EXHIBIT DC

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the ~~District-DWR~~ reserve the right to request additional information as necessary to meet their needs, ~~including but not limited to the AB 939 reporting requirements and to comply with applicable State Law. Reports shall be provided in a format approved by the Department.~~ All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit ~~all~~ completed ticket transactions to the ~~District-DWR~~ as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the ~~District-DWR~~ within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the ~~District-DWR~~ and placed on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No. 1.~~

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. ~~The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.~~

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary~~Summary~~ reports
2. ~~Equipment inventory~~
3. ~~Future programs~~
2. Litigation information~~Education and Outreach~~
3. Service Performance
4. Container contamination monitoring

1
2 **Collection ~~Information~~Summary**
3

4 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material
5 collected by month and the number of accounts serviced monthly. The quantities of solid waste, ~~recyclables~~
6 ~~and green waste~~ and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
7 tonnage information is not available). The Department may, at its discretion, also require reporting by
8 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
9 information such as density factors.
10

11 **Education and Outreach**
12

13 The Franchisee shall submit copies of public education materials sent to customers or provided
14 electronically on their websites or social media outlets.

15 **Service Performance**
16

17 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
18 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
19 shall identify the total number of all written or oral Customer comments and shall provide the number of
20 comments received in the following categories: praises, litter or property damage complaints, misplacement
21 of containers, stolen containers, personnel complaints, missed pickups, and other.
22

23 **Container Contamination Monitoring**
24

25 The Franchise shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.
29

30 **~~Program Implementation~~**
31

32 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
33 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
34 ~~resolutions and schedule for correcting the problem.~~
35

36 **4. ANNUAL REPORTS**
37

38 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
39 Franchisee will be responsible for providing the following reports:
40

- 41 1. Summary reports
- 42 2. Equipment inventory
- 43 3. Program implementation
- 44 3-4. Future programs
- 45 5. Litigation information
- 46 4.6. Education and Outreach
47

48 **Summary Reports**
49

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.

8 **Equipment Inventory**

9
10 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
11 The inventory list shall indicate the age of the equipment.
12

13 **Program Implementation**

14 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
15 for the quarter year. The report shall address how the problems and barriers were overcome or the proposed
16 resolutions and schedule for correcting the problem.
17

18 **Future Programs**

19
20 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
21 but have not been planned for.
22

23 **Litigation Information**

24
25 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
26 against the parent company and all subsidiaries of parent company that may have an effect on the
27 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.
28

29 **Education and Outreach**

30
31 The Franchisee shall submit copies of public education materials sent to customers or provided
32 electronically on their websites or social media outlets.
33
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EXHIBIT ~~FD~~

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

~~All Rate adjustments must receive approval by the Board of Supervisors following public hearings.~~

1.3. ANNUAL RATE ADJUSTMENT

~~The Schedule of Approved Rates provided referenced in Exhibit E Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st with the first such adjustment occurring July 1, 1999. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario-Los Angeles/Anaheim/Riverside Metropolitan Area or equivalent successor index, (1982-84=100), as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service. Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year, January through December. The first adjustment shall be effective July 1, 1999, based upon changes in the consumer Price Index formula for the period January 1998 through December 1998. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District DWR direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.~~

~~Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.~~

2. PERIODIC RATE ADJUSTMENT MECHANISM

~~The Department reserves the right to review the Franchisee's rates every three years from the effective date~~

1 of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in
2 comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that the
3 Department makes such a determination the Franchisee's rates may be adjusted to any level at or above the
4 average rates in the comparable jurisdictions.
5

6 **3.4. EXTRAORDINARY RATE REVIEW**
7

8 A. The Director or Franchisee may initiate a special rate review by the Department should an
9 extraordinary event or circumstance arise which has a significant impact on the economic operation
10 of the Franchisee or the rates charged to customer as follows:
11

12 1. An event or circumstance (including changes in law) occurs which is beyond the control of
13 Franchisee or County.
14

15 2. Changes to operations mandated by the County or proposed by Franchisee and approved by the
16 County.
17

18 ~~3. Any change in disposal/Green Waste tip fees.~~
19

20 ~~4.3. The District DWR directs Franchisee to use a different System Facility for more than thirty (30)~~
21 ~~days that involves a change in round trip time or distance.~~
22

23 ~~5.4. The County modifies the franchise fee.~~
24

25 ~~6.5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.~~
26

27 ~~7.6. Significant increases in the number of customer accounts due to development or growth.~~
28

29 ~~8.7. Other circumstances at the discretion of the Director or the Board of Supervisors.~~
30

31 B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which
32 warrant consideration of a special rate review, as specified above, will be reviewed and considered.
33

34 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
35 operational information at least three months prior to the proposed effective date of any rate
36 adjustment.
37

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FRANCHISE COLLECTION

7

AGREEMENT

8

FOR FRANCHISE

9

AREA #9

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1 AMMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE AND CR&R INCORPORATED
3 FOR THE COLLECTION AND TRANSPORTATION
4 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
5

6 This Franchise Agreement ("Franchise Agreement") by and between the County of Riverside
7 ("County") and CR&R Incorporated ("Franchisee"), for the Collection and transportation of Solid Waste,
8 Recyclable Materials, Organic Waste, and construction debris and other specified services, originally
9 entered into on May 19, 1998, and most recently amended on May 5, 2016, is hereby amended and restated
10 on December 7, 2021.
11

12 **RECITALS**
13

14 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
15 Ordinance 745 the County of Riverside ("County") has determined that the public health, safety, and well-
16 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for waste
17 management services for residential, commercial, and industrial customers in the County of Riverside; and
18

19 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
20 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
21 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
22 recovery and disposal; and
23

24 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
25 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
26

27 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
28

29 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
30

31 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
32 representations and warranties for the benefit of the County as of the date of this Agreement.
33

- 34 1) Franchisee is duly organized and validly existing as a corporation in good standing under
35 the laws of the State of California.
36
- 37 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
38 Agreement, and has duly authorized the execution and delivery of this Agreement.
39
- 40 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
41 Franchisee to do so, and this Agreement has been duly executed and delivered by
42 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
43 against Franchisee in accordance with its terms.
44
- 45 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
46 court or governmental entity against Franchisee or affecting Franchisee, wherein an
47 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
48 of this Agreement, or which would have a material adverse effect on the financial condition
49 of Franchisee.
50

1 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
2 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
3 parent company's financial circumstances since the date of the most recent financial
4 statements submitted to the Environmental Health Department ("Department"). Prior to
5 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
6 most recent annual financial statements. The Department may at its discretion specify the
7 contents and form of such statements. The Director of Environmental Health may inspect
8 the financial records of the Franchisee at any reasonable time for any reasonable purpose
9 relevant to the performance of this contract.

10
11 6) Franchisee has the expert, professional, and technical capability to perform all of its
12 obligations under this Agreement.

13
14 B. Representations and Warranties of the County.

15
16 Prior to commencement of any services hereunder, the County hereby makes the following
17 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:

- 18
19 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
20 This Agreement constitutes the legal, valid and binding Agreement of the County and is
21 enforceable against the County in accordance with its terms.
22
23 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
24 County before any court or governmental entity wherein an unfavorable decision, ruling or
25 finding would adversely affect the validity or enforceability of this Agreement.

26
27 **SECTION 2. DEFINITIONS**

28
29 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
30 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
31 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
32 Agreement. In the event of conflict between the definition of a term as found in the California Public
33 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
34 supersede the definition found in the Public Resources Code or in County ordinances.

35
36 A. Agreement means this Agreement between the County and Franchisee for the Collection and
37 transportation of Solid Waste and other specified services, including all exhibits, and any future
38 amendments.

39
40 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
41 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
42 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
43 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.

44
45 C. Board means the Riverside County Board of Supervisors.

46
47 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
48 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
49 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
50 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in

1 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
2 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
3 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
4 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
5 Persons.
6

7 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
8 this Agreement and its transportation to an appropriate Solid Waste Facility.
9

10 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
11 residential and Multi-Residential Units.
12

13 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
14 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
15 commercial units are required to subscribe to refuse collection.
16

17 H. County means the County of Riverside, State of California.
18

19 I. Department means the Riverside County Department of Environmental Health.
20

21 J. Director means the Director of the Riverside County Department of Environmental Health or
22 their designee.
23

24 K. Diversion (or any variation thereof including "Divert") means activities which reduce or
25 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
26 recycling, and composting.
27

28 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
29 date it is executed by the Board of Supervisors.
30

31 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
32 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
33 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
34 B.
35

36 N. Franchise Area means the geographic territory defined in Exhibit B.
37

38 O. Generator means the owner or occupant of premises, including residences or businesses, which
39 initially produces Solid Waste, Recyclable Materials, or Organic Waste.
40

41 P. Green Waste means organic waste generated from any landscaping including grass clippings,
42 leaves, prunings, tree trimmings, weeds, branches, and brush.
43

44 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
45 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
46 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
47 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
48 of State or other governmental agencies.
49

1 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
2 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
3 of the following:

- 4 1) Rural, sparsely populated areas,
- 5 2) Hilly or mountainous terrain,
- 6 3) Poorly paved or unpaved roads which may be impassable in poor weather,
- 7 4) Large, uninhabited areas between pockets of homes,
- 8 5) Unusually heavy waste due to large properties, livestock, etc.
- 9 6) Limited access on a private street or alley.

10 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
11 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
12 "Hard to Service"

13
14 S. Integrated Waste Management Act (IWMA) means the California Integrated Waste
15 Management Act of 1989 (AB 939), including all subsequent amendments.

16
17 T. Multi-Residential Units mean permanent buildings containing three or more Residential Units
18 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
19 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.

20
21 U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
22 wood waste, and food-soiled paper waste that is mixed in with food waste.

23
24 V. Recyclable Materials mean material which has been segregated from other Solid Waste
25 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
26 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
27 Recyclables consisting of two or more of the above-referenced material types separated from non-
28 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
29 than five (5) percent Solid Waste by weight.

30
31 W. Residential Unit means an occupied dwelling within the unincorporated area of the County
32 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
33 or domestic light and power services are being supplied thereto. This definition shall apply also to
34 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
35 two (2) attached Residential Units.

36
37 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
38 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
39 A of this Agreement.

40
41 Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
42 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
43 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste
44 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
45 Waste, Recyclable Materials or Organic Waste.

46
47 Z. Term means the Term of this Agreement, as provided for in Section 3.
48

1 AA. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee
2 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
3 to specified System Facilities and kept on file with the DWR.
4

5 BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
6 discarded processed wood materials, and large tree limbs.
7

8 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE 9

10 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
11 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
12 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
13 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
14 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
15 purposes.
16

17 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
18 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
19 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
20 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
21 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
22 Organic Waste.
23

24 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
25 the Exclusive Franchise, to the extent provided for in state and federal law.
26

27 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
28 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
29 provided in Sections 9 and 10 hereof.
30

31 D. Franchisee will commence services under this Agreement on January 1, 2022.
32

33 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
34 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
35 taken.
36

37 SECTION 4. FRANCHISE AREA 38

39 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
40 County defined in Exhibit B, "Franchise Area."
41

42 SECTION 5. SERVICES PROVIDED BY FRANCHISEE 43

44 A. General. 45

46 Franchisee shall provide the Collection and transportation of Solid Waste and
47 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
48 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
49 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
50 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels
51 of Solid Waste service to be provided under this Agreement are defined below, however, no residential or

1 commercial or business customer shall be refused service, if that party is willing to pay for such service and
2 is current in payment. Disputes arising over the terms on which a particular customer may be serviced
3 because of remoteness of location, difficulty of access, particular needs of the customer, etc. shall be
4 decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
5

6 B. Single Family Residential.
7

8 Weekly Service. Not less often than once per week, and more frequently if required to handle the
9 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
10 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
11 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
12 Collection time. Solid Waste must be placed within containers at curbside without obstructions so as to
13 permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
14 Franchisee may negotiate special pickup procedures, above and beyond the normal services described
15 above, with customers for an additional fee in an amount provided in Exhibit D.
16

17 C. Commercial, Industrial, and Multi-Residential.
18

- 19 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
20 if required to handle the waste stream of the premises where the Bins are located,
21 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
22 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
23 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
24
25 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
26 frequently if required to handle the waste stream of the premises where the Bins are located,
27 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
28 Collection in Solid Waste Bins at Commercial Units.
29

30 D. Construction and Temporary Bin/Rolloff Services.
31

32 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
33 Exhibit D.
34

35 E. Semi-Annual Cleanup and Bulky Wastes Collection.
36

- 37 1) Upon verbal or written customer request, made a minimum of two business days prior to
38 the customer's regular service day, Franchisee shall provide on-call Single Family
39 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
40 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
41 customer. Franchisee and County agree that this service is intended to allow residents to
42 safely discard of large household items such as furniture and whitegoods or other large
43 household items that do not fit in their regular weekly trash containers. Each Single
44 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
45 Household Waste Collection Services per calendar year with a maximum of four (4) items
46 at each collection occurrence. The total amount of annual allowable items per household
47 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
48 (4) tires per collection request. Bulky Household Waste items do not include items such as
49 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
50 boats, campers, trailers or household hazardous waste. Additional requests for bulky item

1 service shall be subject to the bulky item rates established on the rate sheets approved by
2 the Board of Supervisors.

- 3
4 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
5 designee to respond to organized community clean up efforts at no charge. Franchisee shall
6 deliver containers to agreed upon collection points and shall cooperate with the Director
7 and designated community leaders to remove containers and dispose of collected Solid
8 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
9 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
10 The DWR will arrange that there shall be no charge of disposal fees for such Solid Waste
11 delivered in separate vehicles to the System Facilities.
12

13 F. Illegal Dumping Retrieval Services
14

15 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:
16

- 17 1) If requested by the County the Franchisee shall turn in a report of illegal dumping of trash
18 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as
19 tires, couches, and appliances) noticed within or along the Roadway in the franchise area.
20 For the purpose of this provision, the Roadway shall include public rights of way within
21 twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of
22 unpaved roadways.
23
24 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
25 reports of illegal dumping reported by citizens to the Department, Department of
26 Transportation, or the DWR.
27
28 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
29 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof
30 (excluding weekends and holidays) except for remote areas, as approved by the director,
31 for which the removal shall occur within five working days. The Franchisee may request
32 that specified roads, determined by the franchisee to be inaccessible for waste removal, be
33 considered by the Director for revised waste removal requirements.
34
35
36 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
37 or appliances as well as hazardous, medical, and other wastes requiring special handling
38 are exempt from the retrieval requirements set forth herein, provided, however, that of
39 these exempted items noted within the Roadway are to be immediately reported to the
40 Director.
41
42 5) The Franchisee shall, upon request of private property owners, the Director or the
43 Departments of County Transportation and Land Management Agency, provide removal
44 services for waste illegally disposed of on their private property, excluding those wastes
45 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
46 D.
47
48 6) Illegally disposed materials along Roadways within one mile of disposal sites within
49 Riverside County are exempt from the retrieval requirements set forth herein.
50
51

1 G. Collection of Used Motor Oil.
2

3 Franchisee shall collect used motor oil from single family residential customers in accordance with
4 California Public Resources Code Section 48691.
5

6 H. Collection and Equipment
7

8 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
9 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
10 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
11 inspection at the request of the Department.
12

- 13 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
14 the Department of Motor Vehicles of the State of California, shall be kept clean and in
15 good repair, and shall be uniformly painted.
16
17 2) A local or toll free telephone number, and vehicle number shall be clearly visibly displayed
18 on all required vehicles.
19

20 **SECTION 6. OWNERSHIP OF SOLID WASTE**
21

22 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
23 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
24 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
25 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
26 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
27 Franchisee.
28

29 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**
30

31 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
32 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
33 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
34 Delivery Agreement to be effective on the same date as this Agreement.
35

36 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**
37

38 A. Indemnification of County
39

40 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
41 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
42 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
43 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
44 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
45 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
46 reasonable costs and expenses of investigating and defending against same; provided, however, that
47 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
48 negligence or misconduct of County or their agents, officers, or employees.
49

1 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
2 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
3 survive the term of the franchise.

4
5 B. Hazardous Substances Indemnification.
6

7 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
8 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
9 counsel approved by County, protect and hold harmless County and their respective employees, agents,
10 assigns, and any successor or successors to County's interest from and against all claims, actual damages
11 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
12 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
13 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
14 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
15 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
16 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
17 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
18 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
19 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
20 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
21 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
22 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
23 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.
24

25 C. Minimum Diversion Requirements
26

27 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
28 California Public Resources Code, Section 41780 and any other current or future California Statute that
29 requires the County to divert material from landfills. In the event that the State of California alters the
30 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
31 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
32 associated with any additional recycling programs.
33

34 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
35 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
36 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
37 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
38 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
39 against any third party as a means of meeting its obligation under this section.
40

41 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
42 by the Director as set forth in Section 9.A. of this agreement.
43

44 D. Worker's Compensation Insurance.
45

46 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
47 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
48 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
49 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
50 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
51 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt

1 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
2 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
3 arise from work performed by the named insured for the County.
4

5 E. Public Liability Insurance.
6

7 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
8 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
9 six million dollars (\$6,000,000.00) aggregate and three million dollars (\$3,000,000.00) per occurrence for
10 bodily injury and property damage. Said insurance shall protect Franchisee, the County and their elected
11 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
12 accidental death, as well as from any claim for property damage which may arise from operations performed
13 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
14 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
15 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
16 of the insurance policies required by this Section:
17

- 18 1) "This policy shall be considered primary insurance as respects any other valid and
19 collectible insurance the County may possess including any self-insured retention the
20 County may have, and any other insurance the County does possess shall be considered
21 excess insurance and shall not contribute with it."
22
- 23 2) "This insurance shall act for each insured, as though a separate policy had been written for
24 each. This, however, shall not act to increase the limit of liability of the insuring company."
25
- 26 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
27 certificate(s) of insurance showing that such insurance is in full force and effect, and
28 County are named as additional insureds with respect to this Franchise and the obligations
29 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
30 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
31 modification, cancellation or reduction in coverage of such insurance. In the event of any
32 such modification, cancellation or reduction in coverage and on the effective date thereof,
33 this Franchise shall terminate forthwith, unless County receive prior to such effective date
34 another certificate from an insurance carrier that the insurance required herein is in full
35 force and effect.
36

37 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
38 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
39 shall be named as additional insureds on all policies and endorsements.
40

41 F. Performance Bond or Letter of Credit.
42

43 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
44 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
45 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
46 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
47 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
48 California.
49

50 G. Modification.
51

1 The insurance requirements provided herein may be modified or waived in writing by the Board upon
2 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
3 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
4 provided by the parent company of Franchisee.
5

6 SECTION 9. DEFAULT AND REMEDIES 7

8 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
9 breached its obligation, the provisions of this Agreement, the requirements of CalRecycle, including, but
10 not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
11 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
12 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Waste and other
13 wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies. The
14 Director may, in such written instrument, set a reasonable time within which correction of all such
15 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
16 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
17 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
18 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
19 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
20 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
21 below.
22

23 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
24 perform its obligations under this Agreement.
25

26 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
27 therefor, not later than 6 months following the date of said hearing at which a majority vote of the board
28 determines it is in the public interest to do so:
29

- 30 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 31
- 32 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
33 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 34
- 35 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
36 compensation, liability, indemnification coverage, and performance bond as required by
37 the Agreement.
- 38
- 39 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
40 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
41 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
42 which case no breach of the franchise shall be deemed to have occurred.
- 43
- 44 5) If the Franchisee ceases to provide Collection services as required under this Agreement
45 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
46 for any reason within the control of the Franchisee.
- 47
- 48 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
49 refuses to provide County with required information, reports, and/or test results in a timely
50 manner as provided in the Franchise Agreement.
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- 7) For any other act or omission by the Franchisee which materially violates the terms, conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach within the time set forth in such notice, if the Franchisee should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.
 - 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors of the Franchisee or any parent corporation or entity be found guilty of felonious conduct related to the performance of this Agreement, or of felonious conduct related to anti-trust activities, illegal transport or disposal of hazardous waste or materials, or violation of Racketeer - Influenced Corrupt Organizations (RICO) Statutes.

16 D. Professional Conduct

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- 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any court in the United States, or is otherwise alleged to have participated in any criminal activity directly or indirectly associated with the solid waste management business, Franchisee or its successor-in-interest shall provide written notice thereof to the Director within 14 days of such indictment, complaint or allegation. Such notice shall contain a description of the indictment, complaint or allegation, as well as a copy of such indictment or complaint or other matters of public record related thereto. In addition to the foregoing, Franchisee or its successor-in-interest shall provide the Director with copies of any reports required to be prepared by Franchisee or its successor-in-interest pursuant to federal securities laws, including quarterly and annual reports.
 - 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-interest, who has any responsibility for any aspect of the franchisee's operations under this contract, is convicted, indicted by a grand jury, or named as a defendant in a felony complaint filed in the Superior Court or a complaint filed in Federal Court associated with conduct of doing business for Franchisee or its successor-in-interest, this person shall, upon request of the County be immediately removed from any assignment whatsoever, directly associated with operations under this contract during the pendency of trial and/or following conviction.

39 E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
40 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
41 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
42 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
43 such party shall notify the other party of such order or requirement and the law, regulation or order on
44 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
45 or to renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order
46 becomes effective, then this Agreement shall terminate on the thirty-first day following the date said law,
47 regulation or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's
48 sole expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
49 restrict either party's right to legally contest the validity of such law, regulation or order.
50
51

1 **SECTION 10. DISRUPTIONS IN SERVICE**
2

3 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
4 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
5 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
6 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
7 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
8 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
9 by such conditions with an estimate of when service will be resumed.
10

11 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
12 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
13 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
14 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
15 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
16 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
17 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
18 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
19 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
20 County's sole negligence in providing such substitute service. Employees of Franchisee, including
21 management employees, may be employed by County during any period in which County temporarily
22 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
23 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
24 between Franchisee and its employees at the time Franchisee's service was interrupted.
25

26 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
27 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
28 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
29 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
30 be primarily reserved for use by County access while County or its designated representative is performing
31 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
32 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
33 accordance with the provisions of this Agreement.
34

35 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES**
36

37 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
38 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
39

40 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
41 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
42 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
43 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
44 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
45 Arbitration and Mediation Services.
46

47 C. The hearing shall be conducted according to the provisions of California Government Code Section
48 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
49 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
50 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
51 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including

1 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
2 reasonably related to the seriousness of the breach of the Agreement.

3
4 D. The party losing the hearing shall be liable for the hearing officer's fees.

5
6 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
7 a material breach of the Agreement, and may be grounds for termination of the Agreement.

8
9 F. Any party to the hearing may issue a request to compel reasonable document production from the
10 other party. Disputes concerning the scope of document production and enforcement of document requests
11 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
12 document request, then by disposition by order of the hearing officer. Any such document request shall be
13 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
14 procedures to protect such rights.

15
16 G. Neither party may communicate separately with the hearing officer after the hearing officer has
17 been selected. All subsequent communications between a party and a hearing officer shall be
18 simultaneously delivered to the other party. This provision shall not apply to communications made to
19 schedule a hearing or request a continuance.

20
21 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
22 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
23 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
24 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
25 the party subject thereto acted with substantial justification or if the interests of justice so require.

26
27 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.

28
29 **SECTION 12. FRANCHISE TRANSFERABILITY**

30
31 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
32 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
33 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
34 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
35 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
36 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
37 such a request using such criteria as it deems necessary including, but not limited to, those listed in
38 Subsection C.

39
40 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
41 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
42 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
43 this Agreement.

44
45 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
46 meet the following requirements:

- 47
48 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
49 investigation costs necessary to investigate the suitability of any proposed transferee, and
50 to review and finalize any documentation required as a condition for approving any such
51 transfer.

- 1
2 2) The Franchisee shall furnish the County with audited financial statements of the proposed
3 transferee's operations for the immediately preceding three (3) operating years.
4
5 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
6 transferee has at least five (5) years of solid waste management experience of a scale equal
7 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
8 that in the last five (5) years, the proposed transferee has not suffered any citations or other
9 censure from any federal, state or local agency having jurisdiction over its waste
10 management operations due to any significant failure to comply with state, federal or local
11 waste management laws. Franchisee shall supply the County with a complete list of such
12 citations and censures; (iii) that the proposed transferee has at all times conducted its
13 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
14 transferee conducts its solid waste management practices in accordance with sound waste
15 management practices in full compliance with all federal, state and local laws regulating
16 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
17 insurance and bonds; and (vii) of other material as may be requested by the County.
18

19 This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County without the
20 prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The foregoing
21 is not intended to prevent the County from exercising its right to terminate the agreement consistent with
22 Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
23

24 SECTION 13. REPORTS

25
26 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
27 recovery and disposal specified in Exhibit C of this Agreement.
28

29 B. Franchisee shall make its customer base and records available to the Department for audit at
30 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
31 Agreement.
32

33 SECTION 14. COMPENSATION

34 35 A. Franchisee Rates. 36

37 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
38 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
39 are included in this Exclusive Franchise to the extent provided in state and federal law.
40

41 B. Modification and Adjustment of Rates. 42

43 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
44 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
45 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
46 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
47 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to

1 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
2 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.

3
4 C. Notice of Rate Changes
5

6 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
7 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
8 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
9 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
10 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
11 Services at least forty-five (45) days in advance of the anticipated rate changes.
12

13 D. Resolution of Disputes Regarding Rate Adjustments
14

15 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
16 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
17 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
18 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
19 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
20 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
21 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate. Any
22 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
23 County's Compulsory Collection ordinance.
24

25 E. Billing and Payment.
26

27 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
28 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
29 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
30 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
31 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
32 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
33 of Franchisee's billing dates.
34

35 F. Delinquent Accounts.
36

37 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
38 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
39 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
40 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
41 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
42 Franchisee operating in a Compulsory Collection area shall be subject to all applicable provisions in the
43 Compulsory Collection ordinance.
44

45 G. Refunds.

1
2 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
3 such customer for service not provided when service is discontinued by written notification to Franchisee
4 by the customer.

5
6 **SECTION 15. FRANCHISE FEES**
7

8 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
9 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
10 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
11 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
12 be due for fees not submitted within the thirty (30) day time period.
13

14 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
15 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
16 accordance with Exhibit D.
17

18 **SECTION 16. OTHER REQUIREMENTS**
19

20 A. Privacy
21

22 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
23 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
24 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
25 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
26 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
27 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
28 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
29 that Franchisee may provide such lists to authorized employees and authorized representatives of the
30 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
31 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
32

33 B. Public Access to the Franchisee
34

- 35 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
36 Monday through Friday. A representative of Franchisee shall be available during office
37 hours for communication with the public at Franchisee's principal office. In the event that
38 normal business cannot be conducted over the telephone, a representative of Franchisee
39 shall agree to meet with the public at a location agreeable to Franchisee and the public.
40 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
41 shall also maintain a local or toll free after-hours telephone number for use during other
42 than normal business hours. Franchisee shall have a representative or answering device or
43 system available at said after-hours telephone number during all hours other than normal
44 office hours.
45

- 1 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
2 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
3 Person, by close of business of the second business (waste Collection) day following the
4 date on which such complaint is received. Service complaints may be investigated by the
5 Director or a designee. Franchisee shall maintain records listing the date of customer
6 complaints, the customer, describing the nature of the complaint or request, and when and
7 what action was taken by the Franchisee to resolve the complaint. All such records shall
8 be maintained and shall be available for inspection by County.
9
- 10 3) Government Liaison Person. The Franchisee shall designate a "government liaison
11 Person" who shall be responsible for working with the Department to resolve customer
12 complaints.
13

14 C. Resolution of Disputed Customer Complaints.
15

16 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
17 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
18 Procedures for resolution of disputed claims shall be as follows:
19

- 20 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
21 County to review the complaint. To obtain this review, the customer may request County
22 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
23 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
24 has failed to respond to the complaint. The County may extend the time to request its
25 review for good cause.
26
- 27 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
28 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
29 customer's complaint and determine if further action is warranted. The Director may
30 request written statements from the Franchisee and customer, and/or oral presentations.
31
- 32 3) The Director shall determine if the Customer's complaint is justified, and if so, what
33 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
34 of customer charges related to the period of breach of any of the terms of this Franchise
35 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
36 addition to any actual damages.
37
- 38 4) The Director may delegate these duties to a designee. The decision of the Director or a
39 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
40 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
41 may seek review pursuant to Section 11 above.
42

43 D. Hazardous Materials and Waste Handling and Disposal
44

45 The Franchisee shall comply with the procedures detailed in State Law.
46
47
48
49

1 **SECTION 17. FORCE MAJEURE**
2

3 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
4 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
5 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
6 Solid Waste facilities used by Franchisee:

- 7 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
8 earthquakes, tornados, or other catastrophic events;
9 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
10 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
11 other event leading to the imposition of quarantines, travel or movement restrictions, social
12 distancing, or public health advisories restricting large gatherings;
13 D. Accident or other catastrophic event including fire or explosion;
14 E. Strikes and labor disputes;
15 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
16 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
17

18 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
19 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
20 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
21 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
22 Franchisee intends to take to restore its ability to perform, and such other information as the County may
23 reasonably request.
24

25 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
26 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
27 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
28 Franchisee.
29

30 **SECTION 18. OTHER PROVISIONS**
31

32 A. Independent Contractor.
33

34 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
35 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
36 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
37 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
38 retirement or other benefits which accrue to County employees.
39

40 B. Property Damage.
41

42 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
43 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
44 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

1
2 C. Right of Entry.
3

4 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
5 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
6 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
7 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
8

9 D. Law to Govern.
10

11 The law of the State of California shall govern this Franchise Agreement.
12

13 E. Gratuities.
14

15 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
16 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
17 Franchise Agreement.
18

19 F. Compliance with Franchise Agreement.
20

21 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
22 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
23 the Term of this Franchise Agreement.
24

25 G. Notices.
26

27 All notices required or permitted to be given under this franchise shall be in writing and shall be
28 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
29 receipt requested, and addressed as follows:
30

31 To County: County of Riverside
32 Attn: Department of Environmental Health
33 4065 County Circle Drive
34 Riverside, CA 92503
35

36 Copy to: County Counsel
37

38 To Franchisee: CR&R Incorporated
39 Attn: Senior Regional Vice President
40 P.O. Box 1208
41 Perris, CA 92572
42

43 Copy to: CR&R Incorporated
44 Attn: David Ronnenberg, President
45 11292 Western Ave

1 Stanton, CA 90680
2

3 or to such other address as either party may from time to time designate by notice to the other given in
4 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
5 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
6 receipt of confirmation of delivery which confirmation may be transmitted by fax.
7

8 H. Exhibits Incorporated.
9

10 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
11 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
12 Agreement, the language of the Exhibit shall prevail.
13

14 I. Nondiscrimination.
15

16 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
17 on the ground of race, sex, age, creed, color, religion or national origin.
18

19 J. Laws and Licenses.
20

21 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
22 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
23 to perform the services hereunder and maintain the same in full force and effect.
24

25 K. Waiver.
26

27 No waiver by either party of any one or more defaults or breaches by the other in the performance of
28 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
29 like or different character.
30

31 **SECTION 19. SEVERABILITY**
32

33 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
34 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
35 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
36 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
37 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
38 Agreement.
39

40 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
41 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
42 enforceability of any of the remaining provisions of this Franchise Agreement.
43
44
45
46

1 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**
2

3 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
4 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
5 and all other communications, representations, proposals, understandings or Agreements, either written or
6 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
7 or amended, in whole or in part, except by writing signed by both parties hereto.
8

9 At least once every 5 years, or more often as required by a significant change in law, starting from the
10 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
11 or required amendments.
12

13 **SECTION 21. CONSTRUCTION OF FRANCHISE**
14

15 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
16 attorneys, and no provision contained herein shall be construed against County solely because it prepared
17 this agreement in its executed forms.
18

19 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
20

21 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
22 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
23 another company, all service levels and rates of this contract shall at the discretion of the Board of
24 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

Clifford Ronnenberg

17

Chairman and CEO

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CR&R Incorporated

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EXHIBIT B

FRANCHISE AREA 9

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description:

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

Hauler Franchise Area 9

1
2
3
4 Beginning at a point on the Northerly Boundary of the County of Riverside, said point being the Northeast
5 Corner of Section 1, T. 2 S., R. 3 E., S.B.B. & M.;

6
7 Thence Southerly, along the East Line of Said Township, Said Line Also Being the East Line of Sections
8 1, 12 and 13 to the Southeast Corner of Section 13 of said Township;

9
10 Thence Westerly, along the South Line of Section 13, to the Southwest Corner of Said Section, Said point
11 also being the Northeast Corner of Section 23 of said Township;

12
13 Thence Southerly, along the east line of Sections 23, 26 and 35, to the Southeast Corner of Section 35 T. 2
14 S., R. 3 E., Said point also falling on the North Line of T. 3 S., R. 3 E.;

15
16 Thence Easterly, along the North Line of said Township to the Northeast Corner of Section 1, T. 3 S., R. 3
17 E.;

18
19 Thence Southerly, along the East Line Of Section 1, T. 3 S., R. 3 E., to the Southeast Corner of Said Section;

20
21 Thence Westerly, along the South Line of Said Section 1, to the Southwest Corner of Said Section;

22
23 Thence Southerly, along the East Line of Sections 11, 14, 23, 26 and 35 to the Southeast Corner of Section
24 35, T. 3 S., R. 3 E. Said point also being on the Northerly line of T. 4 S., R. 3 E.;

25
26 Thence Easterly, along Said Township Line, to the Northeast Corner of Section 1 of Said Township,

27
28 Thence Southerly, along the East Line of T. 4 S., R. 3 E., Also Being the East Line of Sections 1 and 12, to
29 the Southeast Corner of Section 12 of said Township;

30
31 Thence Westerly, along the Southerly Lines of Sections 12, 11, 10, 9, 8 and 7 of Said T. 4 S., R. 3 E., to
32 the Westerly Boundary of said Township, Said point also being the Southwest Corner of Section 7, of said
33 Township, also falling on the East Line of T. 4 S., R. 2 E.;

34
35 Thence Northerly, along Said Township Line, Also Being the East Line of Sections 12 and 1, to the
36 Northeast Corner of Section 1, Said Point Also Being the Northeast Corner of T. 4 S., R. 2 E.;

37
38 Thence Westerly, along the North Line of Said Township, Also Being the North Line of Sections 1, 2, and
39 3 of Said Township, to the Northwest Corner of Section 3;

40
41 Thence Southerly, along the West Line of Section 3, to the Southeast Corner of Section 4, T. 4 S., R. 2 E.;

42
43 Thence Westerly, along the Southerly Line of Section 4, to the Southwest Corner of said Section;

44
45 Thence Northerly along the Westerly Line of Section 4, to the Northwest Corner of said Section, Said point
46 also being on the Southerly Boundary of T. 3 S., R. 2 E.;

47
48 Thence Continuing Northerly, along the Easterly Line of Sections 32 and 29 of T. 3 S., R. 2 E., to the
49 Northeast Corner of said Section 29;

1 Thence Westerly, along the Northerly Line of Sections 29 and 30 of T. 3 S., R. 2 E., to the Westerly
2 boundary of said Township, said point also being on the Easterly line of T. 3 S., R. 1 E.,
3
4 Thence Continuing Westerly, along the Northerly line of Section 25 of T. 3 S., R. 1 E.;
5
6 Thence Southerly, along the westerly line of Sections 25 and 36 of said T. 3 S., R. 1 E. to the Northeast
7 Corner of the South Half of the Southeast Quarter of Section 35;
8
9 Thence Westerly, along the North line of the south half of the southeast quarter of said Section 35, to the
10 Northwest Corner of the South Half of the southeast quarter of said Section 35;
11
12 Thence Southerly along the Center Section line to the Southerly Quarter Corner of Section 35 T. 3 S., R. 1
13 E.;
14
15 Thence Westerly, along the Southerly Section Line of Sections 35 and 34 of Said Township, to the
16 Southwest Corner of Section 34 T. 3 S., R. 1 E.;
17
18 Thence Northerly along the Westerly Line of Sections 34, 27, 22, 15, 10 and 3 of T. 3 S., R. 1 E. to the
19 Northwest Corner of said Section 3, said point also being on the Southerly Line of said T. 2 S., R. 1 E.;
20
21 Thence Northerly along the Westerly Line of Sections 34, 27, 22, 15, 10 and 3 of T. 2 S., R. 1 E. to the
22 Northwest Corner of said Section 3, said point also being on the Northerly Line of said T. 2 S., R. 1 E, said
23 point also being on the Northerly boundary of the County of Riverside;
24
25 Thence Easterly along the Northerly County Boundary, being also the Northerly Line of Sections 3, 2, and
26 1 of said T. 2 S., R. 1 E., to the Northeast corner of Section 1;
27
28 Thence Continuing Easterly along said Northerly County Boundary and along the Northerly Line of T. 2
29 S., R. 2 E., to the Northeast Corner of Section 1 of said township.
30
31 Thence Continuing Easterly along said Northerly County Boundary and along the Northerly Line of T. 2
32 S., R. 3 E., to the Northeast Corner of Section 1 of said township. said point also being the Point of
33 Beginning.
34
35 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
36 in areas 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, and 13.
37
38 Also excluded are any areas within City Boundaries.

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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

Collection Summary

The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not

1 available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall
2 clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density
3 factors.
4

5 **Education and Outreach**

6

7 The Franchisee shall submit copies of public education materials sent to customers or provided
8 electronically on their websites or social media outlets.

9 **Service Performance**

10

11 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
12 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
13 shall identify the total number of all written or oral Customer comments and shall provide the number of
14 comments received in the following categories: praises, litter or property damage complaints, misplacement
15 of containers, stolen containers, personnel complaints, missed pickups, and other.
16

17 **Container Contamination Monitoring**

18

19 The Franchise shall provide a summary of container contamination monitoring activities including
20 information on efforts to minimize container contamination. When applicable a separate detailed report
21 shall be provided to the Department identifying sites that are out of compliance and require additional
22 enforcement by the County.
23

24 **4. ANNUAL REPORTS**

25

26 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
27 Franchisee will be responsible for providing the following reports:
28

- 29 1. Summary reports
- 30 2. Equipment inventory
- 31 3. Program implementation
- 32 4. Future programs
- 33 5. Litigation information
- 34 6. Education and Outreach
35

36 **Summary Reports**

37

38 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
39 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
40 provided shall include quantities of materials collected, and if processed by non-system facilities, the
41 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
42 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
43 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
44 experiences, and any problems in program operation and how they were resolved.
45

46 **Equipment Inventory**

47

48 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
49 The inventory list shall indicate the age of the equipment.

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Program Implementation

The Franchisee shall submit a report summarizing the problems or barriers to implementation of services for the year. The report shall address how the problems and barriers were overcome or the proposed resolutions and schedule for correcting the problem.

Future Programs

The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed but have not been planned for.

Litigation Information

The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation against the parent company and all subsidiaries of parent company that may have an effect on the Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

Education and Outreach

The Franchisee shall submit copies of public education materials sent to customers or provided electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. DWR direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.

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3. The DWR directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 4. The County modifies the franchise fee.
 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 6. Significant increases in the number of customer accounts due to development or growth.
 7. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION

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AGREEMENT

8

FOR FRANCHISE

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AREA #10

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A. SERVICES

B. FRANCHISE AREA

C. REPORTING

D. RATES AND RATE ADJUSTMENT MECHANISM

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- 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any court or governmental entity against Franchisee or affecting Franchisee, wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of this Agreement, or which would have a material adverse effect on the financial condition of Franchisee.
 - 5) Franchisee has sufficient financial resources to perform all aspects of its obligations hereunder. There has been no material adverse change in Franchisee's or Franchisee's parent company's financial circumstances since the date of the most recent financial statements submitted to the Environmental Health Department ("Department"). Prior to the Effective Date of this Agreement, the Franchisee shall submit to the Department the most recent annual financial statements. The Department may at its discretion specify the contents and form of such statements. The Director of Environmental Health may inspect the financial records of the Franchisee at any reasonable time for any reasonable purpose relevant to the performance of this contract.
 - 6) Franchisee has the expert, professional, and technical capability to perform all of its obligations under this Agreement.
 - ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee has provided the performance bond or letter of credit certificates of insurance, and the annual financial statements, as provided in Exhibit C.~~

25 B. Representations and Warranties of the County.

26
27 Prior to commencement of any services hereunder, the County hereby makes the following
28 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
29

- 30
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37
- 1) The parties executing this Agreement on behalf of the County are duly authorized to do so. This Agreement constitutes the legal, valid and binding Agreement of the County and is enforceable against the County in accordance with its terms.
 - 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the County before any court or governmental entity wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of this Agreement.

38 **SECTION 2. DEFINITIONS**

39
40 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
41 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
42 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
43 Agreement. In the event of conflict between the definition of a term as found in the California Public
44 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
45 supersede the definition found in the Public Resources Code or in County ordinances.
46

47 A. Agreement means this Agreement between the County and Franchisee for the Collection and
48 transportation of Solid Waste and other specified services, including all exhibits, and any future
49 amendments.

1
2 B. ~~Bins shall~~ mean those containers provided by Franchisee for commercial, industrial,
3 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~1-2~~ to 6 cubic yards in
4 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
5 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
6

7 C. ~~Board shall~~ means the Riverside County Board of Supervisors.
8

9 C. ~~Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
10 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
11 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
12 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
13 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
14 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
15 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
16 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
17 Persons.~~

18 D. ~~_____~~
19

20 D. ~~Bulky Waste shall mean large, heavy or otherwise difficult to handle items, including,
21 but not limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture,
22 large concrete and asphalt chunks, tree stumps, or other waste materials with weights or volumes
23 greater than those allowed for containers.~~
24

25
26 E. ~~Collection~~ means Collection of Solid Waste, recyclable material, or other material specified
27 in this Agreement and its transportation to an appropriate Solid Waste Facility.
28

29 F. ~~Commercial Units shall~~ mean all commercial, industrial, institutional or other facilities, except
30 residential and Multi-Residential Units.
31

32 G. ~~Compost means a stable humus like product that results from the biological
33 decomposition of organic materials occurring under controlled conditions.~~
34

35 F. ~~_____~~

36 H. ~~Compost Facility means a Solid Waste Facility that processes Organic Waste, Wood Waste or
other organic materials to produce Compost or mulch.~~
37

38 I.G. ~~Comprehensive Compulsory Collection Areas shall~~ mean specific portions or areas of the
39 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
40 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.
41

42 J.H. ~~County~~ means the County of Riverside, State of California.
43

44 K.I. ~~Department~~ means the Riverside County Department of Environmental Health.
45

46 L.J. ~~Director shall~~ means the Director of the Riverside County Department of Environmental
47 Health or ~~his or her~~their designee.
48

1 K. Diversion (or any variation thereof including "Divert") means activities which reduce or
2 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
3 recycling, and composting.

4 M. District means the Riverside County Waste Resources Management District.

5
6 N.L. Effective Date means the date on which this Agreement becomes effective, which shall be the
7 date it is executed by the Board of Supervisors.

8
9 O.M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
10 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
11 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
12 B.

13
14 P. Extremely Hazardous Waste shall mean any Hazardous Waste or mixture of Hazardous
15 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
16 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.

17
18 Q.N. Franchise Area means the geographic territory defined in Exhibit B.

19
20 R. Franchise Documents shall mean the Agreement (as herein defined), the separately executed
21 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
22 under this Agreement.

23
24 S.O. Generator means the owner or occupant of premises, including residences or businesses, which
25 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

26
27 T.P. Green Waste means organic waste generated from any landscaping including grass clippings,
28 leaves, prunings, tree trimmings, weeds, branches, and brush.

29
30 U.Q. Gross Receipts means all monies received by Franchisee for providing franchise services
31 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
32 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
33 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
34 of State or other governmental agencies.

35
36 V.R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
37 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
38 of the following:

- 39 1) Rural, sparsely populated areas,
- 40 2) Hilly or mountainous terrain,
- 41 3) Poorly paved or unpaved roads which may be ~~unim~~passable in poor weather,
- 42 4) Large, uninhabited areas between pockets of homes,
- 43 ~~5) Unusually heavy waste due to large properties, livestock, etc.~~
- 44 ~~5)~~
- 45 6) Limited access on a private street or alley.

46 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
47 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
48 "Hard to Service"

1 ~~W. Hazardous Waste shall mean any waste material or mixture of wastes which is defined or~~
2 ~~otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an~~
3 ~~irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a~~
4 ~~waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,~~
5 ~~or as a proximate result of any disposal of such wastes or mixture of wastes. The term "toxic", "corrosive",~~
6 ~~"flammable", "irritant", or "strong sensitizer" shall be given the same meaning as found in the California~~
7 ~~Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.~~

8
9 ~~X.S. Integrated Waste Management Act (IWMA) shall means~~ the California Integrated Waste
10 Management Act of 1989 (AB 939), including all subsequent amendments.

11
12 ~~Y. Materials Recovery Facility means a facility intended primarily for recovery and processing~~
13 ~~of Recyclable Materials that are source separated, or a facility intended to recover Recyclable Materials~~
14 ~~from Solid Waste. Such a facility may also function as a Transfer Station.~~

15
16 ~~Z.T. Multi-Residential Units shall mean~~ permanent buildings containing three or more Residential
17 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
18 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.

19
20 ~~AA.U. Organic Waste means~~ food waste, green waste, landscape and pruning waste, nonhazardous
21 wood waste, and food-soiled paper waste that is mixed in with food waste.

22
23 ~~BB. Permitted Hauler means a Solid Waste service provider who has a valid permit to operate~~
24 ~~within all, or a portion of, the unincorporated County.~~

25
26 ~~CC. Person shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,~~
27 ~~trust, association, or corporation whether for profit or non-profit.~~

28
29
30 ~~DD.V. Recyclable Materials means~~ material which has been segregated from other Solid Waste
31 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, -glass,
32 cardboard, plastic, ferrous materials, ~~green-Organic~~ waste or aluminum. Recyclable Materials also include
33 mixed Recyclables consisting of two or more of the above-referenced material types separated from non-
34 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
35 than five (5) percent Solid Waste by weight.

36
37 ~~EE.W. Residential Unit shall means~~ an occupied dwelling within the unincorporated area of the
38 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
39 either water or domestic light and power services are being supplied thereto. This definition shall apply also
40 to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to
41 be two (2) attached Residential Units.

42
43 ~~FF.X. Roadways means~~ all County maintained roadways in the unincorporated area of the County
44 or private roadways, accessible by the Franchisee and used for providing routine service as defined in
45 Exhibit A of this Agreement.

46
47 ~~GG. Solid Waste means all putrescible and non-putrescible solid, semisolid and liquid wastes,~~
48 ~~including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction~~

1 wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,
2 and other discarded solid and semisolid wastes.

3
4 Solid Waste does not include any of the following wastes:

- 5 ○ Hazardous waste, as defined in Public Resources Code Section 40141.
- 6 ○ Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8
7 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety Code).
- 8 ○ Medical waste regulated pursuant to the Medical Waste Management Act (Part 14
9 (commencing with Section 117600) of Division 104 of the Health and Safety Code). Untreated
10 medical waste shall not be disposed of in a solid waste landfill, as defined in Section 40195.1.
11 Medical waste that has been treated and deemed to be solid waste shall be regulated pursuant
12 to this division.

13
14 ~~HH. Solid Waste Facility~~, means any facility that is licensed, permitted or otherwise approved by
15 all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,
16 Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material
17 recovery, composting, waste to energy, or landfill facilities.

18
19 ~~HY. System Facility~~, means a Solid Waste Facility that is owned and/or operated by the ~~District~~
20 Riverside County Department of Waste Resources (DWR), or with which the ~~District-DWR~~ has entered
21 into an Agreement, and that for the purposes of this Agreement is designated by the ~~District-DWR~~ through
22 a separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery
23 and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.

24
25 ~~JZ. Term~~, means the Term of this Agreement, as provided for in Section 3.

26
27 ~~KK. Transfer Station~~, shall include those intermediate waste handling facilities where Solid Wastes
28 are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof
29 may undergo incidental processing, recycling or further handling before transportation to a disposal site,
30 Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer
31 station":

- 32 1) Locations where less than 15 cubic yards of combined container volume are provided to serve
33 as community or multi-residence receptacles for residential refuse.
- 34 2) Storage receptacles for waste from multi-residential buildings or for commercial Solid Wastes.
- 35 3) A container used to store construction or demolition wastes at the place of generation.
- 36 4) Containers used to store salvaged materials.

37
38 ~~LL.AA. Waste Delivery Agreement~~, means the contract entered into by the District and the Franchisee
39 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
40 to specified System Facilities and kept on file with the DWR.

41
42 ~~MM.BB. Wood Waste~~, means industrial dimension lumber, pallets, shipping dunnage, and similar
43 discarded processed wood materials, and large tree limbs.

44 45 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE.

46
47 A. Pursuant to Ordinance 657745, and the IWMA, and subject to the terms and conditions of this
48 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
49 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit

1 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
2 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
3 purposes.
4

5 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
6 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
7 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
8 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
9 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
10 Organic Waste; ~~(3) to the cancellation, upon the Effective Date of this Agreement, of any permit or other
11 authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable
12 Materials, or Organic Waste for the portion of the unincorporated county permit area covered by Exclusive
13 Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code
14 section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for
15 those areas represented by Exclusive Franchise Agreements.~~
16

17 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to
18 its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement
19 and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in
20 accordance with the provisions of this Agreement.~~
21

22 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
23 the Exclusive Franchise, to the extent provided for in state and federal law.
24

25 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the
26 Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of
27 this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior
28 thereto either the County or the Franchisee gives written notice of non renewal to the other party. Only one
29 notice of non renewal shall be required hereunder. Notice of non renewal need not be based on cause.~~ The
30 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
31 notice for nonperformance, as provided in Sections 9 and 10 hereof.
32

33 D. Franchisee will commence services under this Agreement on January 1st, ~~1999~~, 2022.
34

35 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
36 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
37 taken.
38

39 40 SECTION 4. FRANCHISE AREA.

41
42 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated
43 Riverside County defined in Exhibit B, "Franchise Area."
44

45 SECTION 5. SERVICES PROVIDED BY FRANCHISEE.

46
47 A. General.
48

1 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
2 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which
3 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
4 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
5 Exhibit A, and the rates set forth in accordance with Exhibit ED. Minimum levels of Solid Waste service
6 to be provided under this Agreement are defined below, however, no residential or commercial or business
7 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
8 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
9 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
10 provisions of Section 16 (B) (2) related to "service complaints."
11

12 B. Single Family Residential.

13
14 Weekly Service. Not less often than once per week, and more frequently if required to handle the
15 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials (except
16 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
17 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
18 Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without obstructions so as
19 to permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
20 ~~Franchisee may supply containers, and/or may require the use of specific containers as specified in Exhibit~~
21 ~~A.~~ Franchisee may negotiate special pickup procedures, above and beyond the normal services described
22 above, with customers for an additional fee in an amount provided in Exhibit ED.
23

24 C. Commercial, Industrial, and Multi-Residential.

- 25
26 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
27 if required to handle the waste stream of the premises where the Bins are located,
28 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
29 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
30 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
31
32 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
33 frequently if required to handle the waste stream of the premises where the Bins are located,
34 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
35 Collection in Solid Waste Bins at Commercial Units.
36

37 D. Construction and Temporary Bin/Rolloff Services.

38
39 Franchisee shall provide construction and temporary bin/rolloff services using rates ~~reflected~~
40 ~~in~~ established per Exhibit ED.
41

42 E. Semi-Annual Cleanup and Bulky Wastes Collection.

43
44 ~~At least twice a year, Franchisee shall provide a one (1) day cleanup service to all Residential Unit~~
45 ~~customers on its routes wherein all bulky materials left on the curb, or other designated location~~
46 ~~on or adjacent to customer's property, up to a maximum of one and one half cubic yards, will be~~
47 ~~removed and disposed. Cost for this service, excluding the cost of disposal, shall be included~~
48 ~~within the normal monthly rates for Residential Unit Solid Waste Collection as specified in~~
49 ~~Exhibit E. When feasible, the bulky material will be collected in a vehicle separate from the one~~

1 used to pick up the residential unit's Solid Waste on a weekly basis so that it can be readily
2 identified as not requiring tipping fees when it arrives at the designated landfill. Franchisee will
3 make a good faith effort to divert the bulky material away from the designated landfill and to
4 another facility where it can be either recycled or refurbished for reuse. Collection of heavy
5 waste materials such as dirt, rock, concrete, and asphalt are not included in this service.
6

7 1) Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service
8 arranged at the request of the customer for large household appliances or furniture or
9 multiple smaller items not exceeding one and one half cubic yards. Collection of heavy
10 waste materials such as dirt, rock, concrete, and asphalt are not included in this service.
11 Franchisee shall advertise the availability of the Bulky Wastes Collection service and shall
12 provide the Bulky Waste Collection service within seven (7) working days of request by
13 customer. Franchisee shall bill the customer for Bulky Waste Collection at the rate
14 established in Exhibit E. Upon verbal or written customer request, made a minimum of two
15 business days prior to the customer's regular service day, Franchisee shall provide on-call
16 Single Family Residential Bulky Household Waste Collection Service. Bulky items shall
17 be placed within two (2) feet of the curb or other such location as agreed to by the
18 Franchisee and the customer. Franchisee and County agree that this service is intended to
19 allow residents to safely discard of large household items such as furniture and whitegoods
20 or other large household items that do not fit in their regular weekly trash containers. Each
21 Single Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
22 Household Waste Collection Services per calendar year with a maximum of four (4) items
23 at each collection occurrence. The total amount of annual allowable items per household
24 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
25 (4) tires per collection request. Bulky Household Waste items do not include items such as
26 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
27 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
28 service shall be subject to the bulky item rates established on the rate sheets approved by
29 the Board of Supervisors.

30 1) — Standard disposal rates shall be paid by franchisee at System Facility.
31

32 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
33 designee to respond to organized community clean up efforts at no charge. Franchisee shall
34 deliver containers to agreed upon collection points and shall cooperate with the Director
35 and designated community leaders to remove containers and dispose of collected Solid
36 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
37 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
38 The ~~District~~-DWR will arrange that there shall be no charge of disposal fees for such Solid
39 Waste delivered in separate vehicles to the System Facilities.
40

41 F. Illegal Dumping Retrieval Services 42

43 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:
44

45 1) If requested by the County the Franchisee shall turn in ~~to County~~ a ~~monthly~~ report of illegal
46 dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky
47 items (such as tires, couches, and appliances) noticed within or along the Roadway in the
48 franchise area. For the purpose of this provision, the Roadway shall include public rights

1 of way within twenty (20) feet of the paved roadways and within twenty (20) feet of the
2 shoulders of unpaved roadways.

3
4 2) Franchisee shall anticipate and arrange to receive daily by ~~facsimile~~electronic methods,
5 copies of reports of illegal dumping reported by citizens to the Department ~~of~~
6 ~~Environmental Health~~, Department of Transportation, or the ~~Waste Resources~~
7 ~~Management District~~DWR.

8
9 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
10 materials on the Roadway within ~~forty-eight (48)~~seventy-two (72) hours of the receipt of
11 reports thereof (except weekends and holidays) except for remote areas, as approved by
12 the director, for which the removal shall occur within five working days. The Franchisee
13 may request that specified roads, determined by the franchisee to be inaccessible for waste
14 removal, be considered by the Director for revised waste removal requirements.

15
16 ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at~~
17 ~~County disposal sites at the time of delivery of the corresponding loads of illegally dumped~~
18 ~~debris. Nothing herein shall prevent the immediate pickup, delivery and reporting thereof,~~
19 ~~as part of the normal route collection activities, of illegally discarded material.~~

20
21 ~~5)4) _____~~ Abandoned vehicles and objects or appliances larger than conventional household
22 furniture or appliances as well as hazardous, medical and other wastes requiring special
23 handling are exempt from the retrieval requirements set forth herein, provided, however,
24 that of these exempted items noted within the Roadway are to be immediately reported to
25 the Director.

26
27 ~~6)5) _____~~ The Franchisee shall, upon request of private property owners, the Director or the
28 Departments of County Transportation and Land Management Agency, provide removal
29 services for waste illegally disposed of on their private property, excluding those wastes
30 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
31 ED.

32
33 ~~7)6) _____~~ Illegally disposed materials along Roadways within one mile of disposal sites
34 within Riverside County are exempt from the retrieval requirements set forth herein.

35
36 ~~8) _____~~ For sixty (60) days from the effective date of this contract, the County will arrange that
37 there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall
38 pay the usual fees charged for comparable types and quantities of Solid Waste.

39
40 ~~9) _____~~ Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit
41 to the Director an accurate accounting of its costs to provide ~~Illegal Dumping Retrieval~~
42 ~~Service~~.

43
44 G. Collection of Used Motor Oil.

45
46 Franchisee shall collect used motor oil from single family residential customers in accordance with
47 California Public Resources Code Section 48691, the Recycled Oil Collection and Storage Standards
48 pursuant to Riverside County Ordinance 657 and Riverside County Resolution 90-668.
49

1 H. Diversion Services

- 2
- 3 1) ~~Diversion services proposed by Franchisee as described in Exhibit H shall be provided~~
- 4 ~~throughout the duration of this contract.~~
- 5
- 6 2) ~~At any time during the term of this Agreement, upon one hundred eighty (180) days written~~
- 7 ~~notice from the Director, Franchisee shall provide collection of Green Waste or Organic~~
- 8 ~~Waste from Residential Units throughout, or in designated portions of its Exclusive~~
- 9 ~~Franchise Area. Franchisee's rates for this service shall be as established in Exhibit E as~~
- 10 ~~adjusted by the methodology established in Exhibit F.~~

11

12 I.H. Collection and Equipment

13

14 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,

15 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise

16 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~

17 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~ The equipment of

18 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~

19 ~~Department on an annual basis~~ at the request of the Department.

- 20
- 21 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
- 22 the Department of Motor Vehicles of the State of California, shall be kept clean and in
- 23 good repair, and shall be uniformly painted.
- 24
- 25 2) ~~Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
- 26 ~~days.~~
- 27
- 28 3) ~~A local or toll free telephone number, and vehicle number shall be clearly visibly~~
- 29 ~~displayed on all required vehicles, in letters and figures no less than three inches (3") high.~~
- 30 2)

31

32 **SECTION 6. OWNERSHIP OF SOLID WASTE.**

33

34 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,

35 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers

36 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.

37 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part

38 thereof, shall become the property of the owner or operator of a System Facility once deposited there by

39 Franchisee.

40

41 **SECTION 7. DIRECTION OF COLLECTED MATERIALS.**

42

43 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by

44 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)

45 and the ~~District~~DWR. The rates ~~shown~~ referenced in Exhibit ~~E-D~~ are based on the ~~——~~ facility(ies)

46 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.

47

48 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND.**

1
2 A. Indemnification of County ~~and District~~.
3

4 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
5 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
6 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
7 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
8 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
9 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
10 reasonable costs and expenses of investigating and defending against same; provided, however, that
11 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
12 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.
13

14 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
15 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
16 survive the term of the franchise.
17

18
19 B. Hazardous Substances Indemnification.
20

21 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
22 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
23 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
24 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
25 damages (including, but not limited to, special and consequential damages), natural resources damage,
26 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
27 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
28 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
29 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
30 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
31 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
32 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
33 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
34 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
35 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
36 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
37 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
38 from liability.
39

40 C. Minimum Diversion Requirements
41

42 The County and Franchisee shall establish programs sufficient to meet the County's obligations
43 under California Public Resources Code, Section 41780 and any other current or future California Statute
44 that requires the County to divert material from landfills. In the event that the State of California alters the
45 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
46 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
47 associated with any additional recycling programs.
48

1 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
2 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
3 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
4 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
5 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
6 against any third party as a means of meeting its obligation under this section.
7

8 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
9 by the Director as set forth in Section 9.A. of this agreement.

10 ~~The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in~~
11 ~~programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner~~
12 ~~which entitles County to diversion credit as specified in California Public Resources Code, Section 41780~~
13 ~~measured on a calendar year basis beginning January 1st, 1999 ("Minimum Diversion Requirement")~~
14 ~~provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.~~
15 ~~Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing~~
16 ~~to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it~~
17 ~~had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for~~
18 ~~calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum~~
19 ~~Diversion Requirements two (2) times after the execution of the agreement, County may terminate this~~
20 ~~Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,~~
21 ~~finds that additional programs are necessary to meet any IWMA required diversion goals the County, or~~
22 ~~District on behalf of the County, may require proposals for additional diversion programs to meet the~~
23 ~~diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if~~
24 ~~agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon~~
25 ~~one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid~~
26 ~~Waste, Recyclable Materials, and/or Organic Waste, and/or to independently implement programs that may~~
27 ~~be needed to meet the minimum diversion requirement.~~
28

29 ~~— If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
30 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
31 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
32 ~~Diversion Requirement, which shall not be unreasonably denied.~~
33

34 D. Worker's Compensation Insurance.
35

36 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
37 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
38 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
39 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
40 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
41 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
42 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
43 against the County, ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees
44 for losses which arise from work performed by the named insured for the County.
45

46 E. Public Liability Insurance.
47

48 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
49 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of

1 ~~three-six~~ million dollars ~~(\$3,000,000.00)~~~~(\$6,000,000.00)~~ aggregate and ~~one-three~~ million ~~five-hundred~~
2 ~~thousand~~ dollars ~~(\$1,500,000.00)~~~~(\$3,000,000.00)~~ per occurrence for bodily injury and property damage.
3 Said insurance shall protect Franchisee, the County, ~~the District,~~ and their elected or appointed officials,
4 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
5 as from any claim for property damage which may arise from operations performed pursuant to this
6 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
7 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
8 the Director. All of the following endorsements are required to be made a part of the insurance policies
9 required by this Section:

- 10
- 11 1) "This policy shall be considered primary insurance as respects any other valid and
12 collectible insurance the County may possess including any self-insured retention the
13 County may have, and any other insurance the County ~~or District~~ does possess shall be
14 considered excess insurance and shall not contribute with it."
 - 15
 - 16 2) "This insurance shall act for each insured, as though a separate policy had been written for
17 each. This, however, shall not act to increase the limit of liability of the insuring company."
18
 - 19 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
20 with certificate(s) of insurance showing that such insurance is in full force and effect, and
21 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
22 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
23 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
24 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
25 the event of any such modification, cancellation or reduction in coverage and on the
26 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
27 receive prior to such effective date another certificate from an insurance carrier that the
28 insurance required herein is in full force and effect.
29

30 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
31 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
32 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.
33

34 F. Performance Bond or Letter of Credit.
35

36 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement. The
37 amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the above
38 described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
39 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
40 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
41 California.
42

43 G. Modification.
44

45 The insurance requirements provided herein may be modified or waived in writing by the Board upon
46 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
47 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
48 provided by the parent company of Franchisee.
49

1 SECTION 9. DEFAULT AND REMEDIES.
2

3 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
4 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
5 provisions of this Agreement, the requirements of ~~the California Integrated Waste Management~~
6 ~~Board~~CalRecycle, including, but not limited to, requirements for source reduction and recycling (as to the
7 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
8 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
9 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
10 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
11 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
12 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
13 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
14 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
15 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
16 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
17 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or~~ refer the matter to a hearing
18 officer as provided in Section 11, below. ~~Where the County and the Franchisee have claims pending against~~
19 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~
20

21 ~~B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
22 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the hearing,~~
23 ~~the Board shall consider the report of the Director indicating the deficiencies, and shall give the Franchisee,~~
24 ~~or its representatives and any other interested Person, a reasonable opportunity to be heard.~~
25

26 ~~C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
27 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record, the~~
28 ~~Board determines that the performance of Franchisee is in breach of any material Term of this Agreement~~
29 ~~or any material provision of any applicable Federal, State, or local statute, ordinance or regulation, or is~~
30 ~~deficient with respect to prevailing industry standards, the Board in the exercise of its sole discretion, may~~
31 ~~terminate forthwith, this Agreement. Franchisee's performance under its franchise is not excused during~~
32 ~~the period of time prior to the Board's final determination as to whether such performance is deficient.~~
33

34 D.B. The right of termination is in addition to any other rights of County upon failure of
35 Franchisee to perform its obligations under this Agreement.
36

37 E.C. The County further reserves the right to terminate Franchisee's franchise, following public
38 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
39 board determines it is in the public interest to do so:
40

- 41 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 42
- 43 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
44 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 45
- 46 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
47 compensation, liability, indemnification coverage, and performance bond as required by
48 the Agreement.
49

- 1 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
2 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
3 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
4 which case no breach of the franchise shall be deemed to have occurred.
5
6 5) If the Franchisee ceases to provide Collection services as required under this Agreement
7 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
8 for any reason within the control of the Franchisee.
9
10 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
11 refuses to provide County with required information, reports, and/or test results in a timely
12 manner as provided in the Franchise Agreement.
13
14 7) For any other act or omission by the Franchisee which materially violates the terms,
15 conditions, or requirements of this franchise, Ordinance ~~657745~~, successor ordinance,
16 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
17 regulation issued thereunder and which is not corrected or remedied within the time set in
18 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
19 the breach within the time set forth in such notice, if the Franchisee should fail to
20 commence to correct or remedy such violation within the time set forth in such notice and
21 diligently effect such correction or remedy thereafter.
22
23 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
24 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
25 related to the performance of this Agreement, or of felonious conduct related to anti-trust
26 activities, illegal transport or disposal of hazardous waste or materials, or violation of
27 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.

28
29 F.D. Professional Conduct
30

- 31 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
32 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
33 court in the United States, or is otherwise alleged to have participated in any criminal
34 activity directly or indirectly associated with the solid waste management business,
35 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
36 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
37 description of the indictment, complaint or allegation, as well as a copy of such indictment
38 or complaint or other matters of public record related thereto. In addition to the foregoing,
39 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
40 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
41 securities laws, including quarterly and annual reports.
42
43 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
44 interest, who has any responsibility for any aspect of the franchisee's operations under this
45 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
46 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
47 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
48 upon request of the County be immediately removed from any assignment whatsoever,

1 directly associated with operations under this contract during the pendency of trial and/or
2 following conviction.
3

4 G.E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
5 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
6 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
7 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
8 such party shall notify the other party of such order or requirement and the law, regulation or order on
9 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
10 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of such said~~
11 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
12 following the ~~Effective Date of such said~~ law, regulation or order becomes effective. Nothing in this
13 Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking to obtain
14 modification or repeal of such law, regulation or order or restrict either party's right to legally contest the
15 validity of such law, regulation or order.
16

17 SECTION 10. DISRUPTIONS IN SERVICE. 18

19 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
20 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
21 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
22 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
23 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
24 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
25 by such conditions with an estimate of when service will be resumed.
26

27 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
28 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
29 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
30 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
31 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
32 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
33 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
34 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
35 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
36 County's sole negligence in providing such substitute service. Employees of Franchisee, including
37 management employees, may be employed by County during any period in which County temporarily
38 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
39 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
40 between Franchisee and its employees at the time Franchisee's service was interrupted.
41

42 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
43 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
44 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
45 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
46 be primarily reserved for use by County access while County or its designated representative is performing
47 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
48 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
49 accordance with the provisions of this Agreement.

1
2 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES.**
3

4 A. Should Franchisee or the County contend that the County-other party is in breach of this Franchise
5 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
6

7 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
8 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
9 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
10 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
11 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
12 Arbitration and Mediation Services.
13

14 C. The hearing shall be conducted according to the provisions of California Government Code Section
15 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
16 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
17 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
18 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
19 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
20 reasonably related to the seriousness of the breach of the Agreement.
21

22 D. The party losing the hearing shall be liable for the hearing officer's fees.
23

24 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
25 a material breach of the Agreement, and may be grounds for termination of the Agreement.
26

27 F. Any party to the hearing may issue a request to compel reasonable document production from the
28 other party. Disputes concerning the scope of document production and enforcement of document requests
29 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
30 document request, then by disposition by order of the hearing officer. Any such document request shall be
31 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
32 procedures to protect such rights.
33

34 G. Neither party may communicate separately with the hearing officer after the hearing officer has
35 been selected. All subsequent communications between a party and a hearing officer shall be
36 simultaneously delivered to the other party. This provision shall not apply to communications made to
37 schedule a hearing or request a continuance.
38

39 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
40 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
41 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
42 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
43 the party subject thereto acted with substantial justification or if the interests of justice so require.
44

45 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
46

47 **SECTION 12. FRANCHISE TRANSFERABILITY.**
48

1 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
2 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
3 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
4 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
5 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
6 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
7 such a request using such criteria as it deems necessary including, but not limited to, those listed in
8 Subsection C.

9
10 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
11 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
12 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
13 this Agreement.

14
15 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
16 meet the following requirements:

- 17
18 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
19 investigation costs necessary to investigate the suitability of any proposed transferee, and
20 to review and finalize any documentation required as a condition for approving any such
21 transfer.
22
23 2) The Franchisee shall furnish the County with audited financial statements of the proposed
24 transferee's operations for the immediately preceding three (3) operating years.
25
26 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
27 transferee has at least five (5) years of solid waste management experience of a scale equal
28 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
29 that in the last five (5) years, the proposed transferee has not suffered any citations or other
30 censure from any federal, state or local agency having jurisdiction over its waste
31 management operations due to any significant failure to comply with state, federal or local
32 waste management laws. Franchisee shall supply the County with a complete list of such
33 citations and censures; (iii) that the proposed transferee has at all times conducted its
34 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
35 transferee conducts its solid waste management practices in accordance with sound waste
36 management practices in full compliance with all federal, state and local laws regulating
37 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
38 insurance and bonds; and (vii) of other material as may be requested by the County.
39

40 D. This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County
41 without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The
42 foregoing is not intended to prevent the County from exercising its right to terminate the agreement
43 consistent with Section 3, and for the County to seek a new franchisee at the expiration of this
44 AgreementThis franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned by
45 the County to any Public Agency having the authority to provide solid waste collection services if the Board
46 determines it is in the public interest to do so.
47

48 **SECTION 13. REPORTS.**
49

1 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
2 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.

3
4 B. Franchisee shall make its customer base and records available to the Department for audit at
5 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
6 Agreement.

7
8 **SECTION 14. COMPENSATION.**

9
10 A. Franchisee Rates.

11
12 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
13 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
14 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
15 ~~the maximum rate to be charged for such materials.~~

16
17 B. Modification and Adjustment of Rates.

18
19 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
20 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
21 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
22 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or ~~Distriet~~
23 ~~DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
24 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates ~~set~~
25 ~~forth on Exhibit E~~ shall remain in effect until adjusted by County following a public hearing as provided in
26 Exhibit ~~FD~~.

27
28 C. Notice of Rate Changes

29
30 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
31 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
32 from County regarding approved changes in landfill fees and CPI adjustments. ~~The wording of the notice~~
33 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
34 ~~prior to release. If requested by the Department, the Franchisee will provide a copy of the written notice for~~
35 ~~review.~~ County shall provide Franchisee with written notice of changes in System Facility, franchise, or
36 Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated rate changes.

37
38 D. Resolution of Disputes Regarding Rate Adjustments

39
40 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
41 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
42 the Director or his representative. If resolution ~~can not~~ cannot be reached, the Director shall refer the matter
43 to the Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at
44 the time such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect

1 pending resolution of such dispute. The ~~Effective D~~date of any dispute resolution, whether retroactive or
2 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
3 appropriate. Any Franchisee operating in a ~~Comprehensive Compulsory~~ Collection Area shall be subject
4 to all applicable provisions in the County's ~~comprehensive compulsory~~ collection ordinance.

5
6 E. Billing and Payment.
7

8 Franchisee may bill and receive payment as provided ~~in Exhibit E~~herein. In cases where Franchisee
9 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
10 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
11 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
12 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
13 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
14 of Franchisee's billing dates.

15
16
17 F. Delinquent Accounts.
18

19 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
20 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
21 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
22 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
23 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
24 Franchisee operating in a ~~comprehensive compulsory~~ collection area shall be subject to all applicable
25 provisions in the ~~comprehensive compulsory~~ collection ordinance.

26
27 G. Refunds.
28

29 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
30 such customer for service not provided when service is discontinued by written notification to Franchisee
31 by the customer.
32

33 **SECTION 15. FRANCHISE FEES.**
34

35 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
36 ~~Transfer Station Tipping Fees~~, shall be payable by Franchisee to the Department thirty (30) days after the
37 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
38 to be paid for revenues generated by the collection or sale of Recyclable Materials and Organic Waste
39 collected by the Franchisee, ~~or for the provision of construction roll off services~~. A penalty of ten (10)
40 percent shall be due for fees not submitted within the thirty (30) day time period.
41

42 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
43 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
44 accordance with Exhibit ~~FD~~.

1
2 **SECTION 16. OTHER REQUIREMENTS.**
3

4 **A. Privacy**
5

6 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
7 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
8 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
9 statute, or upon valid authorization of the customer. — This provision shall not be construed to preclude
10 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
11 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
12 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
13 that Franchisee may provide such lists to authorized employees and authorized representatives of the
14 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
15 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
16

17 **B. Public Access to the Franchisee**
18

- 19 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
20 Monday through Friday. A representative of Franchisee shall be available during office
21 hours for communication with the public at Franchisee's principal office. In the event that
22 normal business cannot be conducted over the telephone, a representative of Franchisee
23 shall agree to meet with the public at a location agreeable to Franchisee and the public.
24 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
25 shall also maintain a local or toll free after-hours telephone number for use during other
26 than normal business hours. Franchisee shall have a representative or answering device or
27 system available at said after-hours telephone number during all hours other than normal
28 office hours.
29
- 30 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
31 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
32 Person, by close of business of the second business (waste Collection) day following the
33 date on which such complaint is received. Service complaints may be investigated by the
34 Director or a designee. Franchisee shall maintain records listing the date of customer
35 complaints, the customer, describing the nature of the complaint or request, and when and
36 what action was taken by the Franchisee to resolve the complaint. All such records shall
37 be maintained and shall be available for inspection by County.
38
- 39 3) Government Liaison Person. The Franchisee shall designate a "government liaison
40 Person" who shall be responsible for working with the Department to resolve customer
41 complaints.
42

43 **C. Resolution of Disputed Customer Complaints.**
44

1 The Franchisee shall ~~notify-supply, upon~~ customers ~~request, a copy~~ of this complaint arbitration
2 procedure at the time ~~a customers applies~~ for or ~~are~~ provided service, and subsequently, ~~annually~~
3 ~~requested by the customer~~. Procedures for resolution of disputed claims shall be as follows:

- 4
- 5 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
6 County to review the complaint. To obtain this review, the customer may request County
7 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
8 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
9 has failed to respond to the complaint. The County may extend the time to request its
10 review for good cause.
- 11
- 12 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
13 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
14 customer's complaint and determine if further action is warranted. The Director may
15 request written statements from the Franchisee and customer, and/or oral presentations.
- 16
- 17 3) The Director shall determine if the Customer's complaint is justified, and if so, what
18 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
19 of customer charges related to the period of breach of any of the terms of this Franchise
20 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
21 addition to any actual damages.
- 22
- 23 4) The Director may delegate these duties to a designee. The decision of the Director or a
24 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
25 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
26 may seek review pursuant to Section 11 above.
- 27

28 D. Hazardous Materials and Waste Handling and Disposal

29
30 The Franchisee shall comply with the procedures detailed in ~~Exhibit G of this Agreement~~State Law.

31
32 **SECTION 17. FORCE MAJEURE.**

33
34
35 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
36 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
37 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
38 Solid Waste facilities used by Franchisee:

- 39 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
40 earthquakes, tornados, or other catastrophic events;
- 41 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
- 42 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
43 other event leading to the imposition of quarantines, travel or movement restrictions, social
44 distancing, or public health advisories restricting large gatherings;
- 45 D. Accident or other catastrophic event including fire or explosion;
- 46 E. Strikes and labor disputes;

1 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.

2 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.

3
4 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
5 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
6 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
7 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
8 Franchisee intends to take to restore its ability to perform, and such other information as the County may
9 reasonably request.

10
11 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
12 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
13 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
14 Franchisee.

15 ~~Franchisee shall not be in default under this Franchise Agreement in the event that the services provided by~~
16 ~~the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,~~
17 ~~sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,~~
18 ~~landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are~~
19 ~~beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability~~
20 ~~of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from~~
21 ~~other governmental agencies or the right to use the facilities of any public utility where such failure is due~~
22 ~~solely to the acts or omissions of the Franchisee.~~

23
24 **SECTION 18. OTHER PROVISIONS.**

25
26 A. Independent Contractor.

27
28 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
29 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
30 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
31 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
32 retirement or other benefits which accrue to County employees.

33
34 B. Property Damage.

35
36 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
37 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
38 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

39
40 C. Right of Entry.

41
42 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
43 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for

1 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
2 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

3
4 D. Law to Govern.

5
6 The law of the State of California shall govern this Franchise Agreement.

7
8 E. Gratuities.

9
10 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
11 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
12 Franchise Agreement.

13
14 F. Compliance with Franchise Agreement.

15
16 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and~~ 745, or
17 any successor ordinances, which are applicable, and with any and all amendments to such applicable
18 provisions during the Term of this Franchise Agreement.

19
20 G. Notices.

21
22 All notices required or permitted to be given under this franchise shall be in writing and shall be
23 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
24 receipt requested, and addressed as follows:

25
26 To County: County of Riverside
27 Attn: Department of Environmental Health
28 4065 County Circle Drive
29 Riverside, CA 92503

30
31 Copy to: County Counsel

32
33 To Franchisee: Desert Valley Disposal, Inc.
34 President
35 P.O. Box 2720
36 Palm Springs, CA 92263
37 4690 E. Mesquite Avenue
38 Palm Springs, CA 92264

39
40 Copy to: Rick Wade & Chris Cunningham

41
42 or to such other address as either party may from time to time designate by notice to the other given in
43 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,

1 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
2 receipt of confirmation of delivery which confirmation may be transmitted by fax.

3
4 H. Exhibits Incorporated.

5
6 Exhibits A through ~~I-D~~ are attached to and incorporated in the Franchise Agreement by reference. In
7 the event of differences or conflicts between the language of an Exhibit and the language of the Franchise
8 Agreement, the language of the Exhibit shall prevail.

9
10 I. Nondiscrimination.

11
12 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
13 on the ground of race, sex, age, creed, color, religion or national origin.

14
15 J. Laws and Licenses.

16
17 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
18 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
19 to perform the services hereunder and maintain the same in full force and effect.

20
21 K. Waiver.

22
23 No waiver by either party of any one or more defaults or breaches by the other in the performance of
24 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
25 like or different character.

26
27 **SECTION 19. SEVERABILITY.**

28
29 A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit~~
30 ~~referenced in this agreement~~ is a material part of the franchise agreement, itself, and is not severable from
31 it. Franchisee agrees not to challenge the validity or enforceability of the Waste Delivery Agreement or
32 any term or provision found in such agreement. If for any reason this Waste Delivery Agreement or any
33 part thereof is found to be void or unenforceable ~~or any part thereof~~ by a court of law, then, the County may
34 consider termination or amendment of the Franchise Agreement. ~~the Franchise agreement, itself, is deemed~~
35 ~~to be terminated thereupon and to be of no further force or effect.~~

36
37 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
38 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
39 enforceability of any of the remaining provisions of this Franchise Agreement.

40
41 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT.**

42
43 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
44 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
45 and all other communications, representations, proposals, understandings or Agreements, either written or

1 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
2 or amended, in whole or in part, except by writing signed by both parties hereto.

3
4 At least once every 5 years, or more often as required by a significant change in law, starting from the
5 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
6 or required amendments.

7
8
9 **SECTION 21. CONSTRUCTION OF FRANCHISE.**

10
11 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
12 attorneys, and no provision contained herein shall be construed against County solely because it prepared
13 this agreement in its executed forms.

14
15 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

16
17 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
18 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
19 another company, all service levels and rates of this contract shall at the discretion of the Board of
20 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.
21

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

2

3 Executed on ~~September 26, 2016.~~ _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

~~Steve Van Stockum~~ Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

Rick Wade

17

~~President~~ Chief Executive

18

Desert Valley Disposal, Inc.

19

20

21

22

23

BY: _____

24

Chris Cunningham

25

President

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_____ Desert Valley Disposal, Inc.

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EXHIBIT B

FRANCHISE AREA #10

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

~~B. Commercial Account Exceptions:~~

- ~~1. All other Commercial accounts for which a contract for refuse collection services with another franchisee exists, only for the duration of those contracts, which in no event shall exceed 1999.~~

~~C. Planned Unit Development (P.U.D.) Exceptions:~~

~~All P.U.D. accounts ** in unincorporated areas as defined in Resolution 94-143 where Franchisee holds contracts for service; See attached list (Exhibit B2) to be provided by Franchisee~~

~~** Franchisee agrees to work with the Director to negotiate a transfer of these P.U.D. accounts to Franchisee where P.U.D. is located when possible. Evidence of existing contracts may be required by County. If exchanges can not be negotiated, service provisions remain on a competitive basis under the current Refuse Rate Resolution and Ordinance 657.~~

Hauler Franchise Area 10

(North)

Beginning at the northwest Corner of Section 6 T. 2 S., R. 4 E., S.B.M., said point also being the northerly boundary of Riverside County;

Thence Easterly along the northerly boundary of Riverside County to the northeast Corner of Section 4 T. 2 S., R. 5 E.;

Thence Southerly along the Easterly line of Sections 4, 9, 16, and 21 T. 2 S., R. 5 E. to the intersection of the Colorado River Aqueduct;

Thence Southeasterly along the Colorado River Aqueduct to Long Canyon Rd;

Thence Southwesterly along the centerline of Long Canyon Rd to the Easterly line of Section 4 T. 3 S., R. 5 E.;

Thence Southerly along the Easterly line of Sections 4, 9, 16, 21 and 28 T. 3 S., R. 5 E., to the Northerly city limits of Cathedral City;

Thence Northwesterly following the city limits of Cathedral City to its intersection with the city limits of the City of Palm Springs;

Thence Northwesterly along the Northerly city limits of Palm Springs to the Northwest Corner of Section 24 T. 3 S., R. 3 E.;

Thence Northerly along the Westerly line of Sections 13 and 12 T. 3 S., R. 3 E., to the Northwest Corner of said Section 112;

Thence Easterly along the Northerly line of Section 12 to the Northeast Corner of Said Section, also being on the West line of T. 3 S., R. 4 E.;

Thence Northerly along the West Township lines of T. 3 S., R. 4 E., and T. 2 S., R. 4 E., to the Northwest Corner of Section 6 T. 2 S., R. 4 E., the point of beginning.

(South)

Beginning at the Northwest Corner of Section 18 T. 4 S., R. 4 E., S.B.M., said point also being on the Southerly boundary of the city of Palm Springs;

Thence Southeasterly along the Southerly boundary of the city of Palm Springs to the Southeast Corner of Section 35 T. 5 S., R. 4 E., also being on the Southerly Township line of T. 5 S., R. 4 E.;

Thence Westerly along the Southerly township line of T. 5 S., R. 4 E., to the Southwest Corner of Said Township;

Thence Northerly along the Westerly township lines of T. 5 S., R. 4 E., and T. 4 S., R. 4 E., to the

- 1 Northwest Corner of Section 18 T. 4 S., R. 4 E., the point of beginning.
- 2
- 3 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
- 4 in areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12 and 13.
- 5
- 6 Also excludes any areas within City boundaries.

1 EXHIBIT ~~DC~~

2
3 REPORTING REQUIREMENTS

4
5 1. GENERAL

6
7 The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in
8 this Exhibit and required by State Law; however, the Department and the ~~District-DWR~~ reserve the right to
9 request additional information as necessary to meet their needs, ~~including but not limited to the AB-939~~
10 ~~reporting requirements and to comply with applicable State Law.~~ Reports shall be provided in a format
11 approved by the Department. All information included in the reports shall be provided according to the
12 source of generation. Waste generator types are defined as follows:

13
14 Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from
15 single-family and from multi-residential units.

16
17 Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from
18 commercial and industrial sources.

19
20 Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

21
22 Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

23
24 Data and information pertaining to services performed under this franchise upon submittal to the
25 Department become the property of the Department.

26
27 2. DISPOSAL TONNAGE TRACKING

28
29 Franchisee shall submit ~~all~~ completed ticket transactions to the ~~District-DWR~~ as required by the Countywide
30 Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received
31 by the ~~District-DWR~~ within five (5) business days of the landfill transactions {the day of transaction being
32 the first (1st) business day}. If these tickets and correct information are not received within the specified
33 period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the ~~District-DWR~~ and placed
34 on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual~~
35 ~~and Riverside County Waste resources Management District Ordinance No. 1.~~

36
37 3. QUARTERLY REPORTS

38
39 The Franchisee shall submit quarterly reports no later than one month following the completion of each
40 quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this
41 Agreement through the end of each quarter.

42
43 The quarterly reports shall include the information collected and summarized on a monthly basis.
44 Specifically, Franchisee shall provide the following quarterly reports:

- 45
46 1. Collection summary~~Summary~~ reports
47 2. ~~Equipment inventory~~
48 3. ~~Future programs~~
49 2. Litigation information Education and Outreach
50 3. Service Performance
51 4. Container contamination monitoring

1
2 **Collection ~~Information~~Summary**
3

4 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material
5 collected by month and the number of accounts serviced monthly. The quantities of solid waste, ~~recyclables~~
6 and green waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
7 tonnage information is not available). The Department may, at its discretion, also require reporting by
8 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
9 information such as density factors.
10

11 **Education and Outreach**
12

13 The Franchisee shall submit copies of public education materials sent to customers or provided
14 electronically on their websites or social media outlets.

15 **Service Performance**
16

17 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
18 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
19 shall identify the total number of all written or oral Customer comments and shall provide the number of
20 comments received in the following categories: praises, litter or property damage complaints, misplacement
21 of containers, stolen containers, personnel complaints, missed pickups, and other.
22

23 **Container Contamination Monitoring**
24

25 The Franchise shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.
29

30 **~~Program Implementation~~**
31

32 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
33 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
34 ~~resolutions and schedule for correcting the problem.~~
35

36 **4. ANNUAL REPORTS**
37

38 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
39 Franchisee will be responsible for providing the following reports:
40

- 41 1. Summary reports
- 42 2. Equipment inventory
- 43 3. Program implementation
- 44 3.4. Future programs
- 45 5. Litigation information+
- 46 4.6. Education and Outreach
47

48 **Summary Reports**
49

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.

8
9 **Equipment Inventory**

10
11 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
12 The inventory list shall indicate the age of the equipment.

13
14 **Program Implementation**

15
16 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
17 for the quarter year. The report shall address how the problems and barriers were overcome or the proposed
18 resolutions and schedule for correcting the problem.

19
20 **Future Programs**

21
22 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
23 but have not been planned for.

24
25 **Litigation Information**

26
27 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
28 against the parent company and all subsidiaries of parent company that may have an effect on the
29 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

30
31 **Education and Outreach**

32
33 The Franchisee shall submit copies of public education materials sent to customers or provided
34 electronically on their websites or social media outlets.

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EXHIBIT FD

RATES AND RATE ADJUSTMENT MECHANISM

~~All Rate adjustments must receive approval by the Board of Supervisors following public hearings.~~

1. RATES

~~The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.~~

2. HARD-TO-SERVICE RATES

~~Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.~~

3. ANNUAL RATE ADJUSTMENT

~~The Schedule of Approved Rates provided referenced in Exhibit E Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st with the first such adjustment occurring July 1, 1999. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Los Angeles/Anaheim/Riverside Metropolitan Area or equivalent successor index, (1982-84-100), as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service. Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year January through December. The first adjustment shall be effective July 1, 1999, based upon changes in the consumer Price Index formula for the period January 1998 through December 1998. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.~~

~~Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.~~

1 ~~2. PERIODIC RATE ADJUSTMENT MECHANISM~~

2
3 ~~The Department reserves the right to review the Franchisee's rates every three years from the effective date~~
4 ~~of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in~~
5 ~~comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that~~
6 ~~the Department makes such a determination the Franchisee's rates may be adjusted to any level at or above~~
7 ~~the average rates in the comparable jurisdictions.~~

8
9 3.4. EXTRAORDINARY RATE REVIEW

10
11 A. The Director or Franchisee may initiate a special rate review by the Department should an
12 extraordinary event or circumstance arise which has a significant impact on the economic operation
13 of the Franchisee or the rates charged to customer as follows:

- 14
15 1. An event or circumstance (including changes in law) occurs which is beyond the control of
16 Franchisee or County.
17
18 2. Changes to operations mandated by the County or proposed by Franchisee and approved
19 by the County.
20

21 ~~3. Any change in disposal/Green Waste tip fees.~~

22
23 4.3. The District directs Franchisee to use a different System Facility for more than thirty (30)
24 days that involves a change in round trip time or distance.

25
26 5.4. The County modifies the franchise fee.

27
28 6.5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.

29
30 7.6. Significant increases in the number of customer accounts due to development or growth.

31
32 8.7. Other circumstances at the discretion of the Director or the Board of Supervisors.

33
34 B. Should Franchisee request a special rate review only those costs related to the circumstance(s)
35 which warrant consideration of a special rate review, as specified above, will be reviewed and
36 considered.

37
38 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
39 operational information at least three months prior to the proposed effective date of any rate
40 adjustment.

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FRANCHISE COLLECTION

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AGREEMENT

8

FOR FRANCHISE

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AREA #10

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EXHIBITS

A. SERVICES

B. FRANCHISE AREA

C. REPORTING

D. RATES AND RATE ADJUSTMENT MECHANISM

1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND DESERT VALLEY DISPOSAL, INC.
4 FOR THE COLLECTION AND TRANSPORTATION
5 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
6

7 This Franchise Agreement ("Franchise Agreement"), by and between the County of Riverside
8 ("County") and Desert Valley Disposal, Inc. ("Franchisee"), for the Collection and transportation of Solid
9 Waste, Recyclable Materials, Organic Waste, and construction debris and other specified services,
10 originally entered into on April 3, 1998, and most recently amended on September 26, 2016, is hereby
11 amended and restated on December 7, 2021.
12

13 **RECITALS**
14

15 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
16 Ordinance 745 the County of Riverside ("County") has determined that the public health, safety, and well-
17 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for waste
18 management services for residential, commercial, and industrial customers in the County of Riverside; and
19

20 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
21 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
22 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
23 recovery and disposal; and
24

25 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
26 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
27

28 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
29

30 **SECTION 1. REPRESENTATIONS AND WARRANTIES.**
31

32 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
33 representations and warranties for the benefit of the County as of the date of this Agreement.
34

- 35 1) Franchisee is duly organized and validly existing as a corporation in good standing under
36 the laws of the State of California.
37
- 38 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
39 Agreement, and has duly authorized the execution and delivery of this Agreement.
40
- 41 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
42 Franchisee to do so, and this Agreement has been duly executed and delivered by
43 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
44 against Franchisee in accordance with its terms.
45
- 46 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
47 court or governmental entity against Franchisee or affecting Franchisee, wherein an
48 unfavorable decision, ruling or finding would adversely affect the validity or enforceability

1 of this Agreement, or which would have a material adverse effect on the financial condition
2 of Franchisee.

3
4 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
5 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
6 parent company's financial circumstances since the date of the most recent financial
7 statements submitted to the Environmental Health Department ("Department"). Prior to
8 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
9 most recent annual financial statements. The Department may at its discretion specify the
10 contents and form of such statements. The Director of Environmental Health may inspect
11 the financial records of the Franchisee at any reasonable time for any reasonable purpose
12 relevant to the performance of this contract.

13
14 6) Franchisee has the expert, professional, and technical capability to perform all of its
15 obligations under this Agreement.

16
17 B. Representations and Warranties of the County.

18
19 Prior to commencement of any services hereunder, the County hereby makes the following
20 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:

- 21
22 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
23 This Agreement constitutes the legal, valid and binding Agreement of the County and is
24 enforceable against the County in accordance with its terms.
25
26 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
27 County before any court or governmental entity wherein an unfavorable decision, ruling or
28 finding would adversely affect the validity or enforceability of this Agreement.
29

30 **SECTION 2. DEFINITIONS**

31
32 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
33 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
34 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
35 Agreement. In the event of conflict between the definition of a term as found in the California Public
36 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
37 supersede the definition found in the Public Resources Code or in County ordinances.
38

39 A. Agreement means this Agreement between the County and Franchisee for the Collection and
40 transportation of Solid Waste and other specified services, including all exhibits, and any future
41 amendments.
42

43 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
44 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
45 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
46 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
47

48 C. Board means the Riverside County Board of Supervisors.
49

1 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
2 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
3 plumbing, small household appliances, and other similar items, commonly known as “white goods”); wood
4 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
5 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
6 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
7 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
8 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
9 Persons.

10
11 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
12 this Agreement and its transportation to an appropriate Solid Waste Facility.

13
14 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
15 residential and Multi-Residential Units.

16
17 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
18 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
19 commercial units are required to subscribe to refuse collection.

20
21 H. County means the County of Riverside, State of California.

22
23 I. Department means the Riverside County Department of Environmental Health.

24
25 J. Director means the Director of the Riverside County Department of Environmental Health or
26 their designee.

27
28 K. Diversion (or any variation thereof including “Divert”) means activities which reduce or
29 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
30 recycling, and composting.

31
32 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
33 date it is executed by the Board of Supervisors.

34
35 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
36 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
37 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
38 B.

39
40 N. Franchise Area means the geographic territory defined in Exhibit B.

41
42 O. Generator means the owner or occupant of premises, including residences or businesses, which
43 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

44
45 P. Green Waste means organic waste generated from any landscaping including grass clippings,
46 leaves, prunings, tree trimmings, weeds, branches, and brush.

47
48 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
49 specified in this Agreement, including, but not limited to, payment for regular and special services, leases

1 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
2 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
3 of State or other governmental agencies.
4

5 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
6 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
7 of the following:

- 8 1) Rural, sparsely populated areas,
- 9 2) Hilly or mountainous terrain,
- 10 3) Poorly paved or unpaved roads which may be impassable in poor weather,
- 11 4) Large, uninhabited areas between pockets of homes,
- 12 5) Unusually heavy waste due to large properties, livestock, etc.
- 13 6) Limited access on a private street or alley.

14 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
15 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
16 "Hard to Service"
17

18 S. Integrated Waste Management Act (IWMA) means the California Integrated Waste
19 Management Act of 1989 (AB 939), including all subsequent amendments.
20

21 T. Multi-Residential Units mean permanent buildings containing three or more Residential Units
22 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
23 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
24

25 U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
26 wood waste, and food-soiled paper waste that is mixed in with food waste.

27 V. Recyclable Materials mean material which has been segregated from other Solid Waste
28 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
29 cardboard, plastic, ferrous materials, Organic waste or aluminum. Recyclable Materials also include mixed
30 Recyclables consisting of two or more of the above-referenced material types separated from non-
31 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
32 than five (5) percent Solid Waste by weight.
33

34 W. Residential Unit means an occupied dwelling within the unincorporated area of the County
35 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
36 or domestic light and power services are being supplied thereto. This definition shall apply also to
37 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
38 two (2) attached Residential Units.
39

40 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
41 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
42 A of this Agreement.
43

44 Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
45 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
46 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste
47 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
48 Waste, Recyclable Materials or Organic Waste.
49

1 Z. Term means the Term of this Agreement, as provided for in Section 3.
2

3 AA. Waste Delivery Agreement means the contract entered into by the District and the Franchisee
4 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
5 to specified System Facilities and kept on file with the DWR.
6

7 BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
8 discarded processed wood materials, and large tree limbs.
9

10 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE.**
11

12 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
13 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
14 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
15 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
16 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
17 purposes.
18

19 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
20 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
21 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
22 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
23 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
24 Organic Waste.
25

26 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
27 the Exclusive Franchise, to the extent provided for in state and federal law.
28

29 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
30 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
31 provided in Sections 9 and 10 hereof.
32

33 D. Franchisee will commence services under this Agreement on January 1, 2022.
34

35 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
36 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
37 taken.
38

39 **SECTION 4. FRANCHISE AREA.**
40

41 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated
42 Riverside County defined in Exhibit B, "Franchise Area."
43

44 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE.**
45

46 A. General.
47

48 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable Materials
49 within the Franchise Area in accordance with the terms of this Agreement. The specific manner in which

1 these services shall be provided is specified in Exhibit A. The Franchisee shall also, upon written request
2 of the Director, provide optional services in the Franchise Area in accordance with the terms set forth in
3 Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels of Solid Waste service to
4 be provided under this Agreement are defined below, however, no residential or commercial or business
5 customer shall be refused service, if that party is willing to pay for such service and is current in payment.
6 Disputes arising over the terms on which a particular customer may be serviced because of remoteness of
7 location, difficulty of access, particular needs of the customer, etc. shall be decided in accordance with the
8 provisions of Section 16 (B) (2) related to "service complaints."
9

10 B. Single Family Residential.

11
12 Weekly Service. Not less often than once per week, and more frequently if required to handle the
13 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials (except
14 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
15 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
16 Collection time. Solid Waste must be placed within containers at curbside without obstructions so as to
17 permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
18 Franchisee may negotiate special pickup procedures, above and beyond the normal services described
19 above, with customers for an additional fee in an amount provided in Exhibit D.
20

21 C. Commercial, Industrial, and Multi-Residential.

- 22
23 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
24 if required to handle the waste stream of the premises where the Bins are located,
25 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
26 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
27 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
28
29 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
30 frequently if required to handle the waste stream of the premises where the Bins are located,
31 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
32 Collection in Solid Waste Bins at Commercial Units.
33

34 D. Construction and Temporary Bin/Rolloff Services.

35
36 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
37 Exhibit D.
38

39 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 40
41 1) Upon verbal or written customer request, made a minimum of two business days prior to
42 the customer's regular service day, Franchisee shall provide on-call Single Family
43 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
44 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
45 customer. Franchisee and County agree that this service is intended to allow residents to
46 safely discard of large household items such as furniture and whitegoods or other large
47 household items that do not fit in their regular weekly trash containers. Each Single
48 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
49 Household Waste Collection Services per calendar year with a maximum of four (4) items

1 at each collection occurrence. The total amount of annual allowable items per household
2 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
3 (4) tires per collection request. Bulky Household Waste items do not include items such as
4 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
5 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
6 service shall be subject to the bulky item rates established on the rate sheets approved by
7 the Board of Supervisors.
8

- 9 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
10 designee to respond to organized community clean up efforts at no charge. Franchisee shall
11 deliver containers to agreed upon collection points and shall cooperate with the Director
12 and designated community leaders to remove containers and dispose of collected Solid
13 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
14 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
15 The DWR will arrange that there shall be no charge of disposal fees for such Solid Waste
16 delivered in separate vehicles to the System Facilities.
17

18 F. Illegal Dumping Retrieval Services
19

20 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:
21

- 22 1) If requested by the County the Franchisee shall turn in a report of illegal dumping of trash
23 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as
24 tires, couches, and appliances) noticed within or along the Roadway in the franchise area.
25 For the purpose of this provision, the Roadway shall include public rights of way within
26 twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of
27 unpaved roadways.
28
29 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
30 reports of illegal dumping reported by citizens to the Department, Department of
31 Transportation, or the DWR.
32
33 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
34 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof
35 (except weekends and holidays) except for remote areas, as approved by the director, for
36 which the removal shall occur within five working days. The Franchisee may request that
37 specified roads, determined by the franchisee to be inaccessible for waste removal, be
38 considered by the Director for revised waste removal requirements.
39
40
41 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
42 or appliances as well as hazardous, medical and other wastes requiring special handling are
43 exempt from the retrieval requirements set forth herein, provided, however, that of these
44 exempted items noted within the Roadway are to be immediately reported to the Director.
45
46 5) The Franchisee shall, upon request of private property owners, the Director or the
47 Departments of County Transportation and Land Management Agency, provide removal
48 services for waste illegally disposed of on their private property, excluding those wastes

1 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
2 D.

- 3
4 6) Illegally disposed materials along Roadways within one mile of disposal sites within
5 Riverside County are exempt from the retrieval requirements set forth herein.
6

7 **G. Collection of Used Motor Oil.**
8

9 Franchisee shall collect used motor oil from single family residential customers in accordance with
10 California Public Resources Code Section 48691.
11

12 **H. Collection and Equipment**
13

14 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
15 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
16 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
17 inspection at the request of the Department.
18

- 19 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
20 the Department of Motor Vehicles of the State of California, shall be kept clean and in
21 good repair, and shall be uniformly painted.
22
23
24 2) A local or toll free telephone number, and vehicle number shall be clearly visible on all
25 required vehicles.
26

27 **SECTION 6. OWNERSHIP OF SOLID WASTE.**
28

29 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
30 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
31 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
32 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
33 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
34 Franchisee.
35

36 **SECTION 7. DIRECTION OF COLLECTED MATERIALS.**
37

38 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
39 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
40 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
41 Delivery Agreement to be effective on the same date as this Agreement.
42

43 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND.**
44

45 **A. Indemnification of County.**
46

47 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
48 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against

1 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
2 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
3 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
4 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
5 reasonable costs and expenses of investigating and defending against same; provided, however, that
6 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
7 negligence or misconduct of County or their agents, officers, or employees.
8

9 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
10 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
11 survive the term of the franchise.
12

13 B. Hazardous Substances Indemnification.
14

15 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
16 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
17 counsel approved by County, protect and hold harmless County and their respective employees, agents,
18 assigns, and any successor or successors to County's interest from and against all claims, actual damages
19 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
20 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
21 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
22 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
23 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
24 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
25 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
26 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
27 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
28 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
29 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
30 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
31 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.
32

33 C. Minimum Diversion Requirements
34

35 The County and Franchisee shall establish programs sufficient to meet the County's obligations
36 under California Public Resources Code, Section 41780 and any other current or future California Statute
37 that requires the County to divert material from landfills. In the event that the State of California alters the
38 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
39 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
40 associated with any additional recycling programs.
41

42 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
43 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
44 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
45 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
46 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
47 against any third party as a means of meeting its obligation under this section.
48

1 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
2 by the Director as set forth in Section 9.A. of this agreement.
3

4 D. Worker's Compensation Insurance.
5

6 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
7 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
8 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
9 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
10 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
11 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
12 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
13 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
14 arise from work performed by the named insured for the County.
15

16 E. Public Liability Insurance.
17

18 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
19 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
20 six million dollars (\$6,000,000.00) aggregate and three million dollars (\$3,000,000.00) per occurrence for
21 bodily injury and property damage. Said insurance shall protect Franchisee, the County and their elected
22 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
23 accidental death, as well as from any claim for property damage which may arise from operations performed
24 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
25 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
26 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
27 of the insurance policies required by this Section:
28

- 29 1) "This policy shall be considered primary insurance as respects any other valid and
30 collectible insurance the County may possess including any self-insured retention the
31 County may have, and any other insurance the County does possess shall be considered
32 excess insurance and shall not contribute with it."
33
- 34 2) "This insurance shall act for each insured, as though a separate policy had been written for
35 each. This, however, shall not act to increase the limit of liability of the insuring company."
36
- 37 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
38 certificate(s) of insurance showing that such insurance is in full force and effect, and
39 County are named as additional insureds with respect to this Franchise and the obligations
40 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
41 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
42 modification, cancellation or reduction in coverage of such insurance. In the event of any
43 such modification, cancellation or reduction in coverage and on the effective date thereof,
44 this Franchise shall terminate forthwith, unless County receive prior to such effective date
45 another certificate from an insurance carrier that the insurance required herein is in full
46 force and effect.
47

1 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
2 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
3 shall be named as additional insureds on all policies and endorsements.
4

5 F. Performance Bond or Letter of Credit.
6

7 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement. The
8 amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the above
9 described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
10 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
11 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
12 California.
13

14 G. Modification.
15

16 The insurance requirements provided herein may be modified or waived in writing by the Board upon
17 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
18 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
19 provided by the parent company of Franchisee.
20

21 **SECTION 9. DEFAULT AND REMEDIES.**
22

23 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
24 breached its obligation, the provisions of this Agreement, the requirements of CalRecycle, including, but
25 not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
26 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
27 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Waste and other
28 wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies. The
29 Director may, in such written instrument, set a reasonable time within which correction of all such
30 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
31 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
32 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
33 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
34 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
35 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
36 below.
37

38 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
39 perform its obligations under this Agreement.
40

41 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
42 therefor, not later than 6 months following the date of said hearing at which a majority vote of the board
43 determines it is in the public interest to do so:
44

- 45 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
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- 47 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
48 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
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- 3) If the Franchisee fails to provide or maintain in full force and effect, the workers' compensation, liability, indemnification coverage, and performance bond as required by the Agreement.
 - 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may contest any such orders or rulings by appropriate proceedings conducted in good faith, in which case no breach of the franchise shall be deemed to have occurred.
 - 5) If the Franchisee ceases to provide Collection services as required under this Agreement overall or a substantial portion of its Franchise Area for a period of seven (7) days or more, for any reason within the control of the Franchisee.
 - 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or refuses to provide County with required information, reports, and/or test results in a timely manner as provided in the Franchise Agreement.
 - 7) For any other act or omission by the Franchisee which materially violates the terms, conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach within the time set forth in such notice, if the Franchisee should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.
 - 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors of the Franchisee or any parent corporation or entity be found guilty of felonious conduct related to the performance of this Agreement, or of felonious conduct related to anti-trust activities, illegal transport or disposal of hazardous waste or materials, or violation of Racketeer - Influenced Corrupt Organizations (RICO) Statutes.

33 **D. Professional Conduct**

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- 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any court in the United States, or is otherwise alleged to have participated in any criminal activity directly or indirectly associated with the solid waste management business, Franchisee or its successor-in-interest shall provide written notice thereof to the Director within 14 days of such indictment, complaint or allegation. Such notice shall contain a description of the indictment, complaint or allegation, as well as a copy of such indictment or complaint or other matters of public record related thereto. In addition to the foregoing, Franchisee or its successor-in-interest shall provide the Director with copies of any reports required to be prepared by Franchisee or its successor-in-interest pursuant to federal securities laws, including quarterly and annual reports.
 - 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-interest, who has any responsibility for any aspect of the franchisee's operations under this contract, is convicted, indicted by a grand jury, or named as a defendant in a felony

1 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
2 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
3 upon request of the County be immediately removed from any assignment whatsoever,
4 directly associated with operations under this contract during the pendency of trial and/or
5 following conviction.
6

7 E. This Agreement is subject to all present and future laws, regulations and orders of Federal, State,
8 County, and City governments and any instrumentalities thereof. Should either of the parties hereto at any
9 time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or orders,
10 to do any act that substantially impairs the party's ability to perform under this Agreement, then such party
11 shall notify the other party of such order or requirement and the law, regulation or order on which such
12 order or requirement is based. Unless the parties agree in writing to continue this Agreement, or to
13 renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order becomes
14 effective, then this Agreement shall terminate on the thirty-first day following the date said law, regulation
15 or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's sole
16 expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
17 restrict either party's right to legally contest the validity of such law, regulation or order.
18

19 **SECTION 10. DISRUPTIONS IN SERVICE.**

20
21 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
22 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
23 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
24 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
25 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
26 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
27 by such conditions with an estimate of when service will be resumed.
28

29 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
30 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
31 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
32 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
33 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
34 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
35 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
36 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
37 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
38 County's sole negligence in providing such substitute service. Employees of Franchisee, including
39 management employees, may be employed by County during any period in which County temporarily
40 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
41 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
42 between Franchisee and its employees at the time Franchisee's service was interrupted.
43

44 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
45 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
46 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
47 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
48 be primarily reserved for use by County access while County or its designated representative is performing
49 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of

1 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
2 accordance with the provisions of this Agreement.

3
4 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES.**

5
6 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
7 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.

8
9 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
10 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
11 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
12 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
13 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
14 Arbitration and Mediation Services.

15
16 C. The hearing shall be conducted according to the provisions of California Government Code Section
17 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
18 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
19 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
20 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
21 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
22 reasonably related to the seriousness of the breach of the Agreement.

23
24 D. The party losing the hearing shall be liable for the hearing officer's fees.

25
26 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
27 a material breach of the Agreement, and may be grounds for termination of the Agreement.

28
29 F. Any party to the hearing may issue a request to compel reasonable document production from the
30 other party. Disputes concerning the scope of document production and enforcement of document requests
31 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
32 document request, then by disposition by order of the hearing officer. Any such document request shall be
33 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
34 procedures to protect such rights.

35
36 G. Neither party may communicate separately with the hearing officer after the hearing officer has
37 been selected. All subsequent communications between a party and a hearing officer shall be
38 simultaneously delivered to the other party. This provision shall not apply to communications made to
39 schedule a hearing or request a continuance.

40
41 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
42 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
43 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
44 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
45 the party subject thereto acted with substantial justification or if the interests of justice so require.

46
47 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.

1 **SECTION 12. FRANCHISE TRANSFERABILITY.**
2

3 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
4 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
5 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
6 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
7 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
8 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
9 such a request using such criteria as it deems necessary including, but not limited to, those listed in
10 Subsection C.
11

12 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
13 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
14 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
15 this Agreement.
16

17 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
18 meet the following requirements:
19

- 20 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
21 investigation costs necessary to investigate the suitability of any proposed transferee, and
22 to review and finalize any documentation required as a condition for approving any such
23 transfer.
24
- 25 2) The Franchisee shall furnish the County with audited financial statements of the proposed
26 transferee's operations for the immediately preceding three (3) operating years.
27
- 28 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
29 transferee has at least five (5) years of solid waste management experience of a scale equal
30 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
31 that in the last five (5) years, the proposed transferee has not suffered any citations or other
32 censure from any federal, state or local agency having jurisdiction over its waste
33 management operations due to any significant failure to comply with state, federal or local
34 waste management laws. Franchisee shall supply the County with a complete list of such
35 citations and censures; (iii) that the proposed transferee has at all times conducted its
36 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
37 transferee conducts its solid waste management practices in accordance with sound waste
38 management practices in full compliance with all federal, state and local laws regulating
39 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
40 insurance and bonds; and (vii) of other material as may be requested by the County.
41

42 D. This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County
43 without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The
44 foregoing is not intended to prevent the County from exercising its right to terminate the agreement
45 consistent with Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
46
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49

1 **SECTION 13. REPORTS.**
2

3 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
4 recovery and disposal specified in Exhibit C of this Agreement.
5

6 B. Franchisee shall make its customer base and records available to the Department for audit at
7 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
8 Agreement.
9

10 **SECTION 14. COMPENSATION.**
11

12 A. Franchisee Rates.
13

14 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
15 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
16 are included in this Exclusive Franchise to the extent provided in state and federal law.
17

18 B. Modification and Adjustment of Rates.
19

20 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
21 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
22 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
23 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
24 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
25 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
26 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.
27

28 C. Notice of Rate Changes
29

30 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
31 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
32 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
33 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
34 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
35 Services at least forty-five (45) days in advance of the anticipated rate changes.
36

37 D. Resolution of Disputes Regarding Rate Adjustments
38

39 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
40 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
41 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
42 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
43 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
44 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
45 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate. Any

1 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
2 County's compulsory collection ordinance.

3
4 E. Billing and Payment.
5

6 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
7 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
8 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
9 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
10 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
11 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
12 of Franchisee's billing dates.

13
14 F. Delinquent Accounts.
15

16 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
17 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
18 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
19 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
20 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
21 Franchisee operating in a compulsory collection area shall be subject to all applicable provisions in the
22 compulsory collection ordinance.

23
24 G. Refunds.
25

26 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
27 such customer for service not provided when service is discontinued by written notification to Franchisee
28 by the customer.

29
30 **SECTION 15. FRANCHISE FEES.**
31

32 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
33 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
34 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
35 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
36 be due for fees not submitted within the thirty (30) day time period.

37
38 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
39 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
40 accordance with Exhibit D.

41
42 **SECTION 16. OTHER REQUIREMENTS.**
43

44 A. Privacy

1
2 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
3 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
4 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
5 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
6 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
7 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
8 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
9 that Franchisee may provide such lists to authorized employees and authorized representatives of the
10 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
11 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
12

13 B. Public Access to the Franchisee
14

- 15 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
16 Monday through Friday. A representative of Franchisee shall be available during office
17 hours for communication with the public at Franchisee's principal office. In the event that
18 normal business cannot be conducted over the telephone, a representative of Franchisee
19 shall agree to meet with the public at a location agreeable to Franchisee and the public.
20 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
21 shall also maintain a local or toll free after-hours telephone number for use during other
22 than normal business hours. Franchisee shall have a representative or answering device or
23 system available at said after-hours telephone number during all hours other than normal
24 office hours.
25
26 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
27 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
28 Person, by close of business of the second business (waste Collection) day following the
29 date on which such complaint is received. Service complaints may be investigated by the
30 Director or a designee. Franchisee shall maintain records listing the date of customer
31 complaints, the customer, describing the nature of the complaint or request, and when and
32 what action was taken by the Franchisee to resolve the complaint. All such records shall
33 be maintained and shall be available for inspection by County.
34
35 3) Government Liaison Person. The Franchisee shall designate a "government liaison
36 Person" who shall be responsible for working with the Department to resolve customer
37 complaints.
38

39 C. Resolution of Disputed Customer Complaints.
40

41 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
42 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
43 Procedures for resolution of disputed claims shall be as follows:
44

- 45 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
46 County to review the complaint. To obtain this review, the customer may request County
47 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or

1 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
2 has failed to respond to the complaint. The County may extend the time to request its
3 review for good cause.
4

5 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
6 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
7 customer's complaint and determine if further action is warranted. The Director may
8 request written statements from the Franchisee and customer, and/or oral presentations.
9

10 3) The Director shall determine if the Customer's complaint is justified, and if so, what
11 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
12 of customer charges related to the period of breach of any of the terms of this Franchise
13 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
14 addition to any actual damages.
15

16 4) The Director may delegate these duties to a designee. The decision of the Director or a
17 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
18 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
19 may seek review pursuant to Section 11 above.
20

21 D. Hazardous Materials and Waste Handling and Disposal
22

23 The Franchisee shall comply with the procedures detailed in State Law.
24

25 **SECTION 17. FORCE MAJEURE.**
26

27
28 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
29 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
30 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
31 Solid Waste facilities used by Franchisee:

- 32 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
33 earthquakes, tornados, or other catastrophic events;
34 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
35 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
36 other event leading to the imposition of quarantines, travel or movement restrictions, social
37 distancing, or public health advisories restricting large gatherings;
38 D. Accident or other catastrophic event including fire or explosion;
39 E. Strikes and labor disputes;
40 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
41 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
42

43 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
44 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
45 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
46 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which

1 Franchisee intends to take to restore its ability to perform, and such other information as the County may
2 reasonably request.

3
4 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
5 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
6 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
7 Franchisee.

8
9 **SECTION 18. OTHER PROVISIONS.**

10
11 A. Independent Contractor.

12
13 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
14 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
15 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
16 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
17 retirement or other benefits which accrue to County employees.

18
19 B. Property Damage.

20
21 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
22 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
23 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

24
25 C. Right of Entry.

26
27 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
28 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
29 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
30 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

31
32 D. Law to Govern.

33
34 The law of the State of California shall govern this Franchise Agreement.

35
36 E. Gratuities.

37
38 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
39 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
40 Franchise Agreement.

1 F. Compliance with Franchise Agreement.
2

3 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
4 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
5 the Term of this Franchise Agreement.
6

7 G. Notices.
8

9 All notices required or permitted to be given under this franchise shall be in writing and shall be
10 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
11 receipt requested, and addressed as follows:
12

13 To County: County of Riverside
14 Attn: Department of Environmental Health
15 4065 County Circle Drive
16 Riverside, CA 92503
17

18 Copy to: County Counsel
19

20 To Franchisee: Desert Valley Disposal, Inc.
21 President
22 P.O. Box 2720
23 Palm Springs, CA 92263
24 4690 E. Mesquite Avenue
25 Palm Springs, CA 92264
26

27 Copy to: Rick Wade & Chris Cunningham
28

29 or to such other address as either party may from time to time designate by notice to the other given in
30 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
31 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
32 receipt of confirmation of delivery which confirmation may be transmitted by fax.
33

34 H. Exhibits Incorporated.
35

36 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
37 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
38 Agreement, the language of the Exhibit shall prevail.
39

40 I. Nondiscrimination.
41

42 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
43 on the ground of race, sex, age, creed, color, religion or national origin.
44

1 J. Laws and Licenses.

2
3 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
4 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
5 to perform the services hereunder and maintain the same in full force and effect.

6
7 K. Waiver.

8
9 No waiver by either party of any one or more defaults or breaches by the other in the performance of
10 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
11 like or different character.

12
13 **SECTION 19. SEVERABILITY.**

14
15 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
16 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
17 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
18 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
19 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
20 Agreement.

21
22 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
23 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
24 enforceability of any of the remaining provisions of this Franchise Agreement.

25
26 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT.**

27
28 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
29 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
30 and all other communications, representations, proposals, understandings or Agreements, either written or
31 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
32 or amended, in whole or in part, except by writing signed by both parties hereto.

33
34 At least once every 5 years, or more often as required by a significant change in law, starting from the
35 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
36 or required amendments.

37
38 **SECTION 21. CONSTRUCTION OF FRANCHISE.**

39
40 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
41 attorneys, and no provision contained herein shall be construed against County solely because it prepared
42 this agreement in its executed forms.

1 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

2

3 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
4 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
5 another company, all service levels and rates of this contract shall at the discretion of the Board of
6 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones
Riverside County
Department of Environmental Health

10

11

12

13 FRANCHISEE

14

15

BY: _____

16

Rick Wade
Chief Executive
Desert Valley Disposal, Inc.

17

18

19

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21

22

BY: _____

24

Chris Cunningham
President
Desert Valley Disposal, Inc.

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EXHIBIT B

FRANCHISE AREA #10

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

Hauler Franchise Area 10

(North)

Beginning at the northwest Corner of Section 6 T. 2 S., R. 4 E., S.B.M., said point also being the northerly boundary of Riverside County;

Thence Easterly along the northerly boundary of Riverside County to the northeast Corner of Section 4 T. 2 S., R. 5 E.;

Thence Southerly along the Easterly line of Sections 4, 9, 16, and 21 T. 2 S., R. 5 E. to the intersection of the Colorado River Aqueduct;

Thence Southeasterly along the Colorado River Aqueduct to Long Canyon Rd;

Thence Southwesterly along the centerline of Long Canyon Rd to the Easterly line of Section 4 T. 3 S., R. 5 E.;

Thence Southerly along the Easterly line of Sections 4, 9, 16, 21 and 28 T. 3 S., R. 5 E., to the Northerly city limits of Cathedral City;

Thence Northwesterly following the city limits of Cathedral City to its intersection with the city limits of the City of Palm Springs;

Thence Northwesterly along the Northerly city limits of Palm Springs to the Northwest Corner of Section 24 T. 3 S., R. 3 E.;

Thence Northerly along the Westerly line of Sections 13 and 12 T. 3 S., R. 3 E., to the Northwest Corner of said Section 1112;

Thence Easterly along the Northerly line of Section 12 to the Northeast Corner of Said Section, also being on the West line of T. 3 S., R. 4 E.;

Thence Northerly along the West Township lines of T. 3 S., R. 4 E., and T. 2 S., R. 4 E., to the Northwest Corner of Section 6 T. 2 S., R. 4 E., the point of beginning.

(South)

Beginning at the Northwest Corner of Section 18 T. 4 S., R. 4 E., S.B.M., said point also being on the Southerly boundary of the city of Palm Springs;

Thence Southeasterly along the Southerly boundary of the city of Palm Springs to the Southeast Corner of Section 35 T. 5 S., R. 4 E., also being on the Southerly Township line of T. 5 S., R. 4 E.;

Thence Westerly along the Southerly township line of T. 5 S., R. 4 E., to the Southwest Corner of Said Township;

Thence Northerly along the Westerly township lines of T. 5 S., R. 4 E., and T. 4 S., R. 4 E., to the

- 1 Northwest Corner of Section 18 T. 4 S., R. 4 E., the point of beginning.
- 2
- 3 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
- 4 in areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12 and 13.
- 5
- 6 Also excludes any areas within City boundaries.

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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

Collection Summary

The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste and Recyclable

1 Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not
2 available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall
3 clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density
4 factors.

5
6 **Education and Outreach**

7
8 The Franchisee shall submit copies of public education materials sent to customers or provided
9 electronically on their websites or social media outlets.

10 **Service Performance**

11
12 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
13 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
14 shall identify the total number of all written or oral Customer comments and shall provide the number of
15 comments received in the following categories: praises, litter or property damage complaints, misplacement
16 of containers, stolen containers, personnel complaints, missed pickups, and other.

17
18 **Container Contamination Monitoring**

19
20 The Franchise shall provide a summary of container contamination monitoring activities including
21 information on efforts to minimize container contamination. When applicable a separate detailed report
22 shall be provided to the Department identifying sites that are out of compliance and require additional
23 enforcement by the County.

24
25
26 **4. ANNUAL REPORTS**

27
28 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
29 Franchisee will be responsible for providing the following reports:

- 30
31 1. Summary reports
32 2. Equipment inventory
33 3. Program implementation
34 4. Future programs
35 5. Litigation information
36 6. Education and Outreach

37
38 **Summary Reports**

39
40 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
41 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
42 provided shall include quantities of materials collected, and if processed by non-system facilities, the
43 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
44 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
45 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
46 experiences, and any problems in program operation and how they were resolved.

1 **Equipment Inventory**

2

3 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
4 The inventory list shall indicate the age of the equipment.

5

6 **Program Implementation**

7

8 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
9 for the year. The report shall address how the problems and barriers were overcome or the proposed
10 resolutions and schedule for correcting the problem.

11

12 **Future Programs**

13

14 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
15 but have not been planned for.

16

17 **Litigation Information**

18

19 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
20 against the parent company and all subsidiaries of parent company that may have an effect on the
21 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

22

23 **Education and Outreach**

24

25 The Franchisee shall submit copies of public education materials sent to customers or provided
26 electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.

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- 3. The District directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
- 4. The County modifies the franchise fee.
- 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
- 6. Significant increases in the number of customer accounts due to development or growth.
- 7. Other circumstances at the discretion of the Director or the Board of Supervisors.

- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #12

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1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND BURRTEC WASTE INDUSTRIES, INC. WASTE MANAGEMENT OF THE DESERT,
4 A DIVISION OF WASTE MANAGEMENT OF CALIFORNIA, INC.
5 FOR THE COLLECTION AND TRANSPORTATION
6 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE
7 MATERIALS OTHER SPECIFIED SERVICES
8

9 This Franchise Agreement ("Franchise Agreement") , ~~by and between the County of Riverside ("County")~~
10 ~~and Burrtec Waste Industries, Inc. ("Franchisee"), for the Collection and transportation of Solid Waste,~~
11 ~~Recyclable Materials, Organic Waste, and construction debris and other specified services, originally~~
12 ~~entered into on April 6, 1998, is hereby amended and restated on December 7, 2021 is entered into this 6~~
13 ~~day of April, 1998, by and between the County of Riverside ("County") and Waste Management of The~~
14 ~~Desert, A Division of Waste Management of California, Inc. ("Franchisee"), for the Collection and~~
15 ~~transportation of Solid Waste, Recyclable Materials, Green Waste, and construction debris and other~~
16 ~~specified services.~~
17

18 **RECITALS**
19

20 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
21 Ordinance ~~657-745~~ the County of Riverside ("County") has determined that the public health, safety, and
22 well-being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise
23 for waste management services for residential, commercial, and industrial customers in the County of
24 Riverside; and
25

26 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
27 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
28 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
29 recovery and disposal; and
30

31 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
32 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
33

34 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
35

36 **SECTION 1. REPRESENTATIONS AND WARRANTIES.**
37

38 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
39 representations and warranties for the benefit of the County as of the date of this Agreement.
40

- 41 1) Franchisee is duly organized and validly existing as a corporation in good standing under
42 the laws of the State of California.
- 43
- 44 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
45 Agreement, and has duly authorized the execution and delivery of this Agreement.
- 46
- 47 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
48 Franchisee to do so, and this Agreement has been duly executed and delivered by

1 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
2 against Franchisee in accordance with its terms.

- 3
- 4 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
5 court or governmental entity against Franchisee or affecting Franchisee, wherein an
6 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
7 of this Agreement, or which would have a material adverse effect on the financial condition
8 of Franchisee.
- 9
- 10 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
11 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
12 parent company's financial circumstances since the date of the most recent financial
13 statements submitted to the Environmental Health Department ("Department"). Prior to
14 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
15 most recent annual financial statements. The Department may at its discretion specify the
16 contents and form of such statements. The Director of Environmental Health may inspect
17 the financial records of the Franchisee at any reasonable time for any reasonable purpose
18 relevant to the performance of this contract.
- 19
- 20 6) Franchisee has the expert, professional, and technical capability to perform all of its
21 obligations under this Agreement.

22

23 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
24 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
25 ~~annual financial statements, as provided in Exhibit C.~~

26

27 B. Representations and Warranties of the County.

28

29 Prior to commencement of any services hereunder, the County hereby makes the following
30 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:

- 31
- 32 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
33 This Agreement constitutes the legal, valid and binding Agreement of the County and is
34 enforceable against the County in accordance with its terms.
- 35
- 36 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
37 County before any court or governmental entity wherein an unfavorable decision, ruling or
38 finding would adversely affect the validity or enforceability of this Agreement.

39

40 **SECTION 2. DEFINITIONS**

41

42 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter 2 of
43 the California Public Resources Code, the definitions in the Public Resources Code, as presently defined
44 and as they may be amended in the future shall apply unless the term is otherwise defined in this Agreement.
45 In the event of conflict between the definition of a term as found in the California Public Resources Code
46 or in County ordinances and this Agreement, the definition in this Agreement shall supersede the definition
47 found in the Public Resources Code or in County ordinances.

1 A. ~~Agreement~~ means this Agreement between the County and ~~Waste Management of The Desert~~
2 ~~a Division of Waste Management of California Franchisee~~ for the Collection and transportation of Solid
3 Waste and other specified services, including all exhibits, and any future amendments.
4

5 B. ~~Bins shall~~ mean those containers provided by Franchisee for commercial, industrial,
6 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~1-2~~ to 6 cubic yards in
7 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
8 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
9

10 C. ~~Board shall~~ mean the Riverside County Board of Supervisors.
11

12 ~~C. —~~
13 ~~————~~

14 ~~D. — Bulky Waste shall mean large, heavy or otherwise difficult to handle items, including, but not~~
15 ~~limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large concrete and~~
16 ~~asphalt chunks, tree stumps, or other waste materials with weights or volumes greater than those allowed~~
17 ~~for containers.~~

18 ~~D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other~~
19 ~~similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,~~
20 ~~plumbing, small household appliances, and other similar items, commonly known as “white goods”); wood~~
21 ~~wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in~~
22 ~~length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per~~
23 ~~Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items~~
24 ~~containing chloroflouorocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.~~
25 ~~Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)~~
26 ~~Persons.~~
27

28 E. ~~Collection~~ means Collection of Solid Waste, recyclable material, or other material specified
29 in this Agreement and its transportation to an appropriate Solid Waste Facility.
30

31 F. ~~Commercial Units shall~~ mean all commercial, industrial, institutional or other facilities, except
32 residential and Multi-Residential Units.
33

34 ~~G. — Compost means a stable humus like product that results from the biological decomposition of~~
35 ~~organic materials occurring under controlled conditions.~~
36

37 ~~H. — Compost Facility means a Solid Waste Facility that processes Green Waste, Wood Waste or~~
38 ~~other organic materials to produce Compost or mulch.~~
39

40 ~~I.G. Comprehensive Compulsory Collection Areas shall~~ mean specific portions or areas of the
41 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
42 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.
43

44 ~~J.H. County~~ means the County of Riverside, State of California.
45

46 ~~K.I. Department~~ means the Riverside County Department of Environmental Health.
47

48 ~~L.J. Director shall~~ mean the Director of the Riverside County Department of Environmental
49 Health ~~or their designee.~~

1
2 K. Diversion. (or any variation thereof including "Divert") means activities which reduce or
3 eliminate Discarded Materials from Disposal, including, but not limited to, source reduction, Reuse,
4 salvage, Recycling, and composting.

5 M. District. means the Riverside County Waste Resources Management District.
6

7 N.L. Effective Date. means the date on which this Agreement becomes effective, which shall be the
8 date it is executed by the Board of Supervisors.
9

10 O.M. Exclusive Franchise. means the rights granted to the Franchisee under the terms and conditions
11 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Green
12 Organic Waste, and other materials as specified in this Agreement and its exhibits, within the area defined
13 in Exhibit B.
14

15 P. Extremely Hazardous Waste. shall mean any Hazardous Waste or mixture of Hazardous
16 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
17 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.
18

19 Q.N. Franchise Area. means the geographic territory defined in Exhibit B.
20

21 R. Franchise Documents. shall mean the Agreement (as herein defined), the separately executed
22 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
23 under this Agreement.
24

25 S.O. Generator. means the owner or occupant of premises, including residences or businesses, which
26 initially produces Solid Waste, Recyclable Materials, or Green-Organic Waste.
27

28 T.P. Green Waste. means organic waste generated from any landscaping including grass clippings,
29 leaves, prunings, tree trimmings, weeds, branches, and brush.
30

31 U.Q. Gross Receipts. means all monies received by Franchisee for providing franchise services
32 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
33 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
34 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
35 of State or other governmental agencies.
36

37 V.R. Hard-to-Service. may refer to any service area that is not standard curb and gutter service or
38 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
39 of the following:

- 40 1) Rural, sparsely populated areas,
- 41 2) Hilly or mountainous terrain,
- 42 3) Poorly paved or unpaved roads which may be unpassable-impassable in poor
43 weather,
- 44 4) Large, uninhabited areas between pockets of homes,
- 45 ~~5) Unusually heavy waste due to large properties, livestock, etc.~~
- 46 ~~5)~~
- 47 6) Limited access on a private street or alley.

1 Areas designated to be “Hard-to-Service” may be reviewed by the Franchisee and County every twenty-
2 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
3 “Hard to Service”

4 ~~W. — Hazardous Waste. shall mean any waste material or mixture of wastes which is defined or~~
5 ~~otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an~~
6 ~~irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a~~
7 ~~waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,~~
8 ~~or as a proximate result of any disposal of such wastes or mixture of wastes. The term “toxic”, “corrosive”,~~
9 ~~“flammable”, “irritant”, or “strong sensitizer” shall be given the same meaning as found in the California~~
10 ~~Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.~~

11
12 ~~X.S. Integrated Waste Management Act (IWMA). shall means the California Integrated Waste~~
13 ~~Management Act of 1989 (AB 939), including all subsequent amendments.~~

14
15 ~~Y. — Materials Recovery Facility. means a facility intended primarily for recovery and processing~~
16 ~~of Recyclable Materials that are source separated, or a facility intended to recover Recyclable Materials~~
17 ~~from Solid Waste. Such a facility may also function as a Transfer Station.~~

18
19 ~~Z.T. Multi-Residential Units. shall mean permanent buildings containing three or more Residential~~
20 ~~Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks~~
21 ~~where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.~~

22
23 ~~U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous~~
24 ~~wood waste, and food-soiled paper waste that is mixed in with food waste.~~

25 ~~AA. Permitted Hauler. means a Solid Waste service provider who has a valid permit to operate~~
26 ~~within all, or a portion of, the unincorporated County.~~

27
28 ~~BB. Person. shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,~~
29 ~~trust, association, or corporation whether for profit or non-profit.~~

30
31 ~~CC. Public Roads. shall mean those road rights of way in the Unincorporated Area of Riverside~~
32 ~~County which have been offered to the county and accepted for the purpose of vesting title whether they~~
33 ~~have been accepted for County maintenance or not.~~

34
35 ~~DD.V. Recyclable Materials. means material which has been segregated from other Solid Waste~~
36 ~~material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,~~
37 ~~cardboard, plastic, ferrous materials, ~~green waste~~Organic Waste or aluminum. Recyclable Materials also~~
38 ~~include mixed Recyclables consisting of two or more of the above-referenced material types separated from~~
39 ~~non-Recyclable Materials at the point of Collection and offered for Collection in a mixture including not~~
40 ~~more than five (5) percent Solid Waste by weight.~~

41
42 ~~EE.W. Residential Unit. shall means an occupied dwelling within the unincorporated area of the~~
43 ~~County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when~~
44 ~~either water or domestic light and power services are being supplied thereto. This definition shall apply also~~
45 ~~to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to~~
46 ~~be two (2) attached Residential Units.~~

1 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
2 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
3 A of this Agreement.

4 FF. Solid Waste means all putrescible and non-putrescible solid and semisolid wastes, including
5 garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes,
6 discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes, and
7 other discarded solid and semisolid wastes. "Solid Waste" does not include Green Waste or Recyclable
8 Materials. "Solid Waste" does not include Hazardous Waste as defined by the State of California, or low-
9 level radioactive waste. "Solid Waste" does not include medical waste which has not been treated, as
10 required pursuant to state law, for subsequent disposal at a Solid Waste Facility.

11
12 GG. Solid Waste Facility means any facility that is licensed, permitted or otherwise approved by
13 all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,
14 Recyclable Materials, or Green Waste, and includes transfer, Recyclable Materials processing, material
15 recovery, composting, waste-to-energy, or landfill facilities.

16
17 HH. Special Wastes means any Solid Waste that, because of its source of generation, physical,
18 chemical, or biological characteristics or unique handling or disposal practices, is specifically conditioned
19 in the Solid Waste Facility permit for handling and/or disposal. Examples of Special Wastes include, but
20 are not limited to, the following: bulky items, used tires, used oil, grease trap pumpings, septic tank
21 pumpings, sewage sludge, asbestos, medical wastes, shipboard and port waste, automobile shredder waste,
22 abandoned vehicles, street sweepings and catch basin debris, agricultural wastes, cannery waste, and
23 incinerator ash.

24
25 H.Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
26 County Department of Waste Resources (DWR) District, or with which the District DWR has entered into
27 an Agreement, and that for the purposes of this Agreement is designated by the District DWR through a
28 separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery
29 and/or disposal of Solid Waste, Recyclable Materials or Green Organic Waste.

30
31 J.Z. Term means the Term of this Agreement, as provided for in Section 3.

32
33 KK. Transfer Station shall include those intermediate waste handling facilities where Solid Wastes
34 are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof
35 may undergo incidental processing, recycling or further handling before transportation to a disposal site,
36 Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer
37 station":

- 38 1) Locations where less than 15 cubic yards of combined container volume are provided to serve
39 as community or multi-residence receptacles for residential refuse.
40 2) Storage receptacles for waste from multi-residential buildings or for commercial Solid Wastes.
41 3) A container used to store construction or demolition wastes at the place of generation.
42 4) Containers used to store salvaged materials.

43
44 LL. Traveled Way shall mean the accessible Public Road rights of way within the unincorporated
45 portion of Riverside County, and shall include similar roads within Public facilities as specified in
46 Attachment A "Traveled Way" does not include State or Federal Highways.

1 ~~MM-AA.~~ Waste Delivery Agreement, means the contract entered into by the ~~District-DWR~~ and the
2 Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to
3 be directed to specified System Facilities and kept on file with the DWR.
4

5 ~~NN-BB.~~ Wood Waste, means industrial dimension lumber, pallets, shipping dunnage, and similar
6 discarded processed wood materials, and large tree limbs.
7

8 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE.**
9

10 A. Pursuant to Ordinance 657745, and the IWMA, and subject to the terms and conditions of this
11 Agreement, including any prior amendments which are incorporated herein by reference. County hereby
12 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
13 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
14 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
15 purposes.
16

17 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
18 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
19 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
20 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
21 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
22 ~~Green Organic Waste; (3) to the cancellation, upon the Effective Date of this Agreement, of any permit or~~
23 ~~other authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable~~
24 ~~Materials, or Green Waste for the portion of the unincorporated county permit area covered by Exclusive~~
25 ~~Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code~~
26 ~~section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for~~
27 ~~those areas represented by Exclusive Franchise Agreements.~~
28

29 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to~~
30 ~~its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement~~
31 ~~and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in~~
32 ~~accordance with the provisions of this Agreement.~~
33

34 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
35 the Exclusive Franchise, to the extent provided for in state and federal law.
36

37 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the~~
38 ~~Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of~~
39 ~~this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior~~
40 ~~thereto either the County or the Franchisee gives written notice of non-renewal to the other party. Only one~~
41 ~~notice of non-renewal shall be required hereunder. Notice of non-renewal need not be based on cause.~~ The
42 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
43 notice for nonperformance, as provided in Sections 9 and 10 hereof.
44

45 D. Franchisee will commence services under this Agreement on January 4, 1999, 2022.
46

47 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
48 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
49 taken.

1
2 F. — In the event that one or more Permitted Haulers currently operating in the Franchisee's Exclusive
3 Franchise Area have not entered into an Exclusive Franchise Agreement with the County which contains a
4 provision similar to Section 3B(2) above, the following shall apply:
5

6 1) — Said Permitted Hauler(s) may continue to provide comparable services to those specified
7 in this Agreement at rates established by the Board throughout the remainder of its "five year wind-
8 down period." Notice of the five year wind down period was given to all Permitted Haulers on July
9 12, 1994 and affirmed on September 6, 1994.
10

11 2) — County shall consider adjusting the rate band such that the minimum rate that said
12 Permitted Hauler(s) may charge shall be the rates specified in Exhibit E as they may be adjusted in
13 accordance with Exhibit F.
14

15 3) — County shall consider allocating the area(s) which had been designated for said Permitted
16 Hauler(s) (as indicated on the map attached as Exhibit I) to Franchisees operating in the vicinity of
17 said designated area and impacted by said Permitted Haulers' activities by considering the following:
18

- 19 a) — Customer base on the Effective Date;
- 20 b) — Customer base on the date the allocation is made;
- 21 c) — Growth occurring within each Franchisee's area;
- 22 d) — Franchisee's rates;
- 23 e) — Extent to which Franchisee's customer base was impacted by said Permitted
24 Hauler(s) activities;
- 25 f) — Geographical features such as major roadways, mountains, jurisdictional
26 boundaries and Franchise boundaries;
- 27 g) — Other conditions at the discretion of the Director.
28

29 4) — If, during the five year wind down period, Franchisee's customer base is significantly
30 reduced because of said Permitted Haulers' operations within its Exclusive Franchise Area, franchisee
31 may apply for an Extraordinary Rate Review, in accordance with Exhibit F.
32

33 SECTION 4. FRANCHISE AREA.

34
35 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated
36 Riverside County defined in Exhibit B, "Franchise Area."
37

38 SECTION 5. SERVICES PROVIDED BY FRANCHISEE.

39 A. General.

40
41
42 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable
43 Materials within the Franchise Area in accordance with the terms of this Agreement. The specific
44 manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall also,
45 upon written request of the Director, provide optional services in the Franchise Area in accordance with
46 the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit ED. Minimum levels
47 of Solid Waste service to be provided under this Agreement are defined below, however, no residential
48 or commercial or business customer shall be refused service, if that party is willing to pay for such
49 service and is current in payment. Disputes arising over the terms on which a particular customer may

1 be serviced because of remoteness of location, difficulty of access, particular needs of the customer,
2 etc. shall be decided in accordance with the provisions of Section 16 (B) (2) related to "service
3 complaints."
4

5 B. Single Family Residential.
6

7 Weekly Service. Not less often than once per week, and more frequently if required to handle
8 the waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials
9 (except bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers
10 at Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal
11 weekly Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without
12 obstructions so as to permit for safe and efficient Collection, unless otherwise agreed upon by County
13 and Franchisee. ~~Franchisee may supply containers, and/or may require the use of specific containers~~
14 ~~as specified in Exhibit A.~~ Franchisee may negotiate special pickup procedures, above and beyond the
15 normal services described above, with customers for an additional fee in an amount provided in Exhibit
16 ED.
17

18 C. Commercial, Industrial, and Multi-Residential.
19

20 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
21 if required to handle the waste stream of the premises where the Bins are located, Franchisee shall
22 collect the Solid Wastes (including bulky items which have been placed in a closed bin, and excepting
23 metallic white goods and Hazardous Waste) which have been placed, kept or accumulated for
24 Collection in Solid Waste Bins at Multi- Residential Units.
25

26 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
27 frequently if required to handle the waste stream of the premises where the Bins are located, Franchisee
28 shall collect the Solid Wastes which have been placed, kept or accumulated for Collection in Solid
29 Waste Bins at Commercial Units.
30

31 D. Construction and Temporary Bin/Rolloff Services.
32

33 Franchisee shall provide construction and temporary bin/rolloff services using rates reflected
34 in established per Exhibit ED.
35

36 E. Semi-Annual Cleanup and Bulky Wastes Collection.
37

38 ~~1) At least twice a year, Franchisee shall provide a one (1) day cleanup service to all~~
39 ~~Residential Unit customers on its routes wherein all bulky materials left on the curb, or other designated~~
40 ~~location on or adjacent to customer's property, up to a maximum of one and one-half cubic yards, will~~
41 ~~be removed and disposed. Cost for this service, excluding the cost of disposal, shall be included within~~
42 ~~the normal monthly rates for Residential Unit Solid Waste Collection as specified in Exhibit E. When~~
43 ~~feasible, the bulky material will be collected in a vehicle separate from the one used to pick up the~~
44 ~~residential unit's Solid Waste on a weekly basis so that it can be readily identified as not requiring~~
45 ~~tipping fees when it arrives at the designated landfill. Franchisee will make a good faith effort to divert~~
46 ~~the bulky material away from the designated landfill and to another facility where it can be either~~
47 ~~recycled or refurbished for reuse. Collection of heavy waste materials such as dirt, rock, concrete, and~~
48 ~~asphalt are not included in this service.~~
49

1 Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service arranged
2 at the request of the customer for large household appliances or furniture or multiple smaller
3 items not exceeding one and one-half cubic yards. Collection of heavy waste materials such as
4 dirt, rock, concrete, and asphalt are not included in this service. Franchisee shall advertise the
5 availability of the Bulky Wastes Collection service and shall provide the Bulky Waste Collection
6 service within seven (7) working days of request by customer. Franchisee shall bill the customer
7 for Bulky Waste Collection at the rate established in Exhibit E. Standard disposal rates shall be
8 paid by franchisee at System Facility.

9 1) Upon verbal or written customer request, made a minimum of two business days prior to
10 the customer's regular service day, Franchisee shall provide on-call Single Family Residential Bulky
11 Household Waste Collection Service. Bulky items shall be placed within two (2) feet of the curb or
12 other such location as agreed to by the Franchisee and the customer. Franchisee and County agree that
13 this service is intended to allow residents to safely discard of large household items such as furniture
14 and whitegoods or other large household items that do not fit in their regular weekly trash containers.
15 Each Single Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
16 Household Waste Collection Services per calendar year with a maximum of four (4) items at each
17 collection occurrence. The total amount of annual allowable items per household shall be eight (8)
18 Bulky Items per calendar year. Automobile tires shall be limited to four (4) tires per collection request.
19 Bulky Household Waste items do not include items such as dirt, rock, sod, other inert or construction
20 materials, motor vehicles, motor vehicle parts, boats, campers, trailers or household hazardous waste.
21 Additional requests for bulky item service shall be subject to the bulky item rates established on the
22 rate sheets approved by the Board of Supervisors.

23 2)-

24
25 3)2) Franchisee shall provide large rolloff refuse containers requested by the Director
26 or his designee to respond to organized community clean up efforts at no charge. Franchisee shall
27 deliver containers to agreed upon collection points and shall cooperate with the Director and designated
28 community leaders to remove containers and dispose of collected Solid Waste. Franchisee is obligated
29 to provide the equivalent of two 40-cubic yard bins/loads per year for each 1,000 Residential Unit
30 customers serviced within the Franchise Area. The ~~District-DWR~~ will arrange that there shall be no
31 charge of disposal fees for such Solid Waste delivered in separate vehicles to the System Facilities.

32 33 F. Illegal Dumping Retrieval Services

34
35 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

36
37 1) If requested by the County the Franchisee shall turn in ~~to County~~ a ~~monthly~~ report of illegal
38 dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky items (such
39 as tires, couches, and appliances) noticed within or along the ~~Traveled Way Roadway~~ in the franchise
40 area. For the purpose of this provision, the ~~Traveled Way Roadway~~ shall include public rights of way
41 within twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of unpaved
42 roadways.

43
44 2) Franchisee shall anticipate and arrange to receive daily by ~~facsimile~~ electronic methods,
45 copies of reports of illegal dumping reported by citizens to the Department of ~~Environmental Health~~,
46 Department of Transportation, or the ~~Waste Resources Management District~~ DWR.

1 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
2 materials on ~~Traveled Way~~ the Roadway within ~~forty-eight (48)~~ seventy-two (72) hours of the receipt of
3 reports thereof (excluding weekends and holidays) except for remote areas, as approved by the director,
4 for which the removal shall occur within five working days. The Franchisee may request that specified
5 roads, determined by the franchisee to be inaccessible for waste removal, be considered by the Director
6 for revised waste removal requirements.

7
8 ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at
9 County disposal sites at the time of delivery of the corresponding loads of illegally dumped debris.
10 Nothing herein shall prevent the immediate pickup, delivery and reporting thereof, as part of the normal
11 route collection activities, of illegally discarded material.~~

12
13 ~~5)4) _____~~ Abandoned vehicles and objects or appliances larger than conventional household
14 furniture or appliances as well as hazardous, ~~special and~~ medical and other wastes requiring special
15 handling are exempt from the retrieval requirements set forth herein, provided, however, that of these
16 exempted items noted within the ~~traveled-way~~ Roadway are to be immediately reported to the Director.

17
18 ~~6)5) _____~~ The Franchisee shall, upon request of private property owners, the Director or the
19 Departments of County Transportation and Land Management Agency, provide removal services for
20 waste illegally disposed of on their private property, excluding those wastes described immediately
21 above in paragraph 5, at a cost or costs as be specified in Exhibit ~~ED~~.

22
23 ~~7)6) _____~~ Illegally disposed materials along ~~Traveled Ways~~ Roadways within one mile of
24 disposal sites within Riverside County are exempt from the retrieval requirements set forth herein.

25
26 ~~8) For sixty (60) days from the effective date of this contract, the County will arrange that
27 there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall pay the usual
28 fees charged for comparable types and quantities of Solid Waste.~~

29
30 ~~9) Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit
31 to the Director an accurate accounting of its costs to provide Illegal Dumping Retrieval Service.~~

32
33 G. Collection of Used Motor Oil.

34
35 Franchisee shall collect used motor oil from single family residential customers in accordance with
36 ~~California Public Resources Code Section 48691, the Recycled Oil Collection and Storage Standards~~
37 ~~pursuant to Riverside County Ordinance 657 and Riverside County Resolution 90-668.~~

38
39 H. Diversion Services

40
41 ~~1) Diversion services proposed by Franchisee as described in Exhibit H shall be provided
42 throughout the duration of this contract.~~

43
44 ~~2) At any time during the term of this Agreement, upon one hundred eighty (180) days written
45 notice from the Director, Franchisee shall provide collection of Green Waste from Residential Units
46 throughout, or in designated portions of its Exclusive Franchise Area. Franchisee's rates for this service
47 shall be as established in Exhibit E as adjusted by the methodology established in Exhibit F.~~

1 I.H. Collection and Equipment

2
3 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
4 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
5 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
6 ~~Materials or Green Waste, prior to inspection and approval by the Department.~~ The equipment of
7 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
8 ~~Department on an annual basis at the request of the Department.~~

9
10 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
11 the Department of Motor Vehicles of the State of California, shall be kept clean and in good repair, and
12 shall be uniformly painted.

13
14 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
15 ~~days.~~

16
17 ~~3) 2) _____ A local or toll free telephone number, and vehicle number shall be clearly visible~~
18 ~~displayed on all required vehicles, in letters and figures no less than three inches (3") high.~~

19
20 **SECTION 6. OWNERSHIP OF SOLID WASTE.**

21
22 Once Solid Waste, ~~Green-Organic~~ Waste, Wood Waste and construction debris collected from
23 Residential, Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection
24 or containers at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer
25 to Franchisee. Solid Waste, Recyclable Materials, ~~Green-Organic~~ Waste, Wood Waste and construction
26 debris, or any part thereof, shall become the property of the owner or operator of a System Facility once
27 deposited there by Franchisee.

28
29 **SECTION 7. DIRECTION OF COLLECTED MATERIALS.**

30
31 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
32 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
33 and the ~~District~~DWR. The rates ~~shown-referenced~~ in Exhibit ~~E-D~~ are based on the _____ facility(ies)
34 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.

35
36 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND.**

37
38 A. Indemnification of County ~~and District.~~

39
40 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
41 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
42 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
43 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
44 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
45 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
46 reasonable costs and expenses of investigating and defending against same; provided, however, that
47 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
48 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.

1
2 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
3 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
4 survive the term of the franchise.

5
6
7 B. Hazardous Substances Indemnification.
8

9 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
10 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
11 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
12 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
13 damages (including, but not limited to, special and consequential damages), natural resources damage,
14 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
15 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
16 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
17 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
18 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
19 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
20 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
21 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
22 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
23 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
24 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
25 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
26 from liability.
27

28 C. Minimum Diversion Requirements
29

30
31 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
32 California Public Resources Code, Section 41780 and any other current or future California Statute that
33 requires the County to divert material from landfills. In the event that the State of California alters the
34 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
35 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
36 associated with any additional recycling programs.
37

38 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
39 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
40 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
41 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
42 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
43 against any third party as a means of meeting its obligation under this section.
44

45 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
46 by the Director as set forth in Section 9.A. of this agreement.

47 ~~The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in~~
48 ~~programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner~~
49 ~~which entitles County to diversion credit as specified in California Public Resources Code, Section 41780~~

1 ~~measured on a calendar year basis beginning January 1, 1999 ("Minimum Diversion Requirement")~~
2 ~~provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.~~
3 ~~Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing~~
4 ~~to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it~~
5 ~~had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for~~
6 ~~calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum~~
7 ~~Diversion Requirements two (2) times after the execution of the agreement, County may terminate this~~
8 ~~Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,~~
9 ~~finds that additional programs are necessary to meet any IWMA required diversion goals the County, or~~
10 ~~District on behalf of the County, may require proposals for additional diversion programs to meet the~~
11 ~~diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if~~
12 ~~agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon~~
13 ~~one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid~~
14 ~~Waste, Recyclable Materials, and/or Green Waste, and/or to independently implement programs that may~~
15 ~~be needed to meet the minimum diversion requirement.~~

16
17 ~~— If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
18 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
19 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
20 ~~Diversion Requirement, which shall not be unreasonably denied.~~

21
22 D. Worker's Compensation Insurance.

23
24 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
25 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
26 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
27 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
28 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
29 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
30 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
31 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
32 losses which arise from work performed by the named insured for the County.

33
34 E. Public Liability Insurance.

35
36 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
37 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
38 ~~three-six~~ million dollars ~~(\$3,000,000.00)~~(\$6,000,000.00) aggregate and ~~one-three~~ million ~~five hundred~~
39 ~~thousand~~ dollars ~~(\$1,500,000.00)~~(\$3,000,000.00) per occurrence for bodily injury and property damage.
40 Said insurance shall protect Franchisee, the County, ~~the District~~, and their elected or appointed officials,
41 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
42 as from any claim for property damage which may arise from operations performed pursuant to this
43 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
44 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
45 the Director. All of the following endorsements are required to be made a part of the insurance policies
46 required by this Section:

47
48 1) "This policy shall be considered primary insurance as respects any other valid and
49 collectible insurance the County may possess including any self-insured retention the County may have,

1 and any other insurance the County ~~or District~~ does possess shall be considered excess insurance and
2 shall not contribute with it."
3

4 2) "This insurance shall act for each insured, as though a separate policy had been written for
5 each. This, however, shall not act to increase the limit of liability of the insuring company."
6

7 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
8 with certificate(s) of insurance showing that such insurance is in full force and effect, and County ~~and~~
9 ~~District~~ are named as additional insureds with respect to this Franchise and the obligations of Franchise
10 hereunder. Further, said certificate(s) shall contain the covenant of the insurance carrier(s) that thirty
11 (30) days written notice shall be given to County ~~and District~~ prior to modification, cancellation or
12 reduction in coverage of such insurance. In the event of any such modification, cancellation or
13 reduction in coverage and on the effective date thereof, this Franchise shall terminate forthwith, unless
14 County ~~and District~~ receive prior to such effective date another certificate from an insurance carrier
15 that the insurance required herein is in full force and effect.
16

17 The limits of such insurance coverage, and companies, shall be subject to review by the Director every year
18 and may be modified at that time by the County upon a demonstration of reasonable need. The County ~~and~~
19 ~~the District~~ shall be named as additional insureds on all policies and endorsements.
20

21 F. Performance Bond or Letter of Credit.
22

23 1) Franchisee shall furnish a corporate surety bond as security for performance under this
24 Agreement. The amount of the bond shall be the average of two months' expected Gross Receipts.
25 Premium for the above described bond(s) shall be paid by Franchisee. A certificate from the surety
26 showing that the bond premiums have been paid in full shall accompany the bond. The surety on the
27 bond shall be a company acceptable by the County and shall be a corporate surety company authorized
28 to do business in the State of California.
29

30 G. Modification.
31

32 The insurance requirements provided herein may be modified or waived in writing by the Board upon
33 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
34 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
35 provided by the parent company of Franchisee.
36

37 **SECTION 9. DEFAULT AND REMEDIES.**
38

39 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
40 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
41 provisions of this Agreement, the requirements of ~~the California Integrated Waste Management~~
42 ~~Board~~ CalRecycle, including, but not limited to, requirements for source reduction and recycling (as to the
43 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
44 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
45 ~~Special Wastes or Hazardous Wastes~~ and other wastes requiring special handling, the Director shall advise
46 Franchisee in writing of such deficiencies. The Director may, in such written instrument, set a reasonable
47 time within which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable
48 time for correction shall be thirty (30) days from the mailing of such written notice. The Director shall
49 review the Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the

1 matter to the Board. A decision or order of the Director shall be final and binding on Franchisee if the
2 Franchisee fails to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the
3 Director's decision. Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer~~
4 ~~the appeal to the Board for proceedings in accordance with Subsections 9B and 9C, below, or refer the~~
5 matter to a hearing officer as provided in Section 11, below. ~~Where the County and the Franchisee have~~
6 ~~claims pending against each other at the same time under Section 9 and Section 11 jurisdiction shall be with~~
7 ~~the Board.~~

8
9 ~~B.— The Board, may set the matter for hearing. The Board shall give Franchisee, and any other~~
10 ~~Person requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the~~
11 ~~hearing, the Board shall consider the report of the Director indicating the deficiencies, and shall give the~~
12 ~~Franchisee, or its representatives and any other interested Person, a reasonable opportunity to be heard.~~

13
14 ~~C.— Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
15 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record, the~~
16 ~~Board determines that the performance of Franchisee is in breach of any material Term of this Agreement~~
17 ~~or any material provision of any applicable Federal, State, or local statute, ordinance or regulation, or is~~
18 ~~deficient with respect to prevailing industry standards, the Board in the exercise of its sole discretion, may~~
19 ~~terminate forthwith, this Agreement. Franchisee's performance under its franchise is not excused during~~
20 ~~the period of time prior to the Board's final determination as to whether such performance is deficient.~~

21
22 ~~D.B.~~ The right of termination is in addition to any other rights of County upon failure of Franchisee
23 to perform its obligations under this Agreement.

24
25 ~~E.C.~~ The County further reserves the right to terminate Franchisee's franchise, following public
26 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
27 board determines it is in the public interest to do so:

- 28
29 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 30
31 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
32 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 33
34 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
35 compensation, liability, indemnification coverage, and performance bond as required by the
36 Agreement.
- 37
38 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
39 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may contest any
40 such orders or rulings by appropriate proceedings conducted in good faith, in which case no breach of
41 the franchise shall be deemed to have occurred.
- 42
43 5) If the Franchisee ceases to provide Collection services as required under this Agreement
44 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more, for any
45 reason within the control of the Franchisee.
- 46
47 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
48 refuses to provide County with required information, reports, and/or test results in a timely manner as
49 provided in the Franchise Agreement.

1
2 7) For any other act or omission by the Franchisee which materially violates the terms,
3 conditions, or requirements of this franchise, Ordinance 657745, successor ordinance, other county
4 ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation issued thereunder and
5 which is not corrected or remedied within the time set in the written notice of the violation or, if the
6 Franchisee cannot reasonably correct or remedy the breach within the time set forth in such notice, if
7 the Franchisee should fail to commence to correct or remedy such violation within the time set forth in
8 such notice and diligently effect such correction or remedy thereafter.
9

10 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
11 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct related to the
12 performance of this Agreement, or of felonious conduct related to anti-trust activities, illegal transport
13 or disposal of hazardous waste or materials, or violation of Racketeer - Influenced Corrupt
14 Organizations (RICO) Statutes.
15

16 F.D. Professional Conduct
17

18 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
19 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any court in the
20 United States, or is otherwise alleged to have participated in any criminal activity directly or indirectly
21 associated with the solid waste management business, Franchisee or its successor-in-interest shall
22 provide written notice thereof to the Director within 14 days of such indictment, complaint or
23 allegation. Such notice shall contain a description of the indictment, complaint or allegation, as well
24 as a copy of such indictment or complaint or other matters of public record related thereto. In addition
25 to the foregoing, Franchisee or its successor-in-interest shall provide the Director with copies of any
26 reports required to be prepared by Franchisee or its successor-in- interest pursuant to federal securities
27 laws, including quarterly and annual reports.
28

29 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
30 interest, who has any responsibility for any aspect of the franchisee's operations under this contract, is
31 convicted, indicted by a grand jury, or named as a defendant in a felony complaint filed in the Superior
32 Court or a complaint filed in Federal Court associated with conduct of doing business for Franchisee
33 or its successor-in- interest, this person shall, upon request of the County be immediately removed from
34 any assignment whatsoever, directly associated with operations under this contract during the pendency
35 of trial and/or following conviction.
36

37 G.E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
38 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
39 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
40 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
41 such party shall notify the other party of such order or requirement and the law, regulation or order on
42 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
43 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of suchsaid~~
44 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
45 following the ~~Effective Datedate of suchsaid~~ law, regulation or order becomes effective. Nothing in this
46 Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking to obtain
47 modification or repeal of such law, regulation or order or restrict either party's right to legally contest the
48 validity of such law, regulation or order.
49

1 **SECTION 10. DISRUPTIONS IN SERVICE.**

2
3 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
4 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
5 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
6 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
7 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
8 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
9 by such conditions with an estimate of when service will be resumed.

10
11 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a
12 period of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
13 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
14 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
15 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
16 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
17 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
18 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
19 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
20 County's sole negligence in providing such substitute service. Employees of Franchisee, including
21 management employees, may be employed by County during any period in which County temporarily
22 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
23 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
24 between Franchisee and its employees at the time Franchisee's service was interrupted.

25
26 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or
27 labor dispute or other force majeure event, this Agreement shall not terminate and shall continue to be
28 effective for the duration of such strike or labor dispute. In the event of such a strike or labor dispute,
29 Franchisee shall maintain an unobstructed entrance at its place of business which is not regularly used but
30 which will be primarily reserved for use by County access while County or its designated representative is
31 performing Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place
32 of business, Franchisee shall receive no compensation for any time period in which it failed to perform in
33 accordance with the provisions of this Agreement.

34
35 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES.**

36
37 A. Should Franchisee or the County contend that the ~~County~~other party is in breach of this
38 Franchise Agreement, it shall file a request with the Director for an administrative hearing on the allegation.

39
40 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of
41 the franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
42 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
43 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
44 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
45 Arbitration and Mediation Services.

46
47 C. The hearing shall be conducted according to the provisions of California Government Code
48 Section 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to
49 whom a matter is referred shall have the authority to (i) order the County or the Franchisee to undertake

1 remedial action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess
2 damages and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement
3 including terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall
4 be reasonably related to the seriousness of the breach of the Agreement.
5

6 D. The party losing the hearing shall be liable for the hearing officer's fees.
7

8 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be
9 deemed a material breach of the Agreement, and may be grounds for termination of the Agreement.
10

11 F. Any party to the hearing may issue a request to compel reasonable document production from
12 the other party. Disputes concerning the scope of document production and enforcement of document
13 requests shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20)
14 days of that document request, then by disposition by order of the hearing officer. Any such document
15 request shall be subject to the proprietary rights and rights of privilege of the parties, and the hearing officer
16 shall adopt procedures to protect such rights.
17

18 G. Neither party may communicate separately with the hearing officer after the hearing officer has
19 been selected. All subsequent communications between a party and a hearing officer shall be
20 simultaneously delivered to the other party. This provision shall not apply to communications made to
21 schedule a hearing or request a continuance.
22

23 H. Until final judgment is entered from the hearing officer proceeding under the foregoing
24 provisions and the time for appeal or other post-judgment petition has expired, the imposition or
25 enforcement of any penalties or sanctions provided in the Agreement and related to the subject matter of
26 the hearing shall be stayed. The hearing officer may modify or cancel any proposed penalties or sanctions
27 upon a finding that the party subject thereto acted with substantial justification or if the interests of justice
28 so require.
29

30 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.
31

32 SECTION 12. FRANCHISE TRANSFERABILITY. 33

34 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
35 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
36 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
37 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
38 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
39 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
40 such a request using such criteria as it deems necessary including, but not limited to, those listed in
41 Subsection C.
42

43 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted
44 by this Franchise Agreement. The County may impose new conditions of approval on a Franchise
45 Agreement transfer, including, but not limited to, conditions requiring acceptance of any reasonable
46 amendments to this Agreement.
47

48 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
49 meet the following requirements:

1
2 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
3 investigation costs necessary to investigate the suitability of any proposed transferee, and to review and
4 finalize any documentation required as a condition for approving any such transfer.
5

6 2) The Franchisee shall furnish the County with audited financial statements of the proposed
7 transferee's operations for the immediately preceding three (3) operating years.
8

9 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
10 transferee has at least five (5) years of solid waste management experience of a scale equal to or
11 exceeding the scale of operations conducted by Franchisee under this Agreement; (ii) that in the last
12 five (5) years, the proposed transferee has not suffered any citations or other censure from any federal,
13 state or local agency having jurisdiction over its waste management operations due to any significant
14 failure to comply with state, federal or local waste management laws. Franchisee shall supply the
15 County with a complete list of such citations and censures; (iii) that the proposed transferee has at all
16 times conducted its operations in an environmentally safe and conscientious fashion; (iv) that the
17 proposed transferee conducts its solid waste management practices in accordance with sound waste
18 management practices in full compliance with all federal, state and local laws regulating the Collection
19 and disposal of waste; (v) of comparable financial strength; (vi) of required insurance and bonds; and
20 (vii) of other material as may be requested by the County.
21

22 D. ~~This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County~~
23 ~~without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The~~
24 ~~foregoing is not intended to prevent the County from exercising its right to terminate the agreement~~
25 ~~consistent with Section 3, and for the County to seek a new franchisee at the expiration of this~~
26 ~~Agreement. This franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned by~~
27 ~~the County to any Public Agency having the authority to provide solid waste collection services if the Board~~
28 ~~determines it is in the public interest to do so.~~
29

30 SECTION 13. REPORTS.

31
32 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
33 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.
34

35 B. Franchisee shall make its customer base and records available to the Department for audit at
36 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
37 Agreement.
38

39 SECTION 14. COMPENSATION.

40 41 A. Franchisee Rates. 42

43 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
44 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
45 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
46 ~~the maximum rate to be charged for such materials.~~
47

48 B. Modification and Adjustment of Rates.

1
2 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
3 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
4 and any supplemental agreements ~~is-it~~ has with each of its (in county) contract customers for disposal of
5 waste at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or
6 ~~District-DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the
7 authority to renegotiate the County Franchise rates and/or the terms of the landfill operating agreement.
8 The rates ~~set forth on Exhibit E~~ shall remain in effect until adjusted by County following a public hearing
9 as provided in Exhibit ~~FD~~.

10
11 C. Notice of Rate Changes
12

13 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
14 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
15 from County regarding approved changes in landfill fees and CPI adjustments. ~~The wording of the notice~~
16 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
17 ~~prior to release. If requested by the Department, the Franchisee will provide a copy of the written notice for~~
18 ~~review.~~ County shall provide Franchisee with written notice of changes in System Facility, franchise, or
19 Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated rate changes.
20

21 D. Resolution of Disputes Regarding Rate Adjustments
22

23 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
24 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
25 the Director or his representative. If resolution can not be reached, the Director shall refer the matter to the
26 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
27 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
28 resolution of such dispute. The ~~Effective Date date~~ of any dispute resolution, whether retroactive or
29 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
30 appropriate. Any Franchisee operating in a ~~Comprehensive Compulsory~~ Collection Area shall be subject
31 to all applicable provisions in the County's ~~comprehensive compulsory~~ collection ordinance.
32

33 E. Billing and Payment.
34

35 Franchisee may bill and receive payment as provided ~~in Exhibit E herein~~. In cases where Franchisee
36 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
37 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
38 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
39 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
40 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
41 of Franchisee's billing dates.
42

43
44 F. Delinquent Accounts.

1
2 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
3 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
4 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
5 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
6 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
7 Franchisee operating in a ~~comprehensive-compulsory~~ collection area shall be subject to all applicable
8 provisions in the ~~comprehensive-compulsory~~ collection ordinance.

9
10 G. Refunds.

11
12 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
13 such customer for service not provided when service is discontinued by written notification to Franchisee
14 by the customer.

15
16 **SECTION 15. FRANCHISE FEES.**

17
18 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
19 ~~Transfer Station Tipping Fees~~, shall be payable by Franchisee to the Department thirty (30) days after the
20 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
21 to be paid for revenues generated by the collection or sale of Recyclable Materials and ~~Green-Organic~~
22 Waste collected by the Franchisee, ~~or for the provision of construction roll off services~~. A penalty of ten
23 (10) percent shall be due for fees not submitted within the thirty (30) day time period.

24
25 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
26 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
27 accordance with Exhibit ~~FD~~.

28
29 **SECTION 16. OTHER REQUIREMENTS.**

30
31 A. Privacy

32
33 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
34 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
35 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
36 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
37 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
38 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
39 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
40 that Franchisee may provide such lists to authorized employees and authorized representatives of the
41 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
42 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
43

1 B. Public Access to the Franchisee
2

3 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
4 Monday through Friday. A representative of Franchisee shall be available during office hours for
5 communication with the public at Franchisee's principal office. In the event that normal business cannot
6 be conducted over the telephone, a representative of Franchisee shall agree to meet with the public at a
7 location agreeable to Franchisee and the public. Normal office hours telephone numbers shall either
8 be a local or toll free call. Franchisee shall also maintain a local or toll free after-hours telephone number
9 for use during other than normal business hours. Franchisee shall have a representative or answering
10 device or system available at said after-hours telephone number during all hours other than normal
11 office hours.
12

13 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
14 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in Person, by
15 close of business of the second business (waste Collection) day following the date on which such
16 complaint is received. Service complaints may be investigated by the Director or a designee.
17 Franchisee shall maintain records listing the date of customer complaints, the customer, describing the
18 nature of the complaint or request, and when and what action was taken by the Franchisee to resolve
19 the complaint. All such records shall be maintained and shall be available for inspection by County.
20

21 3) Government Liaison Person. The Franchisee shall designate a "government liaison
22 Person" who shall be responsible for working with the Department to resolve customer complaints.
23

24 C. Resolution of Disputed Customer Complaints.
25

26 The Franchisee shall ~~notify~~ supply, upon customers request, a copy of this complaint arbitration
27 procedure at the time a customers applies for or ~~are~~is provided service, and subsequently, annuallyas
28 requested by the customer. Procedures for resolution of disputed claims shall be as follows:
29

30 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
31 County to review the complaint. To obtain this review, the customer may request County review within
32 thirty (30) days of receipt of Franchisee's response to the Complaint, or within forty-five (45) days of
33 submitting the complaint to the Franchisee, if the Franchisee has failed to respond to the complaint.
34 The County may extend the time to request its review for good cause.
35

36 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
37 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the customer's
38 complaint and determine if further action is warranted. The Director may request written statements
39 from the Franchisee and customer, and/or oral presentations.
40

41 3) The Director shall determine if the Customer's complaint is justified, and if so, what
42 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate of customer
43 charges related to the period of breach of any of the terms of this Franchise Agreement or a penalty of
44 up to one hundred dollars (\$100.00) for any single event in addition to any actual damages.
45

46 4) The Director may delegate these duties to a designee. The decision of the Director or a
47 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event of a decision

1 on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee may seek review pursuant
2 to Section 11 above.

3
4 D. Hazardous Materials and Waste Handling and Disposal

5
6 The Franchisee shall comply with the procedures detailed in Exhibit G of this Agreement State Law.

7
8 **SECTION 17. FORCE MAJEURE.**

9
10 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
11 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
12 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
13 Solid Waste facilities used by Franchisee:

- 14 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
15 earthquakes, tornados, or other catastrophic events;
16 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
17 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
18 other event leading to the imposition of quarantines, travel or movement restrictions, social
19 distancing, or public health advisories restricting large gatherings;
20 D. Accident or other catastrophic event including fire or explosion;
21 E. Strikes and labor disputes;
22 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
23 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.

24
25 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
26 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
27 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
28 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
29 Franchisee intends to take to restore its ability to perform, and such other information as the County may
30 reasonably request.

31
32 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
33 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
34 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
35 Franchisee.

36 Franchisee shall not be in default under this Franchise Agreement in the event that the services provided
37 by the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,
38 sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,
39 landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are
40 beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability
41 of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from
42 other governmental agencies or the right to use the facilities of any public utility where such failure is due
43 solely to the acts or omissions of the Franchisee.

1
2 **SECTION 18. OTHER PROVISIONS.**

3
4 A. Independent Contractor.

5
6 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
7 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
8 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
9 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
10 retirement or other benefits which accrue to County employees.

11
12 B. Property Damage.

13
14 Except as provided below any physical damage caused by the negligent actions or non-actions of
15 employees, officers, or agents of the Franchisee to private or public property shall be promptly repaired or
16 replaced by the Franchisee upon completion of a proper investigation which proves that the Franchisee was
17 at fault of said damage.

18
19 C. Right of Entry.

20
21 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
22 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
23 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
24 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

25
26 D. Law to Govern.

27
28 The law of the State of California shall govern this Franchise Agreement.

29
30 E. Gratuities.

31
32 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
33 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
34 Franchise Agreement.

35
36 F. Compliance with Franchise Agreement.

37
38 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and~~ 745, or any
39 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
40 during the Term of this Franchise Agreement.

41
42 G. Notices.

1 All notices required or permitted to be given under this franchise shall be in writing and shall be
2 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
3 receipt requested, and addressed as follows:
4

5 To County: County of Riverside
6 Attn: Department of Environmental Health
7 4065 County Circle Drive
8 Riverside, CA 92503
9

10 Copy to: County Counsel
11

12 To Franchisee: ~~Waste Management of the Desert~~
13 ~~President~~ Burrtec Waste and Recycling Services
14 Vice President
15 41-575 Eclectic Street
16 Palm Desert, CA 92261
17

18 Copy to: N/A
19

20 or to such other address as either party may from time to time designate by notice to the other given in
21 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
22 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
23 receipt of confirmation of delivery which confirmation may be transmitted by fax.
24

25 H. Exhibits Incorporated.
26

27 Exhibits A through ~~F-D~~ are attached to and incorporated in the Franchise Agreement by reference. In
28 the event of differences or conflicts between the language of an Exhibit and the language of the Franchise
29 Agreement, the language of the Exhibit shall prevail.
30

31 I. Nondiscrimination.
32

33 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
34 on the ground of race, sex, age, creed, color, religion or national origin.
35

36 J. Laws and Licenses.
37

38 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
39 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
40 to perform the services hereunder and maintain the same in full force and effect.
41

42 K. Waiver.
43

1 No waiver by either party of any one or more defaults or breaches by the other in the performance of
2 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
3 like or different character.
4

5 **SECTION 19. SEVERABILITY.**
6

7 A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit~~
8 referenced in this agreement is a material part of the franchise agreement, itself, and is not
9 severable from it. Franchisee agrees not to challenge the validity or enforceability of the Waste
10 Delivery Agreement or any term or provision found in such agreement. If for any reason this Waste
11 Delivery Agreement or any part thereof is found to be void or unenforceable ~~or any part thereof~~ by
12 a court of law, then, the County may consider termination or amendment of the Franchise
13 Agreement. the Franchise agreement, itself, is deemed to be terminated thereupon and to be of no
14 further force or effect.
15

16 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
17 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity
18 and enforceability of any of the remaining provisions of this Franchise Agreement.
19

20 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT.**
21

22 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
23 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
24 and all other communications, representations, proposals, understandings or Agreements, either written or
25 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
26 or amended, in whole or in part, except by writing signed by both parties hereto.
27

28 At least once every 5 years, or more often as required by a significant change in law, starting from the
29 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
30 or required amendments.
31

32
33 **SECTION 21. CONSTRUCTION OF FRANCHISE.**
34

35 The parties hereto have negotiated this franchise at ~~arms-length~~harm's length and with advice of their
36 respective attorneys, and no provision contained herein shall be construed against County solely because it
37 prepared this agreement in its executed forms.
38

39 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
40

41 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
42 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
43 another company, all service levels and rates of this contract shall at the discretion of the Board of
44 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.
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WITNESS the execution of this Agreement on the day and year written below.

Executed on *INSERT DATE HERE*

RIVERSIDE COUNTY

BY: _____
Keith Jones
Riverside County
Department of Environmental Health

FRANCHISEE

BY: _____
NEED INFO

1 EXHIBIT B

2
3 FRANCHISE AREA #12

4
5
6 This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the
7 Franchise Collection Agreement.

8
9 Legal Description: (To be provided before contract is executed by County)

10
11
12 A. Standard Exceptions:

- 13
14 1. Any incorporated areas;
15 2. All Community Service Districts which have exercised their latent authority for solid waste
16 collection;
17 3. All County Service areas which provide a refuse collection service, which was in existence prior
18 to the effective date of this agreement;

19
20 ~~B. Commercial Account Exceptions:~~

- 21
22 ~~1. All other Commercial accounts for which a contract for refuse collection services with another~~
23 ~~franchisee exists, only for the duration of those contracts, which in no event shall exceed 1999.~~

24
25 ~~C. Planned Unit Development (P.U.D.) Exceptions:~~

26
27 ~~All P.U.D. accounts ** in unincorporated areas as defined in Resolution 94-143 where Franchisee holds~~
28 ~~contracts for service; See attached list (Exhibit 82) to be provided by Franchisee~~

29
30 ~~** Franchisee agrees to work with the Director to negotiate a transfer of these P.U.D. accounts to~~
31 ~~Franchisee where P.U.D. is located when possible. Evidence of existing contracts may be required by~~
32 ~~County. If exchanges can not be negotiated, service provisions remain on a competitive basis under the~~
33 ~~current Refuse Rate Resolution and Ordinance 657.~~

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EXHIBIT B

Hauler Franchise Area 12

Beginning at the intersection of the Southerly County boundary of the County of Riverside and the Northeasterly Right of Way Line of the All American Canal Shown on Map 16-8-1 (45-K), on File in the Office of the Riverside County Surveyor, Riverside County, California;

Thence Northwesterly, along Said Canal, Through its Various Courses, to the Point of Intersection with the West Line of Section 18, T. 7 S., R. 10 E., Said Line Also Being the West Line of Said Township;

Thence Northerly, along Said Township Line, Also Being the West Line of Sections 18, 7, and 6, to a Point Being the Northwest Corner of Section 6, Said Point Also Falling on the North Line of Said Township;

Thence Continuing Northerly, along the West Line of T. 6 S., R. 10 E., Also Being the West Line of Sections 31, 30, 19, 18, 7, and 6, to a Point Being the Northwest Corner of Section 6, Said Point Also Falling on the North Line of Said Township;

Thence Continuing Northerly, along the West Line of T. 5, R.10 E., Also Being the West Line of Section 31, to the Point of Intersection with the Southwesterly Right of Way Line of the Colorado River Aqueduct;

Thence Northwesterly, along Said Southwesterly Right of Way Line of the Colorado River Aqueduct; Through its Various Courses, to the Point of Intersection with the North Line of Section 1, T. 4 S., R. 7 E., Said Point Also Falling on the North Line of Said Township;

Thence Easterly, along Said Township, Line, Also Being the North Line of Said Section 1, to the Point of Intersection with the Southwesterly Boundary Line of Joshua Tree National Park;

Thence Northwesterly, along Said National Park Boundary, Through its Various Courses, to the Point of Intersection with the centerline of Long Canyon Rd within Section 27 T. 2 S., R. 5 E.;

Thence Southwesterly, along the centerline of Long Canyon Rd to the intersection with the Westerly line of Section 3 T. 3 S., R. 5 E.;

Thence Southerly, along the Westerly line of Sections 3, 10, 15, and 22 T. 3 S., R. 5 E., To the Southwest Corner of Section 22 T. 3 S., R. 5 E.;

Thence Easterly, along the Southerly line of Section 22 to the Southeast Corner of Section 22, also being the Northwest Corner of Section 26 T. 3 S., R. 5 E.;

Thence Southerly, along the West line of Sections 26 and 35 T. 3 S., R. 5 E., to the Southwest Corner of Section 35, also being the Northwest Corner of Section 2 T. 4 S., R. 5 E.;

Thence continuing Southerly, along the West line of Sections 2 and 11 T. 4 S., R. 5 E., To the intersection of the West line of Section 11 and Interstate 10;

Thence Southeasterly, along the centerline of Interstate 10 to the intersection with the Southerly line of Section 18 T. 4 S., R. 6 E.;

1 Thence Easterly, along the Southerly line of Sections 18 and 17 T. 45., R. 6 E., to the Southeast Corner of
2 Section 17, also being the Northeast Corner of Sec 20 T. 4 S., R. 6 E.;

3

4 Thence Southerly, along the Easterly line of Sections 20 and 29 to the intersection of the East line of
5 Section 29 and the Northerly city boundary of the City of Palm Desert also being the Southerly Right of
6 Way of Interstate 10;

7

8 Thence Northeasterly, along the Northerly city boundary of the City of La Quinta to the intersection with
9 the Northerly boundary of the City of Indio;

10

11 Thence continuing Southwesterly, along the Northerly boundary of the City of Indio to the intersection
12 with the Northerly city boundary of the City of Coachella;

13

14 Thence continuing Southeasterly, along the city boundary of the City of Coachella to the Southwest
15 Corner of Section 11 T. 6 S., R. 8 E.;

16

17 Thence Easterly, along the Southerly line of Sections 11 and 12 T. 6 S., R. 8 E., to the intersection of the
18 South line of Section 12 T. 6 S., R. 8 E., and the All American Canal;

19

20 Thence Southeasterly, along the All American Canal to the intersection with the West line of Section 16
21 T. 7 S., R.10 E.;

22

23 Thence Southerly, along the Westerly line of Sections 16, 21, 28 and 33 T. 7 S., R. 10 E., to the
24 intersection of the West line of Section 33 and the edge of the Salton Sea, also being the Easterly
25 boundary for the Southern Coachella Community Services District;

26

27 Thence Southeasterly, along the Easterly edge of the Salton Sea to its intersection with the Southerly
28 county boundary of the County of Riverside, also being the Southerly line of Section 33 T. 8 S., R. 11 E.;

29 Thence Easterly, along the Southerly county boundary of the County of Riverside to the intersection with
30 the All American Canal, the point of beginning.

31

32 In addition to the above described Area and included herein as part of the Total of Franchise Area 12 are
33 the 4 (Four) unincorporated islands currently lying within the City limits of Indio.

34

35 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
36 in areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 13.

37

38 Also excluded are any areas within city boundaries.

39

40 (North)

41 Beginning at the Intersection of the Northerly line of Section 19 T. 4 S., R. 6 E., S.B.M. and Interstate 10;

42

43 Thence Easterly along the Northerly lines of Sections 19 and 20 T. 4 S., R. 6 E., S.B.M. to the Northeast
44 Corner of Section 20 T. 4 S., R. 6 E., S.B.M.;

45

46 Thence Southerly along the Easterly lines of Sections 20 and 29 T. 4 S., R. 6 E., S.B.M. to the
47 intersection of the northerly boundary of the city of Palm Desert;

48

49 Thence Northwesterly, along the Northerly boundary of the City of Palm Desert to its intersection with
50 the Northerly boundary of the City of Rancho Mirage;

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Thence Northwesterly, along the Northerly boundary of the City of Rancho Mirage to its intersection with the Northeasterly boundary of the City of Cathedral City;

Thence Northerly, along the Northeasterly boundary of the City of Cathedral City to its intersection with Interstate 10;

Thence Southeasterly along Interstate 10 to the point of beginning.

(Northeast)

Beginning at the Southeast Corner of Section 17 T 5 S., R. 7 E., also being the intersection of the boundaries of the cities of Indio and La Quinta;

Thence Westerly, along the Northerly boundary of the City of La Quinta to its intersection with the Easterly boundary of the City of Palm Desert, also being the centerline of Washington St;

Thence Northerly, along the centerline of Washington St to its intersection with Interstate 10;

Thence Southeasterly, along the centerline of Interstate 10 to its intersection with the Westerly boundary of the City of Indio;

Thence Southeasterly, along the Westerly boundary of the City of Indio to its intersection with the boundary of the city of La Quinta to the point of beginning.

(Southeast)

The description for this legal is an un-incorporated island located within the City of Palm Desert. The unincorporated island is located within Sections 19 T. 5 S., R. 7 E., and 24 T. 5 S., R. 6 E., S.B.M. The perimeter surrounding the un- incorporated island is as follows:

Westerly boundary is city of Indian Wells;

Northerly boundary is Fred Waring Dr, also being the boundary of the City of Palm Desert;

Easterly boundary is Washington St, also being the boundary of the City of La Quinta;

Southerly boundary is city of Indian Wells and La Quinta.

(Southwest)

Beginning at the Northwest corner of Section 27 T. 5 S., R. 5 E., S.B.M., said point also being located on the city of Rancho Mirage;

Thence Easterly along the Southerly line of the city of Rancho Mirage to the Westerly line of the city of Palm Desert, also being the Northeast corner of Section 25 T. 5 S., R. 5 E.;

Thence Southerly, along the boundary of the City of Palm Desert to the Westerly line of the city of Indian Wells. Also being the Northeast corner of Section 5 T. 6 S., R. 6 E.;

Thence Southeasterly along the boundary of the city of Indian Wells to the Westerly line of the city of La Quinta. Also being the Northeast corner of Section 11 T. 6 S., R. 6 E.;

1 Thence Southerly, along the Easterly lines of Sections 11 and 14 T. 6 S., R. 6 E., To the Southeast Corner
2 of Section 14 T. 6 S., R. 6 E.;

3

4 Thence Westerly along the Southerly lines of said Sections 14, 15, 16, 17, and 18 T. 6 S., R. 6 E., to the
5 intersection of the Southerly line of Section 18 and the Easterly Right of Way of State Highway 74;

6

7 Thence Southwesterly, along the Easterly Right of Way of State Highway 74 to its intersection with the
8 Southerly line of Section 19 T. 6 S., R. 6 E.,

9

10 Thence Westerly, along the South line of Section 19 T. 6 S., R. 6 E., to the Southwest Corner of Said
11 Section 19;

12

13 Thence Northerly, along the Westerly line of Section 19 to the Northwest Corner of Said Section 19 T. 6
14 S., R. 6 E., also being the Southeast Corner of Section 13 T. 6 S., R. 5 E.;

15

16 Thence Northwesterly, across Sections 13 and 14 T. 6 S., R. 5 E., to the Northwest Corner of Section 14
17 T. 6 S., R. 5 E., also being the Southeast Corner of Section 10 T. 6 S., R. 5 E.;

18

19 Thence Westerly along the Southerly line of Section 10 to the Southwest Corner of Said Section 10;

20

21 Thence Northerly, along the West line of Sections 10 and 3 T. 6 S., R. 5 E., to the Southerly line of T. 5
22 S., R. 5 E., also being the Southwest Corner of Section 34 T. 5 S., R. 5 E.;

23

24 Thence Continuing Northerly, along the Westerly line of Sections 34 and 27 T. 5 S., R. 5 E., to the
25 Northwest Corner of Section 27 T. 5 S., R. 5 E., the point of beginning.

26

27 (Northwest)

28 The description for this legal is an un-incorporated island located within the city of Palm Desert. The un-
29 incorporated island is located within the Section 5 T. 5 S., R. 6 E., S.B.M. The perimeter surrounding the
30 un-incorporated island is as follows:

31

32 Westerly boundary is Monterey Ave, also being the boundary of the City of Rancho Mirage;

33

34 Northerly boundary is Frank Sinatra Dr, also being the boundary of the City of Palm Desert;

35

36 Easterly boundary is the boundary of the City of Palm Desert;

37

38 Southerly boundary is the boundary of the City of Palm Desert.

39

40 Included within said franchise area are the customer addresses lying adjacent to and on both sides of the
41 following boundary streets

42

43 Ramon Rd. between Interstate 10 and Vista De Oro

44

45 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
46 in areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 13.

47

48 Also excludes any areas within City boundaries.

49

1 EXHIBITB-1

2
3 Account Name Account Expiration Date

4
5 A & M Market 9/13/98
6 Animal Emergency Clinic..... 3/9/00
7 ARB Inc..... 1/1/99
8 Arellano/Bea 6/21/99
9 Asphalt MD's 1/1/99
10 Assembly of God Church..... 10/11/98
11 Bailey/Gail..... 1/1/99
12 Beaty/Paul..... 8/1/00
13 Burger King #9488 1/2/99
14 California Highway Patrol..... 11/7/98
15 Christina/Caryn..... 1/1/99
16 Cirele K Corp..... 2/24/99
17 Coachella Valley Water Dist..... 1/1/99
18 CV Parks & Recreation District..... 1/1/99
19 D & G Plumbing 1/27/01
20 Del Taco #829..... 1/1/99
21 Desert Automotive Warehours..... 7/1/99
22 Desert Communities Concrete 8/19/99
23 Desert Equity One..... 1/1/99
24 Diaz/Amado 1/1/99
25 Diaz/Gustavo..... 2/23/99
26 Doms/Eugene..... 1/1/99
27 Drennen/Gary..... 9/17/98
28 E-L Yeager Construction 1/10/00
29 End of the Road Auto Salvage..... 1/4/00
30 Enz/Carol 1/1/99
31 Farmer Bros Co..... 8/24/99
32 Farnsworth/Randi..... 4/11/01
33 Finan/Darin 1/1/99
34 Friedrich/Dona..... 1/1/99
35 Gallegos Nursery 1/1/99
36 Garcia/Maria C..... 9/24/99
37 George/Kiro 11/10/98
38 Gonzales/Joel..... 11/10/98
39 Granite Construction..... 1/1/99
40 Great Western Bank..... 1/1/99
41 Grewal Enterprises..... 9/30/99
42 Hand/Michael..... 1/9/01
43 Hatcher/Kristen..... 1/1/99
44 Heating & Cooling Supply Inc..... 1/1/99
45 Hinojosa/Sylvia..... 1/1/99
46 Islay/Robert..... 1/1/99
47 Ivey Jr/J B..... 7/1/99
48 James E. Simon Co 7/28/00
49 Jensen/L M..... 11/3/98
50 Kanlian Ranch..... 10/20/99

1	Kimberlan/Chris	11/19/99
2	Kuykendall Inc	1/1/99
3	Lebreton/Laura	8/15/99
4	Lopez/Ernesto	7/1/99
5	Mark Draper Enterprises	2/19/01
6	Merit Moving Systems Inc	2/7/01
7	Milmark Painting	10/30/98
8	Moll/Don	1/1/99
9	Motel 6 Operating L P	1/1/99
10	Moyer/William	5/16/99
11	Muir/Julie	1/1/99
12	Nucrane Machinery	7/1/00
13	One Stop Auto Supply	1/1/99
14	Palomino/Joe	9/19/99
15	Pear Point Inc	2/13/01
16	Pegasus Riding Academy	1/1/99
17	Precision Masonry	1/1/99
18	Prestige Station	1/1/99
19	Pruitt/Bob	1/1/99
20	Purple Hills Ranch	1/1/99
21	Rancho Pueblo	7/29/00
22	Robinson/Edward	6/10/99
23	Rojas/Gabriel	7/1/99
24	Ruby/Serafine	8/1/98
25	S C Construction	1/1/99
26	Sonora Gardens	1/1/99
27	Sourcing 1000 Inc	1/1/99
28	State Farm Mutual Auto Ins	1/1/99
29	Tavares/Lionel	6/8/98
30	Tavares/Rosemarie	1/1/99
31	Temp Booth Istance/Mary	1/1/99
32	Temp Farnsworth/S	1/1/99
33	The Dandee Company	1/1/99
34	Thousand Palms Oil Co	10/23/98
35	Traveler's Inn #23	8/25/00
36	Trussworks	8/26/00
37	Ultramar Diamond Shamrock	11/27/98
38	Urethane Foam System	12/10/99
39	Western Golf Inc	7/13/00
40	White Cap Wholesale	6/6/00
41	William Thomas Builder	1/1/99

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EXHIBIT DC

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the District-DWR reserve the right to request additional information as necessary to meet their needs, ~~including but not limited to the AB 939 reporting requirements and to comply with applicable State Law.~~ Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall ~~submit~~ completed ticket transactions to the District-DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the District-DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the District-DWR and placed on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No. 1.~~

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary~~Summary~~ reports
2. ~~Equipment inventory~~
3. ~~Future programs~~
2. Litigation informationEducation and Outreach
3. Service Performance
4. Container contamination monitoring

1
2 **Collection ~~Information~~Summary**
3

4 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material
5 collected by month and the number of accounts serviced monthly. The quantities of solid waste, ~~recyclables~~
6 and green waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
7 tonnage information is not available). The Department may, at its discretion, also require reporting by
8 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
9 information such as density factors.
10

11 **Education and Outreach**
12

13 The Franchisee shall submit copies of public education materials sent to customers or provided
14 electronically on their websites or social media outlets.

15 **Service Performance**
16

17 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
18 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
19 shall identify the total number of all written or oral Customer comments and shall provide the number of
20 comments received in the following categories: praises, litter or property damage complaints, misplacement
21 of containers, stolen containers, personnel complaints, missed pickups, and other.
22

23 **Container Contamination Monitoring**
24

25 The Franchise shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.
29

30 **~~Program Implementation~~**
31

32 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
33 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
34 ~~resolutions and schedule for correcting the problem.~~
35

36 **4. ANNUAL REPORTS**
37

38 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
39 Franchisee will be responsible for providing the following reports:
40

- 41 1. Summary reports
42 2. Equipment inventory
43 3. Program implementation
44 3.4. Future programs
45 5. Litigation information
46 4-6. Education and Outreach
47

48 **Summary Reports**
49

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.

8
9 **Equipment Inventory**

10
11 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
12 The inventory list shall indicate the age of the equipment.

13
14 **Program Implementation**

15
16 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
17 for the quarter/year. The report shall address how the problems and barriers were overcome or the proposed
18 resolutions and schedule for correcting the problem.

19
20 **Future Programs**

21
22 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
23 but have not been planned for.

24
25 **Litigation Information**

26
27 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
28 against the parent company and all subsidiaries of parent company that may have an effect on the
29 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

30
31 **Education and Outreach**

32
33 The Franchisee shall submit copies of public education materials sent to customers or provided
34 electronically on their websites or social media outlets.

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EXHIBIT ~~FD~~

RATES AND RATE ADJUSTMENT MECHANISM

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1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

44
45
46

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

~~All Rate adjustments must receive approval by the Board of Supervisors following public hearings.~~

1.3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates ~~provided referenced in Exhibit E~~Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st ~~with the first such adjustment occurring July 1, 1999~~. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the ~~—Riverside-San Bernardino-Ontario Los Angeles/Anaheim/Riverside—~~Metropolitan Area or equivalent successor index, (1982—84 = 100), as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). ~~For those residential curbside — accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service.~~ Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year January through December. The first adjustment shall be effective July 1, 1999, based upon changes in the consumer Price Index formula for the period January 1998 through December 1998. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. ~~Revisions~~ Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

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2
3
4 ~~2.~~ **PERIODIC RATE ADJUSTMENT MECHANISM**

5
6 ~~The Department reserves the right to review the Franchisee's rates every three years from the effective date~~
7 ~~of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in~~
8 ~~comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that~~
9 ~~the Department makes such a determination the Franchisee's rates may be adjusted to any level at or above~~
10 ~~the average rates in the comparable jurisdictions.~~

11
12 **3.4. EXTRAORDINARY RATE REVIEW**

13
14 A. The Director or Franchisee may initiate a special rate review by the Department should an
15 extraordinary event or circumstance arise which has a significant impact on the economic operation
16 of the Franchisee or the rates charged to customer as follows:

- 17
18 1. An event or circumstance (including changes in law) occurs which is beyond the control of
19 Franchisee or County.
20
21 2. Changes to operations mandated by the County or proposed by Franchisee and approved by
22 the County.

23
24 ~~3. Any change in disposal/Green Waste tip fees.~~

25
26 ~~4.3.~~ The District directs Franchisee to use a different System Facility for more than thirty (30) days
27 that involves a change in round trip time or distance.

28
29 ~~5.4.~~ The County modifies the franchise fee.

30
31 ~~6.5.~~ Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.

32
33 ~~7.6.~~ Significant increases to the number of customer accounts due to development or growth.

34
35 ~~8.7.~~ Other circumstances at the discretion of the Director or the Board of Supervisors.

36
37 B. Should Franchisee request a special rate review only those costs related to the —circumstance(s)
38 which warrant consideration of a special rate review, as specified above, will be reviewed and
39 considered.

40
41 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
42 operational information at least three months prior to the proposed effective date of any rate
43 adjustment.
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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #12

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1 AMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE
3 AND BURRTEC WASTE INDUSTRIES, INC. FOR THE COLLECTION AND TRANSPORTATION
4 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
5

6 This Franchise Agreement ("Franchise Agreement") , by and between the County of Riverside ("County")
7 and Burrtec Waste Industries, Inc. ("Franchisee"), for the Collection and transportation of Solid Waste,
8 Recyclable Materials, Organic Waste, and construction debris and other specified services, originally
9 entered into on April 6, 1998, is hereby amended and restated on December 7, 2021.
10

11 **RECITALS**
12

13 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
14 Ordinance 745 the County of Riverside ("County") has determined that the public health, safety, and well-
15 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for waste
16 management services for residential, commercial, and industrial customers in the County of Riverside; and
17

18 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
19 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
20 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
21 recovery and disposal; and
22

23 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
24 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
25

26 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
27

28 **SECTION 1. REPRESENTATIONS AND WARRANTIES.**
29

30 A. Representations and Warranties of Franchisee. Franchisee hereby makes the following
31 representations and warranties for the benefit of the County as of the date of this Agreement.
32

- 33 1) Franchisee is duly organized and validly existing as a corporation in good standing under
34 the laws of the State of California.
35
- 36 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
37 Agreement, and has duly authorized the execution and delivery of this Agreement.
38
- 39 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
40 Franchisee to do so, and this Agreement has been duly executed and delivered by
41 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
42 against Franchisee in accordance with its terms.
43
- 44 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
45 court or governmental entity against Franchisee or affecting Franchisee, wherein an
46 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
47 of this Agreement, or which would have a material adverse effect on the financial condition
48 of Franchisee.
49
- 50 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
51 hereunder. There has been no material adverse change in Franchisee's or Franchisee's

1 parent company's financial circumstances since the date of the most recent financial
2 statements submitted to the Environmental Health Department ("Department"). Prior to
3 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
4 most recent annual financial statements. The Department may at its discretion specify the
5 contents and form of such statements. The Director of Environmental Health may inspect
6 the financial records of the Franchisee at any reasonable time for any reasonable purpose
7 relevant to the performance of this contract.
8

- 9 6) Franchisee has the expert, professional, and technical capability to perform all of its
10 obligations under this Agreement.
11

12 B. Representations and Warranties of the County.
13

14 Prior to commencement of any services hereunder, the County hereby makes the following
15 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
16

- 17 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
18 This Agreement constitutes the legal, valid and binding Agreement of the County and is
19 enforceable against the County in accordance with its terms.
20
21 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
22 County before any court or governmental entity wherein an unfavorable decision, ruling or
23 finding would adversely affect the validity or enforceability of this Agreement.
24

25 **SECTION 2. DEFINITIONS**
26

27 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter 2 of
28 the California Public Resources Code, the definitions in the Public Resources Code, as presently defined
29 and as they may be amended in the future shall apply unless the term is otherwise defined in this Agreement.
30 In the event of conflict between the definition of a term as found in the California Public Resources Code
31 or in County ordinances and this Agreement, the definition in this Agreement shall supersede the definition
32 found in the Public Resources Code or in County ordinances.
33

34 A. Agreement means this Agreement between the County and Franchisee for the Collection and
35 transportation of Solid Waste and other specified services, including all exhibits, and any future
36 amendments.
37

38 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
39 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
40 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
41 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
42

43 C. Board means the Riverside County Board of Supervisors.
44

45 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
46 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
47 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
48 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
49 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
50 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
51 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.

1 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
2 Persons.

3
4 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
5 this Agreement and its transportation to an appropriate Solid Waste Facility.

6
7 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
8 residential and Multi-Residential Units.

9
10 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
11 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
12 commercial units are required to subscribe to refuse collection.

13
14 H. County means the County of Riverside, State of California.

15
16 I. Department means the Riverside County Department of Environmental Health.

17
18 J. Director means the Director of the Riverside County Department of Environmental Health or
19 their designee.

20
21 K. Diversion. (or any variation thereof including "Divert") means activities which reduce or
22 eliminate Discarded Materials from Disposal, including, but not limited to, source reduction, Reuse,
23 salvage, Recycling, and composting.

24
25 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
26 date it is executed by the Board of Supervisors.

27
28 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
29 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
30 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
31 B.

32
33 N. Franchise Area means the geographic territory defined in Exhibit B.

34
35 O. Generator means the owner or occupant of premises, including residences or businesses, which
36 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

37
38 P. Green Waste. means organic waste generated from any landscaping including grass clippings,
39 leaves, prunings, tree trimmings, weeds, branches, and brush.

40
41 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
42 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
43 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
44 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
45 of State or other governmental agencies.

46
47 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
48 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
49 of the following:

- 50 1) Rural, sparsely populated areas,
51 2) Hilly or mountainous terrain,

- 3) Poorly paved or unpaved roads which may be impassable in poor weather,
- 4) Large, uninhabited areas between pockets of homes,
- 5) Unusually heavy waste due to large properties, livestock, etc.
- 6) Limited access on a private street or alley.

Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-four (24) months, or more frequently as requested by the County, in order to verify that those areas remain "Hard to Service"

S. Integrated Waste Management Act (IWMA) means the California Integrated Waste Management Act of 1989 (AB 939), including all subsequent amendments.

T. Multi-Residential Units mean permanent buildings containing three or more Residential Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.

U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste.

V. Recyclable Materials means material which has been segregated from other Solid Waste material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass, cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed Recyclables consisting of two or more of the above-referenced material types separated from non-Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more than five (5) percent Solid Waste by weight.

W. Residential Unit means an occupied dwelling within the unincorporated area of the County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water or domestic light and power services are being supplied thereto. This definition shall apply also to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be two (2) attached Residential Units.

X. Roadways mean all County maintained roadways in the unincorporated area of the County or private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit A of this Agreement.

Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement, and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.

Z. Term means the Term of this Agreement, as provided for in Section 3.

AA. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed to specified System Facilities and kept on file with the DWR.

BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar discarded processed wood materials, and large tree limbs.

1 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE.**
2

3 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
4 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
5 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
6 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
7 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
8 purposes.
9

10 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
11 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
12 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
13 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
14 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
15 Organic Waste.
16

17 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
18 the Exclusive Franchise, to the extent provided for in state and federal law.
19

20 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
21 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
22 provided in Sections 9 and 10 hereof.
23

24 D. Franchisee will commence services under this Agreement on January 1, 2022.
25

26 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
27 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
28 taken.
29

30 **SECTION 4. FRANCHISE AREA.**
31

32 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated
33 Riverside County defined in Exhibit B, "Franchise Area."
34

35 **SECTION 5. SERVICES PROVIDED BY FRANCHISEE.**
36

37 A. General.
38

39 Franchisee shall provide the Collection and transportation of Solid Waste and Recyclable
40 Materials within the Franchise Area in accordance with the terms of this Agreement. The specific
41 manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall also,
42 upon written request of the Director, provide optional services in the Franchise Area in accordance with
43 the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels
44 of Solid Waste service to be provided under this Agreement are defined below, however, no residential
45 or commercial or business customer shall be refused service, if that party is willing to pay for such
46 service and is current in payment. Disputes arising over the terms on which a particular customer may
47 be serviced because of remoteness of location, difficulty of access, particular needs of the customer,
48 etc. shall be decided in accordance with the provisions of Section 16 (B) (2) related to "service
49 complaints."
50
51

1 B. Single Family Residential.

2
3 Weekly Service. Not less often than once per week, and more frequently if required to handle
4 the waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Materials
5 (except bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers
6 at Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal
7 weekly Collection time. Solid Waste must be placed within containers at curbside without obstructions
8 so as to permit for safe and efficient Collection, unless otherwise agreed upon by County and
9 Franchisee. Franchisee may negotiate special pickup procedures, above and beyond the normal
10 services described above, with customers for an additional fee in an amount provided in Exhibit D.
11

12 C. Commercial, Industrial, and Multi-Residential.

13
14 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
15 if required to handle the waste stream of the premises where the Bins are located, Franchisee shall
16 collect the Solid Wastes (including bulky items which have been placed in a closed bin, and excepting
17 metallic white goods and Hazardous Waste) which have been placed, kept or accumulated for
18 Collection in Solid Waste Bins at Multi- Residential Units.
19

20 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
21 frequently if required to handle the waste stream of the premises where the Bins are located, Franchisee
22 shall collect the Solid Wastes which have been placed, kept or accumulated for Collection in Solid
23 Waste Bins at Commercial Units.
24

25 D. Construction and Temporary Bin/Rolloff Services.

26
27 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
28 Exhibit D.
29

30 E. Semi-Annual Cleanup and Bulky Wastes Collection.

31
32 1) Upon verbal or written customer request, made a minimum of two business days prior to
33 the customer's regular service day, Franchisee shall provide on-call Single Family Residential Bulky
34 Household Waste Collection Service. Bulky items shall be placed within two (2) feet of the curb or
35 other such location as agreed to by the Franchisee and the customer. Franchisee and County agree that
36 this service is intended to allow residents to safely discard of large household items such as furniture
37 and whitegoods or other large household items that do not fit in their regular weekly trash containers.
38 Each Single Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
39 Household Waste Collection Services per calendar year with a maximum of four (4) items at each
40 collection occurrence. The total amount of annual allowable items per household shall be eight (8)
41 Bulky Items per calendar year. Automobile tires shall be limited to four (4) tires per collection request.
42 Bulky Household Waste items do not include items such as dirt, rock, sod, other inert or construction
43 materials, motor vehicles, motor vehicle parts, boats, campers, trailers or household hazardous waste.
44 Additional requests for bulky item service shall be subject to the bulky item rates established on the
45 rate sheets approved by the Board of Supervisors.
46

47 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
48 designee to respond to organized community clean up efforts at no charge. Franchisee shall deliver
49 containers to agreed upon collection points and shall cooperate with the Director and designated
50 community leaders to remove containers and dispose of collected Solid Waste. Franchisee is obligated
51 to provide the equivalent of two 40-cubic yard bins/loads per year for each 1,000 Residential Unit

1 customers serviced within the Franchise Area. The DWR will arrange that there shall be no charge of
2 disposal fees for such Solid Waste delivered in separate vehicles to the System Facilities.

3
4 **F. Illegal Dumping Retrieval Services**

5
6 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

7
8 1) If requested by the County the Franchisee shall turn in a report of illegal dumping of trash
9 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as tires, couches,
10 and appliances) noticed within or along the Roadway in the franchise area. For the purpose of this
11 provision, the Roadway shall include public rights of way within twenty (20) feet of the paved roadways
12 and within twenty (20) feet of the shoulders of unpaved roadways.

13
14 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
15 reports of illegal dumping reported by citizens to the Department, Department of Transportation, or the
16 DWR.

17
18 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
19 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof (excluding
20 weekends and holidays) except for remote areas, as approved by the director, for which the removal
21 shall occur within five working days. The Franchisee may request that specified roads, determined by
22 the franchisee to be inaccessible for waste removal, be considered by the Director for revised waste
23 removal requirements.

24
25 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
26 or appliances as well as hazardous, medical and other wastes requiring special handling are exempt
27 from the retrieval requirements set forth herein, provided, however, that of these exempted items noted
28 within the Roadway are to be immediately reported to the Director.

29
30 5) The Franchisee shall, upon request of private property owners, the Director or the
31 Departments of County Transportation and Land Management Agency, provide removal services for
32 waste illegally disposed of on their private property, excluding those wastes described immediately
33 above in paragraph 5, at a cost or costs as be specified in Exhibit D.

34
35 6) Illegally disposed materials along Roadways within one mile of disposal sites within
36 Riverside County are exempt from the retrieval requirements set forth herein.

37
38 **G. Collection of Used Motor Oil.**

39
40 Franchisee shall collect used motor oil from single family residential customers in accordance with
41 California Public Resources Code Section 48691.

42
43 **H. Collection and Equipment**

44
45 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
46 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
47 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
48 inspection at the request of the Department.

1 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
2 the Department of Motor Vehicles of the State of California, shall be kept clean and in good repair, and
3 shall be uniformly painted.
4

5 2) A local or toll free telephone number, and vehicle number shall be clearly visible on all
6 required vehicles.
7

8 **SECTION 6. OWNERSHIP OF SOLID WASTE.**
9

10 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
11 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
12 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
13 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
14 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
15 Franchisee.
16

17 **SECTION 7. DIRECTION OF COLLECTED MATERIALS.**
18

19 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
20 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
21 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
22 Delivery Agreement to be effective on the same date as this Agreement.
23

24 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND.**
25

26 A. Indemnification of County
27

28 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
29 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
30 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
31 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
32 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
33 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
34 reasonable costs and expenses of investigating and defending against same; provided, however, that
35 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
36 negligence or misconduct of County or their agents, officers, or employees.
37

38 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
39 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
40 survive the term of the franchise.
41

42 B. Hazardous Substances Indemnification.
43

44 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
45 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
46 counsel approved by County, protect and hold harmless County and their respective employees, agents,
47 assigns, and any successor or successors to County's interest from and against all claims, actual damages
48 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
49 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
50 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
51 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against

1 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
2 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
3 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
4 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
5 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
6 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
7 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
8 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
9 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.

10
11 C. Minimum Diversion Requirements
12

13 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
14 California Public Resources Code, Section 41780 and any other current or future California Statute that
15 requires the County to divert material from landfills. In the event that the State of California alters the
16 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
17 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
18 associated with any additional recycling programs.
19

20 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
21 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
22 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
23 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
24 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
25 against any third party as a means of meeting its obligation under this section.
26

27 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
28 by the Director as set forth in Section 9.A. of this agreement.
29

30 D. Worker's Compensation Insurance.
31

32 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
33 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
34 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
35 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
36 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
37 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
38 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
39 against the County its elected or appointed officials, employees, agents, or Franchisees for losses which
40 arise from work performed by the named insured for the County.
41

42 E. Public Liability Insurance.
43

44 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
45 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
46 six million dollars (\$6,000,000.00) aggregate and three million dollars (\$3,000,000.00) per occurrence for
47 bodily injury and property damage. Said insurance shall protect Franchisee, the County, and their elected
48 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
49 accidental death, as well as from any claim for property damage which may arise from operations performed
50 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
51 and/or employees. Copies of the policies or endorsements evidencing the above required insurance

1 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
2 of the insurance policies required by this Section:

3
4 1) "This policy shall be considered primary insurance as respects any other valid and
5 collectible insurance the County may possess including any self-insured retention the County may have,
6 and any other insurance the County does possess shall be considered excess insurance and shall not
7 contribute with it."
8

9 2) "This insurance shall act for each insured, as though a separate policy had been written for
10 each. This, however, shall not act to increase the limit of liability of the insuring company."
11

12 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
13 certificate(s) of insurance showing that such insurance is in full force and effect, and County are named
14 as additional insureds with respect to this Franchise and the obligations of Franchise hereunder.
15 Further, said certificate(s) shall contain the covenant of the insurance carrier(s) that thirty (30) days
16 written notice shall be given to County prior to modification, cancellation or reduction in coverage of
17 such insurance. In the event of any such modification, cancellation or reduction in coverage and on the
18 effective date thereof, this Franchise shall terminate forthwith, unless County receive prior to such
19 effective date another certificate from an insurance carrier that the insurance required herein is in full
20 force and effect.
21

22 The limits of such insurance coverage, and companies, shall be subject to review by the Director every year
23 and may be modified at that time by the County upon a demonstration of reasonable need. The County
24 shall be named as additional insureds on all policies and endorsements.
25

26 F. Performance Bond or Letter of Credit.
27

28 1) Franchisee shall furnish a corporate surety bond as security for performance under this
29 Agreement. The amount of the bond shall be the average of two months' expected Gross Receipts.
30 Premium for the above described bond(s) shall be paid by Franchisee. A certificate from the surety
31 showing that the bond premiums have been paid in full shall accompany the bond. The surety on the
32 bond shall be a company acceptable by the County and shall be a corporate surety company authorized
33 to do business in the State of California.
34

35 G. Modification.
36

37 The insurance requirements provided herein may be modified or waived in writing by the Board upon
38 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
39 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
40 provided by the parent company of Franchisee.
41

42 **SECTION 9. DEFAULT AND REMEDIES.**
43

44 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
45 breached its obligation, the provisions of this Agreement, the requirements of CalRecycle, including, but
46 not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
47 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
48 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Waste and other
49 wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies. The
50 Director may, in such written instrument, set a reasonable time within which correction of all such
51 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)

1 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
2 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
3 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
4 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
5 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
6 below.

7
8 B. The right of termination is in addition to any other rights of County upon failure of Franchisee
9 to perform its obligations under this Agreement.

10
11 C. The County further reserves the right to terminate Franchisee's franchise, following public
12 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
13 board determines it is in the public interest to do so:

14
15 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.

16
17 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
18 of an order for relief in favor of Franchisee in a bankruptcy proceeding.

19
20 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
21 compensation, liability, indemnification coverage, and performance bond as required by the
22 Agreement.

23
24 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
25 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may contest any
26 such orders or rulings by appropriate proceedings conducted in good faith, in which case no breach of
27 the franchise shall be deemed to have occurred.

28
29 5) If the Franchisee ceases to provide Collection services as required under this Agreement
30 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more, for any
31 reason within the control of the Franchisee.

32
33 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
34 refuses to provide County with required information, reports, and/or test results in a timely manner as
35 provided in the Franchise Agreement.

36
37 7) For any other act or omission by the Franchisee which materially violates the terms,
38 conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other county
39 ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation issued thereunder and
40 which is not corrected or remedied within the time set in the written notice of the violation or, if the
41 Franchisee cannot reasonably correct or remedy the breach within the time set forth in such notice, if
42 the Franchisee should fail to commence to correct or remedy such violation within the time set forth in
43 such notice and diligently effect such correction or remedy thereafter.

44
45 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
46 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct related to the
47 performance of this Agreement, or of felonious conduct related to anti-trust activities, illegal transport
48 or disposal of hazardous waste or materials, or violation of Racketeer - Influenced Corrupt
49 Organizations (RICO) Statutes.

1 D. Professional Conduct
2

3 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
4 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any court in the
5 United States, or is otherwise alleged to have participated in any criminal activity directly or indirectly
6 associated with the solid waste management business, Franchisee or its successor-in-interest shall
7 provide written notice thereof to the Director within 14 days of such indictment, complaint or
8 allegation. Such notice shall contain a description of the indictment, complaint or allegation, as well
9 as a copy of such indictment or complaint or other matters of public record related thereto. In addition
10 to the foregoing, Franchisee or its successor-in-interest shall provide the Director with copies of any
11 reports required to be prepared by Franchisee or its successor-in- interest pursuant to federal securities
12 laws, including quarterly and annual reports.
13

14 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
15 interest, who has any responsibility for any aspect of the franchisee's operations under this contract, is
16 convicted, indicted by a grand jury, or named as a defendant in a felony complaint filed in the Superior
17 Court or a complaint filed in Federal Court associated with conduct of doing business for Franchisee
18 or its successor-in- interest, this person shall, upon request of the County be immediately removed from
19 any assignment whatsoever, directly associated with operations under this contract during the pendency
20 of trial and/or following conviction.
21

22 E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
23 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
24 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
25 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
26 such party shall notify the other party of such order or requirement and the law, regulation or order on
27 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
28 or to renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order
29 becomes effective, then this Agreement shall terminate on the thirty-first day following the date said law,
30 regulation or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's
31 sole expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
32 restrict either party's right to legally contest the validity of such law, regulation or order.
33

34 **SECTION 10. DISRUPTIONS IN SERVICE.**
35

36 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
37 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
38 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
39 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
40 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
41 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
42 by such conditions with an estimate of when service will be resumed.
43

44 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a
45 period of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
46 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
47 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
48 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
49 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
50 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
51 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage

1 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
2 County's sole negligence in providing such substitute service. Employees of Franchisee, including
3 management employees, may be employed by County during any period in which County temporarily
4 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
5 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
6 between Franchisee and its employees at the time Franchisee's service was interrupted.
7

8 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or
9 labor dispute or other force majeure event, this Agreement shall not terminate and shall continue to be
10 effective for the duration of such strike or labor dispute. In the event of such a strike or labor dispute,
11 Franchisee shall maintain an unobstructed entrance at its place of business which is not regularly used but
12 which will be primarily reserved for use by County access while County or its designated representative is
13 performing Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place
14 of business, Franchisee shall receive no compensation for any time period in which it failed to perform in
15 accordance with the provisions of this Agreement.
16

17 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES.** 18

19 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
20 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
21

22 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of
23 the franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
24 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
25 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
26 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
27 Arbitration and Mediation Services.
28

29 C. The hearing shall be conducted according to the provisions of California Government Code
30 Section 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to
31 whom a matter is referred shall have the authority to (i) order the County or the Franchisee to undertake
32 remedial action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess
33 damages and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement
34 including terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall
35 be reasonably related to the seriousness of the breach of the Agreement.
36

37 D. The party losing the hearing shall be liable for the hearing officer's fees.
38

39 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be
40 deemed a material breach of the Agreement, and may be grounds for termination of the Agreement.
41

42 F. Any party to the hearing may issue a request to compel reasonable document production from
43 the other party. Disputes concerning the scope of document production and enforcement of document
44 requests shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20)
45 days of that document request, then by disposition by order of the hearing officer. Any such document
46 request shall be subject to the proprietary rights and rights of privilege of the parties, and the hearing officer
47 shall adopt procedures to protect such rights.
48

49 G. Neither party may communicate separately with the hearing officer after the hearing officer has
50 been selected. All subsequent communications between a party and a hearing officer shall be

1 simultaneously delivered to the other party. This provision shall not apply to communications made to
2 schedule a hearing or request a continuance.

3
4 H. Until final judgment is entered from the hearing officer proceeding under the foregoing
5 provisions and the time for appeal or other post-judgment petition has expired, the imposition or
6 enforcement of any penalties or sanctions provided in the Agreement and related to the subject matter of
7 the hearing shall be stayed. The hearing officer may modify or cancel any proposed penalties or sanctions
8 upon a finding that the party subject thereto acted with substantial justification or if the interests of justice
9 so require.

10
11 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.

12
13 **SECTION 12. FRANCHISE TRANSFERABILITY.**

14
15 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
16 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
17 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
18 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
19 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
20 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
21 such a request using such criteria as it deems necessary including, but not limited to, those listed in
22 Subsection C.

23
24 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted
25 by this Franchise Agreement. The County may impose new conditions of approval on a Franchise
26 Agreement transfer, including, but not limited to, conditions requiring acceptance of any reasonable
27 amendments to this Agreement.

28
29 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
30 meet the following requirements:

31
32 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
33 investigation costs necessary to investigate the suitability of any proposed transferee, and to review and
34 finalize any documentation required as a condition for approving any such transfer.

35
36 2) The Franchisee shall furnish the County with audited financial statements of the proposed
37 transferee's operations for the immediately preceding three (3) operating years.

38
39 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
40 transferee has at least five (5) years of solid waste management experience of a scale equal to or
41 exceeding the scale of operations conducted by Franchisee under this Agreement; (ii) that in the last
42 five (5) years, the proposed transferee has not suffered any citations or other censure from any federal,
43 state or local agency having jurisdiction over its waste management operations due to any significant
44 failure to comply with state, federal or local waste management laws. Franchisee shall supply the
45 County with a complete list of such citations and censures; (iii) that the proposed transferee has at all
46 times conducted its operations in an environmentally safe and conscientious fashion; (iv) that the
47 proposed transferee conducts its solid waste management practices in accordance with sound waste
48 management practices in full compliance with all federal, state and local laws regulating the Collection
49 and disposal of waste; (v) of comparable financial strength; (vi) of required insurance and bonds; and
50 (vii) of other material as may be requested by the County.

1 D. This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County
2 without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The
3 foregoing is not intended to prevent the County from exercising its right to terminate the agreement
4 consistent with Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
5

6 **SECTION 13. REPORTS.**
7

8 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
9 recovery and disposal specified in Exhibit C of this Agreement.
10

11 B. Franchisee shall make its customer base and records available to the Department for audit at
12 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
13 Agreement.
14

15 **SECTION 14. COMPENSATION.**
16

17 A. Franchisee Rates.
18

19 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
20 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
21 are included in this Exclusive Franchise to the extent provided in state and federal law.
22

23 B. Modification and Adjustment of Rates.
24

25 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
26 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
27 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
28 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
29 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
30 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
31 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.
32

33 C. Notice of Rate Changes
34

35 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
36 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
37 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
38 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
39 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
40 Services at least forty-five (45) days in advance of the anticipated rate changes.
41

42 D. Resolution of Disputes Regarding Rate Adjustments
43

44 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
45 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
46 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the

1 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
2 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
3 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
4 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate. Any
5 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
6 County's compulsory collection ordinance.

7
8 E. Billing and Payment.
9

10 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
11 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
12 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
13 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
14 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
15 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
16 of Franchisee's billing dates.

17
18 F. Delinquent Accounts.
19

20 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
21 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
22 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
23 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
24 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
25 Franchisee operating in a compulsory collection area shall be subject to all applicable provisions in the
26 compulsory collection ordinance.

27
28 G. Refunds.
29

30 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
31 such customer for service not provided when service is discontinued by written notification to Franchisee
32 by the customer.
33

34 **SECTION 15. FRANCHISE FEES.**
35

36 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
37 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
38 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
39 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
40 be due for fees not submitted within the thirty (30) day time period.

41
42 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
43 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
44 accordance with Exhibit D.
45

1 **SECTION 16. OTHER REQUIREMENTS.**

2
3 A. Privacy

4
5 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
6 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
7 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
8 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
9 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
10 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
11 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
12 that Franchisee may provide such lists to authorized employees and authorized representatives of the
13 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
14 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
15

16 B. Public Access to the Franchisee

17
18 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
19 Monday through Friday. A representative of Franchisee shall be available during office hours for
20 communication with the public at Franchisee's principal office. In the event that normal business cannot
21 be conducted over the telephone, a representative of Franchisee shall agree to meet with the public at a
22 location agreeable to Franchisee and the public. Normal office hours telephone numbers shall either
23 be a local or toll free call. Franchisee shall also maintain a local or toll free after-hours telephone number
24 for use during other than normal business hours. Franchisee shall have a representative or answering
25 device or system available at said after-hours telephone number during all hours other than normal
26 office hours.
27

28 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
29 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in Person, by
30 close of business of the second business (waste Collection) day following the date on which such
31 complaint is received. Service complaints may be investigated by the Director or a designee.
32 Franchisee shall maintain records listing the date of customer complaints, the customer, describing the
33 nature of the complaint or request, and when and what action was taken by the Franchisee to resolve
34 the complaint. All such records shall be maintained and shall be available for inspection by County.
35

36 3) Government Liaison Person. The Franchisee shall designate a "government liaison
37 Person" who shall be responsible for working with the Department to resolve customer complaints.
38

39 C. Resolution of Disputed Customer Complaints.

40
41 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
42 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
43 Procedures for resolution of disputed claims shall be as follows:
44

45 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
46 County to review the complaint. To obtain this review, the customer may request County review within
47 thirty (30) days of receipt of Franchisee's response to the Complaint, or within forty-five (45) days of

1 submitting the complaint to the Franchisee, if the Franchisee has failed to respond to the complaint.
2 The County may extend the time to request its review for good cause.
3

4 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
5 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the customer's
6 complaint and determine if further action is warranted. The Director may request written statements
7 from the Franchisee and customer, and/or oral presentations.
8

9 3) The Director shall determine if the Customer's complaint is justified, and if so, what
10 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate of customer
11 charges related to the period of breach of any of the terms of this Franchise Agreement or a penalty of
12 up to one hundred dollars (\$100.00) for any single event in addition to any actual damages.
13

14 4) The Director may delegate these duties to a designee. The decision of the Director or a
15 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event of a decision
16 on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee may seek review pursuant
17 to Section 11 above.
18

19 **D. Hazardous Materials and Waste Handling and Disposal**
20

21 The Franchisee shall comply with the procedures detailed in State Law.
22

23 **SECTION 17. FORCE MAJEURE.**
24

25 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
26 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
27 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
28 Solid Waste facilities used by Franchisee:

- 29 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
30 earthquakes, tornados, or other catastrophic events;
- 31 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
- 32 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
33 other event leading to the imposition of quarantines, travel or movement restrictions, social
34 distancing, or public health advisories restricting large gatherings;
- 35 D. Accident or other catastrophic event including fire or explosion;
- 36 E. Strikes and labor disputes;
- 37 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
- 38 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
39

40 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
41 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
42 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
43 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
44 Franchisee intends to take to restore its ability to perform, and such other information as the County may
45 reasonably request.
46

1 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
2 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
3 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
4 Franchisee.

5
6 **SECTION 18. OTHER PROVISIONS.**

7
8 A. Independent Contractor.

9
10 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
11 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
12 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
13 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
14 retirement or other benefits which accrue to County employees.

15
16 B. Property Damage.

17
18 Except as provided below any physical damage caused by the negligent actions or non-actions of
19 employees, officers, or agents of the Franchisee to private or public property shall be promptly repaired or
20 replaced by the Franchisee upon completion of a proper investigation which proves that the Franchisee was
21 at fault of said damage.

22
23 C. Right of Entry.

24
25 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
26 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
27 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
28 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

29
30 D. Law to Govern.

31
32 The law of the State of California shall govern this Franchise Agreement.

33
34 E. Gratuities.

35
36 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
37 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
38 Franchise Agreement.

39
40 F. Compliance with Franchise Agreement.

41
42 Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor
43 ordinances, which are applicable, and with any and all amendments to such applicable provisions during
44 the Term of this Franchise Agreement.

1 G. Notices.

2
3 All notices required or permitted to be given under this franchise shall be in writing and shall be
4 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
5 receipt requested, and addressed as follows:

6
7 To County: County of Riverside
8 Attn: Department of Environmental Health
9 4065 County Circle Drive
10 Riverside, CA 92503

11
12 Copy to: County Counsel

13
14 To Franchisee: Burrtec Waste and Recycling Services
15 Vice President
16 41-575 Eclectic Street
17 Palm Desert, CA 92261

18
19 Copy to: N/A

20
21 or to such other address as either party may from time to time designate by notice to the other given in
22 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
23 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
24 receipt of confirmation of delivery which confirmation may be transmitted by fax.

25
26 H. Exhibits Incorporated.

27
28 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
29 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
30 Agreement, the language of the Exhibit shall prevail.

31
32 I. Nondiscrimination.

33
34 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
35 on the ground of race, sex, age, creed, color, religion or national origin.

36
37 J. Laws and Licenses.

38
39 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
40 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
41 to perform the services hereunder and maintain the same in full force and effect.

1 K. Waiver.
2

3 No waiver by either party of any one or more defaults or breaches by the other in the performance of
4 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
5 like or different character.
6

7 **SECTION 19. SEVERABILITY.**
8

9 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
10 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge
11 the validity or enforceability of the Waste Delivery Agreement or any term or provision found in
12 such agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to
13 be void or unenforceable by a court of law, then, the County may consider termination or
14 amendment of the Franchise Agreement.
15

16 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
17 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity
18 and enforceability of any of the remaining provisions of this Franchise Agreement.
19

20 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT.**
21

22 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
23 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
24 and all other communications, representations, proposals, understandings or Agreements, either written or
25 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
26 or amended, in whole or in part, except by writing signed by both parties hereto.
27

28 At least once every 5 years, or more often as required by a significant change in law, starting from the
29 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
30 or required amendments.
31

32 **SECTION 21. CONSTRUCTION OF FRANCHISE.**
33

34 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
35 attorneys, and no provision contained herein shall be construed against County solely because it prepared
36 this agreement in its executed forms.
37

38 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**
39

40 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
41 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
42 another company, all service levels and rates of this contract shall at the discretion of the Board of
43 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.
44

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

2

3 Executed on _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

Frank Orlett

17

Vice President

18

Burrtec Waste Industries, Inc.

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EXHIBIT B

FRANCHISE AREA #12

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

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EXHIBIT B

Hauler Franchise Area 12

Beginning at the intersection of the Southerly County boundary of the County of Riverside and the Northeasterly Right of Way Line of the All American Canal Shown on Map 16-8-1 (45-K), on File in the Office of the Riverside County Surveyor, Riverside County, California;

Thence Northwesterly, along Said Canal, Through its Various Courses, to the Point of Intersection with the West Line of Section 18, T. 7 S., R. 10 E., Said Line Also Being the West Line of Said Township;

Thence Northerly, along Said Township Line, Also Being the West Line of Sections 18, 7, and 6, to a Point Being the Northwest Corner of Section 6, Said Point Also Falling on the North Line of Said Township;

Thence Continuing Northerly, along the West Line of T. 6 S., R. 10 E., Also Being the West Line of Sections 31, 30, 19, 18, 7, and 6, to a Point Being the Northwest Corner of Section 6, Said Point Also Falling on the North Line of Said Township;

Thence Continuing Northerly, along the West Line of T. 5, R.10 E., Also Being the West Line of Section 31, to the Point of Intersection with the Southwesterly Right of Way Line of the Colorado River Aqueduct;

Thence Northwesterly, along Said Southwesterly Right of Way Line of the Colorado River Aqueduct; Through its Various Courses, to the Point of Intersection with the North Line of Section 1, T. 4 S., R. 7 E., Said Point Also Falling on the North Line of Said Township;

Thence Easterly, along Said Township, Line, Also Being the North Line of Said Section 1, to the Point of Intersection with the Southwesterly Boundary Line of Joshua Tree National Park;

Thence Northwesterly, along Said National Park Boundary, Through its Various Courses, to the Point of Intersection with the centerline of Long Canyon Rd within Section 27 T. 2 S., R. 5 E.;

Thence Southwesterly, along the centerline of Long Canyon Rd to the intersection with the Westerly line of Section 3 T. 3 S., R. 5 E.;

Thence Southerly, along the Westerly line of Sections 3, 10, 15, and 22 T. 3 S., R. 5 E., To the Southwest Corner of Section 22 T. 3 S., R. 5 E.;

Thence Easterly, along the Southerly line of Section 22 to the Southeast Corner of Section 22, also being the Northwest Corner of Section 26 T. 3 S., R. 5 E.;

Thence Southerly, along the West line of Sections 26 and 35 T. 3 S., R. 5 E., to the Southwest Corner of Section 35, also being the Northwest Corner of Section 2 T. 4 S., R. 5 E.;

Thence continuing Southerly, along the West line of Sections 2 and 11 T. 4 S., R. 5 E., To the intersection of the West line of Section 11 and Interstate 10;

Thence Southeasterly, along the centerline of Interstate 10 to the intersection with the Southerly line of Section 18 T. 4 S., R. 6 E.;

1 Thence Easterly, along the Southerly line of Sections 18 and 17 T. 45., R. 6 E., to the Southeast Corner of
2 Section 17, also being the Northeast Corner of Sec 20 T. 4 5., R. 6 E.;

3

4 Thence Southerly, along the Easterly line of Sections 20 and 29 to the intersection of the East line of
5 Section 29 and the Northerly city boundary of the City of Palm Desert also being the Southerly Right of
6 Way of Interstate 10;

7

8 Thence Northeasterly, along the Northerly city boundary of the City of La Quinta to the intersection with
9 the Northerly boundary of the City of Indio;

10

11 Thence continuing Southwesterly, along the Northerly boundary of the City of Indio to the intersection
12 with the Northerly city boundary of the City of Coachella;

13

14 Thence continuing Southeasterly, along the city boundary of the City of Coachella to the Southwest
15 Corner of Section 11 T. 6 S., R. 8 E.;

16

17 Thence Easterly, along the Southerly line of Sections 11 and 12 T. 6 S., R. 8 E., to the intersection of the
18 South line of Section 12 T. 6 S., R. 8 E., and the All American Canal;

19

20 Thence Southeasterly, along the All American Canal to the intersection with the West line of Section 16
21 T. 7 S., R.10 E.;

22

23 Thence Southerly, along the Westerly line of Sections 16, 21, 28 and 33 T. 7 S., R. 10 E., to the
24 intersection of the West line of Section 33 and the edge of the Salton Sea, also being the Easterly
25 boundary for the Southern Coachella Community Services District;

26

27 Thence Southeasterly, along the Easterly edge of the Salton Sea to its intersection with the Southerly
28 county boundary of the County of Riverside, also being the Southerly line of Section 33 T. 8 S., R. 11 E.;

29 Thence Easterly, along the Southerly county boundary of the County of Riverside to the intersection with
30 the All American Canal, the point of beginning.

31

32 In addition to the above described Area and included herein as part of the Total of Franchise Area 12 are
33 the 4 (Four) unincorporated islands currently lying within the City limits of Indio.

34

35 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
36 in areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 13.

37

38 Also excluded are any areas within city boundaries.

39

40 (North)

41 Beginning at the Intersection of the Northerly line of Section 19 T. 4 S., R. 6 E., S.B.M. and Interstate 10;

42

43 Thence Easterly along the Northerly lines of Sections 19 and 20 T. 4 S., R. 6 E., S.B.M. to the Northeast
44 Corner of Section 20 T. 4 S., R. 6 E., S.B.M.;

45

46 Thence Southerly along the Easterly lines of Sections 20 and 29 T. 4 S., R. 6 E., S.B.M. to the
47 intersection of the northerly boundary of the city of Palm Desert;

48

49 Thence Northwesterly, along the Northerly boundary of the City of Palm Desert to its intersection with
50 the Northerly boundary of the City of Rancho Mirage;

1
2 Thence Northwesterly, along the Northerly boundary of the City of Rancho Mirage to its intersection with
3 the Northeasterly boundary of the City of Cathedral City;
4
5 Thence Northerly, along the Northeasterly boundary of the City of Cathedral City to its intersection with
6 Interstate 10;
7
8 Thence Southeasterly along Interstate 10 to the point of beginning.
9
10 (Northeast)
11 Beginning at the Southeast Corner of Section 17 T 5 S., R. 7 E., also being the intersection of the
12 boundaries of the cities of Indio and La Quinta;
13
14 Thence Westerly, along the Northerly boundary of the City of La Quinta to its intersection with the
15 Easterly boundary of the City of Palm Desert, also being the centerline of Washington St;
16
17 Thence Northerly, along the centerline of Washington St to its intersection with Interstate 10;
18
19 Thence Southeasterly, along the centerline of Interstate 10 to its intersection with the Westerly boundary
20 of the City of Indio;
21
22 Thence Southeasterly, along the Westerly boundary of the City of Indio to its intersection with the
23 boundary of the city of La Quinta to the point of beginning.
24
25 (Southeast)
26 The description for this legal is an un-incorporated island located within the City of Palm Desert. The
27 unincorporated island is located within Sections 19 T. 5 S., R. 7 E., and 24 T. 5 S., R. 6 E., 5.B.M. The
28 perimeter surrounding the un- incorporated island is as follows:
29
30 Westerly boundary is city of Indian Wells;
31
32 Northerly boundary is Fred Waring Dr, also being the boundary of the City of Palm Desert;
33
34 Easterly boundary is Washington St, also being the boundary of the City of La Quinta;
35
36 Southerly boundary is city of Indian Wells and La Quinta.
37
38 (Southwest)
39 Beginning at the Northwest corner of Section 27 T. 5 S., R. 5 E., S.B.M., said point also being located on
40 the city of Rancho Mirage;
41
42 Thence Easterly along the Southerly line of the city of Rancho Mirage to the Westerly line of the city of
43 Palm Desert, also being the Northeast corner of Section 25 T. 5 S., R. 5 E.;;
44
45 Thence Southerly, along the boundary of the City of Palm Desert to the Westerly line of the city of Indian
46 Wells. Also being the Northeast corner of Section 5 T. 6 S., R. 6 E.;;
47
48 Thence Southeasterly along the boundary of the city of Indian Wells to the Westerly line of the city of La
49 Quinta. Also being the Northeast corner of Section 11 T. 6 S., R. 6 E.;;
50

1 Thence Southerly, along the Easterly lines of Sections 11 and 14 T. 6 S., R. 6 E., To the Southeast Corner
2 of Section 14 T. 6 S., R. 6 E.;

3

4 Thence Westerly along the Southerly lines of said Sections 14, 15, 16, 17, and 18 T. 6 S., R. 6 E., to the
5 intersection of the Southerly line of Section 18 and the Easterly Right of Way of State Highway 74;

6

7 Thence Southwesterly, along the Easterly Right of Way of State Highway 74 to its intersection with the
8 Southerly line of Section 19 T. 6 S., R. 6 E.,

9

10 Thence Westerly, along the South line of Section 19 T. 6 S., R. 6 E., to the Southwest Corner of Said
11 Section 19;

12

13 Thence Northerly, along the Westerly line of Section 19 to the Northwest Corner of Said Section 19 T. 6
14 S., R. 6 E., also being the Southeast Corner of Section 13 T. 6 S., R. 5 E.;

15

16 Thence Northwesterly, across Sections 13 and 14 T. 6 S., R. 5 E., to the Northwest Corner of Section 14
17 T. 6 S., R. 5 E., also being the Southeast Corner of Section 10 T. 6 S., R. 5 E.;

18

19 Thence Westerly along the Southerly line of Section 10 to the Southwest Corner of Said Section 10;

20

21 Thence Northerly, along the West line of Sections 10 and 3 T. 6 S., R. 5 E., to the Southerly line of T. 5
22 S., R. 5 E., also being the Southwest Corner of Section 34 T. 5 S., R. 5 E.;

23

24 Thence Continuing Northerly, along the Westerly line of Sections 34 and 27 T. 5 S., R. 5 E., to the
25 Northwest Corner of Section 27 T. 5 S., R. 5 E., the point of beginning.

26

27 (Northwest)

28 The description for this legal is an un-incorporated island located within the city of Palm Desert. The un-
29 incorporated island is located within the Section 5 T. 5 S., R. 6 E., S.B.M. The perimeter surrounding the
30 un-incorporated island is as follows:

31

32 Westerly boundary is Monterey Ave, also being the boundary of the City of Rancho Mirage;

33

34 Northerly boundary is Frank Sinatra Dr, also being the boundary of the City of Palm Desert;

35

36 Easterly boundary is the boundary of the City of Palm Desert;

37

38 Southerly boundary is the boundary of the City of Palm Desert.

39

40 Included within said franchise area are the customer addresses lying adjacent to and on both sides of the
41 following boundary streets

42

43 Ramon Rd. between Interstate 10 and Vista De Oro

44

45 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
46 in areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 13.

47

48 Also excludes any areas within City boundaries.

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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

Collection Summary

The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste and Recyclable

1 Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not
2 available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall
3 clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density
4 factors.

5
6 **Education and Outreach**

7
8 The Franchisee shall submit copies of public education materials sent to customers or provided
9 electronically on their websites or social media outlets.

10 **Service Performance**

11
12 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
13 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
14 shall identify the total number of all written or oral Customer comments and shall provide the number of
15 comments received in the following categories: praises, litter or property damage complaints, misplacement
16 of containers, stolen containers, personnel complaints, missed pickups, and other.

17
18 **Container Contamination Monitoring**

19
20 The Franchise shall provide a summary of container contamination monitoring activities including
21 information on efforts to minimize container contamination. When applicable a separate detailed report
22 shall be provided to the Department identifying sites that are out of compliance and require additional
23 enforcement by the County.

24
25
26 **4. ANNUAL REPORTS**

27
28 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
29 Franchisee will be responsible for providing the following reports:

- 30
31 1. Summary reports
32 2. Equipment inventory
33 3. Program implementation
34 4. Future programs
35 5. Litigation information
36 6. Education and Outreach

37
38 **Summary Reports**

39
40 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
41 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
42 provided shall include quantities of materials collected, and if processed by non-system facilities, the
43 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
44 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
45 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
46 experiences, and any problems in program operation and how they were resolved.

1 **Equipment Inventory**

2
3 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
4 The inventory list shall indicate the age of the equipment.

5
6 **Program Implementation**

7
8 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
9 for the year. The report shall address how the problems and barriers were overcome or the proposed
10 resolutions and schedule for correcting the problem.

11
12 **Future Programs**

13
14 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
15 but have not been planned for.

16
17 **Litigation Information**

18
19 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
20 against the parent company and all subsidiaries of parent company that may have an effect on the
21 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

22
23 **Education and Outreach**

24
25 The Franchisee shall submit copies of public education materials sent to customers or provided
26 electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

- A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

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1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
 2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.
 3. The District directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 4. The County modifies the franchise fee.
 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 6. Significant increases to the number of customer accounts due to development or growth.
 7. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #13

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1 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
2 court or governmental entity against Franchisee or affecting Franchisee, wherein an
3 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
4 of this Agreement, or which would have a material adverse effect on the financial condition
5 of Franchisee.
6

7 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
8 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
9 parent company's financial circumstances since the date of the most recent financial
10 statements submitted to the Environmental Health Department ("Department"). Prior to
11 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
12 most recent annual financial statements. The Department may at its discretion specify the
13 contents and form of such statements. The Director of Environmental Health may inspect
14 the financial records of the Franchisee at any reasonable time for any reasonable purpose
15 relevant to the performance of this contract.
16

17 6) Franchisee has the expert, professional, and technical capability to perform all of its
18 obligations under this Agreement.
19

20 ~~7) Within thirty (30) days after the execution of this Agreement by the County, Franchisee~~
21 ~~has provided the performance bond or letter of credit certificates of insurance, and the~~
22 ~~annual financial statements, as provided in Exhibit C.~~
23

24 B. Representations and Warranties of the County.
25

26 Prior to commencement of any services hereunder, the County hereby makes the following
27 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:
28

29 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
30 This Agreement constitutes the legal, valid and binding Agreement of the County and is
31 enforceable against the County in accordance with its terms.
32

33 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
34 County before any court or governmental entity wherein an unfavorable decision, ruling or
35 finding would adversely affect the validity or enforceability of this Agreement.
36

37 **SECTION 2. DEFINITIONS**
38

39 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
40 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
41 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
42 Agreement. In the event of conflict between the definition of a term as found in the California Public
43 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
44 supersede the definition found in the Public Resources Code or in County ordinances.
45

46 A. Agreement means this Agreement between the County and Franchisee for the Collection and
47 transportation of Solid Waste and other specified services, including all exhibits, and any future
48 amendments.
49

50 B. Bins ~~shall~~ mean those containers provided by Franchisee for commercial, industrial,
51 construction, and multi-residential uses. Bins are of two types: (i) Bins (generally ~~1-2~~ to 6 cubic yards in
2

1 size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins
2 (generally 10 to 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
3

4 C. Board ~~shall~~ means the Riverside County Board of Supervisors.
5

6 ~~Bulky Waste shall mean large, heavy or otherwise difficult to handle items, including, but not
7 limited to, stoves, refrigerators, water tanks, water heaters, washing machines, furniture, large
8 concrete and asphalt chunks, tree stumps, or other waste materials with weights or volumes
9 greater than those allowed for containers.~~

10 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
11 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
12 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
13 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in
14 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
15 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
16 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
17 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
18 Persons.

19 ~~D.~~

20
21 E. Collection means Collection of Solid Waste, recyclable material, or other material specified
22 in this Agreement and its transportation to an appropriate Solid Waste Facility.
23

24 F. Commercial Units ~~shall~~ mean all commercial, industrial, institutional or other facilities, except
25 residential and Multi-Residential Units.
26

27 ~~G. Compost means a stable humus like product that results from the biological decomposition of
28 organic materials occurring under controlled conditions.~~

29
30 ~~H. Compost Facility means a Solid Waste Facility that processes Organic Waste, Wood Waste or
31 other organic materials to produce Compost or mulch.~~

32
33 ~~I.G. Comprehensive Compulsory Collection Areas shall mean specific portions or areas of the
34 County designated by an Ordinance or Resolution of the Board of Supervisors in which specified
35 residential, multi-residential, and/or commercial units are required to subscribe to refuse collection.~~

36
37 ~~J.H. County means the County of Riverside, State of California.~~

38
39 ~~K.I. Department means the Riverside County Department of Environmental Health.~~

40
41 J. Director shall means the Director of the Riverside County Department of Environmental
42 Health or ~~his or her~~ their designee.
43

44 ~~L.K. Diversion (or any variation thereof including "Divert") means activities which reduce or
45 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
46 recycling, and composting.~~

47
48 ~~M. District means the Riverside County Waste Resources Management District.~~
49

1 ~~N.L. Effective Date~~, means the date on which this Agreement becomes effective, which shall be the
2 date it is executed by the Board of Supervisors.
3

4 ~~O.M. Exclusive Franchise~~, means the rights granted to the Franchisee under the terms and conditions
5 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
6 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
7 B.
8

9 ~~P. Extremely Hazardous Waste~~, shall mean any Hazardous Waste or mixture of Hazardous
10 Wastes which, if human exposure should occur, may likely result in death, disabling personal injury or
11 illness, during or as a proximate result of, any disposal of such waste or mixture of wastes.
12

13 ~~Q.N. Franchise Area~~, means the geographic territory defined in Exhibit B.
14

15 ~~R. Franchise Documents~~, shall mean the Agreement (as herein defined), the separately executed
16 Waste Delivery Agreement, and the insurance certificates and performance bond or letter of credit required
17 under this Agreement.
18

19 ~~S.O. Generator~~, means the owner or occupant of premises, including residences or businesses, which
20 initially produces Solid Waste, Recyclable Materials, or Organic Waste.
21

22 ~~T.P. Green Waste~~, means organic waste generated from any landscaping including grass clippings,
23 leaves, prunings, tree trimmings, weeds, branches, and brush.
24

25 ~~U.Q. Gross Receipts~~, means all monies received by Franchisee for providing franchise services
26 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
27 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
28 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
29 of State or other governmental agencies.
30

31 ~~V.R. Hard-to-Service~~, may refer to any service area that is not standard curb and gutter service or
32 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
33 of the following:

- 34 1) Rural, sparsely populated areas,
- 35 2) Hilly or mountainous terrain,
- 36 3) Poorly paved or unpaved roads which may be imunpassable in poor weather,
- 37 4) Large, uninhabited areas between pockets of homes,
- 38 ~~5) Unusually heavy waste due to large properties, livestock, etc.~~
- 39 ~~5)~~
- 40 6) Limited access on a private street or alley.

41 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
42 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
43 "Hard to Service"

44 ~~W. Hazardous Waste~~, shall mean any waste material or mixture of wastes which is defined or
45 otherwise considered to be hazardous under any state or federal law, or is toxic, corrosive, flammable, an
46 irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a
47 waste or mixture of wastes may cause substantial personal injury, serious illness or harm to wildlife, during,
48 or as a proximate result of any disposal of such wastes or mixture of wastes. The term "toxic", "corrosive",
49 "flammable", "irritant", or "strong sensitizer" shall be given the same meaning as found in the California
50 Hazardous Substances Act in the Health and Safety Code, Section 28740 et seq.

1
2 ~~X.S.~~ Integrated Waste Management Act (IWMA) shall mean the California Integrated Waste
3 Management Act of 1989 (AB 939), including all subsequent amendments.
4

5 ~~Y. — Materials Recovery Facility. means a facility intended primarily for recovery and processing~~
6 ~~of Recyclable Materials that are source separated, or a facility intended to recover Recyclable Materials~~
7 ~~from Solid Waste. Such a facility may also function as a Transfer Station.~~
8

9 ~~Z.T. — Multi-Residential Units~~ shall mean permanent buildings containing three or more Residential
10 Units including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks
11 where mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.
12

13 ~~AA.U. Organic Waste~~ means food waste, green waste, landscape and pruning waste, nonhazardous
14 wood waste, and food-soiled paper waste that is mixed in with food waste.
15

16 ~~BB. — Permitted Hauler. means a Solid Waste service provider who has a valid permit to operate~~
17 ~~within all, or a portion of, the unincorporated County.~~
18

19 ~~CC. — Person. shall mean any Person, firm, business, sole proprietorship, partnership, joint venture,~~
20 ~~trust, association, or corporation whether for profit or non profit.~~
21

22 ~~DD.V. Recyclable Materials~~ means material which has been segregated from other Solid Waste
23 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
24 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
25 Recyclables consisting of two or more of the above-referenced material types separated from non-
26 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
27 than five (5) percent Solid Waste by weight.
28

29 ~~EE.W. Residential Unit~~ shall mean an occupied dwelling within the unincorporated area of the
30 County occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when
31 either water or domestic light and power services are being supplied thereto. This definition shall apply also
32 to mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to
33 be two (2) attached Residential Units.
34

35 ~~FF.X. Roadways~~ means all County maintained roadways in the unincorporated area of the County
36 or private roadways, accessible by the Franchisee and used for providing routine service as defined in
37 Exhibit A of this Agreement.
38

39 ~~GG. — Solid Waste. means all putrescible and non-putrescible solid, semisolid and liquid wastes,~~
40 ~~including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction~~
41 ~~wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes,~~
42 ~~and other discarded solid and semisolid wastes.~~
43

44 ~~Solid Waste does not include any of the following wastes:~~

- 45 ~~○ Hazardous waste, as defined in Public Resources Code Section 40141.~~
- 46 ~~○ Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8~~
- 47 ~~(commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety~~
- 48 ~~Code).~~
- 49 ~~○ Medical waste regulated pursuant to the Medical Waste Management Act (Part 14~~
- 50 ~~(commencing with Section 117600) of Division 104 of the Health and Safety Code).~~

1 ~~Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in~~
2 ~~Section 40195.1. Medical waste that has been treated and deemed to be solid waste shall~~
3 ~~be regulated pursuant to this division.~~

4
5 ~~HH. — Solid Waste Facility. means any facility that is licensed, permitted or otherwise approved by~~
6 ~~all governmental bodies and agencies having jurisdiction, and that is designed to manage Solid Waste,~~
7 ~~Recyclable Materials, or Organic Waste, and includes transfer, Recyclable Materials processing, material~~
8 ~~recovery, composting, waste to energy, or landfill facilities.~~

9
10 ~~H.Y. System Facility. means a Solid Waste Facility that is owned and/or operated by the District~~
11 ~~Riverside County Department of Waste Resources (DWR), or with which the District-DWR has entered~~
12 ~~into an Agreement, and that for the purposes of this Agreement is designated by the District-DWR through~~
13 ~~a separately executed Waste Delivery Agreement to be used by the Franchisee for the processing, recovery~~
14 ~~and/or disposal of Solid Waste, Recyclable Materials or Organic Waste.~~

15
16 ~~JJ.Z. Term. means the Term of this Agreement, as provided for in Section 3.~~

17
18 ~~KK. — Transfer Station. shall include those intermediate waste handling facilities where Solid Wastes~~
19 ~~are transferred from hauling vehicles to a transfer vehicle and where the Solid Waste or a portion thereof~~
20 ~~may undergo incidental processing, recycling or further handling before transportation to a disposal site,~~
21 ~~Solid Waste processing facility, or other facilities. The following facilities do not constitute a "transfer~~
22 ~~station":~~

- 23 ~~1) Locations where less than 15 cubic yards of combined container volume are~~
24 ~~provided to serve as community or multi-residence receptacles for residential refuse.~~
25 ~~2) Storage receptacles for waste from multi-residential buildings or for commercial~~
26 ~~Solid Wastes.~~
27 ~~3) A container used to store construction or demolition wastes at the place of~~
28 ~~generation.~~
29 ~~4) Containers used to store salvaged materials.~~

30
31 ~~LL.AA. Waste Delivery Agreement. means the contract entered into by the District-DWR and the~~
32 ~~Franchisee (defined as "Collector" therein) specifying the specific portions of the waste stream that are to~~
33 ~~be directed to specified System Facilities and kept on file with the DWR.~~

34
35 ~~MM.BB. Wood Waste. means industrial dimension lumber, pallets, shipping dunnage, and similar~~
36 ~~discarded processed wood materials, and large tree limbs.~~

37
38 **SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE**

39
40 A. Pursuant to Ordinance ~~657745~~, and the IWMA, and subject to the terms and conditions of this
41 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
42 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
43 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
44 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
45 purposes.

46
47 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
48 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
49 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
50 forth below; and (2) to not collect from any other portions of the unincorporated county covered by

1 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
2 Organic Waste.; ~~(3) to the cancellation, upon the Effective Date of this Agreement, of any permit or other~~
3 ~~authorization issued by or under the authority of County for the Collection of Solid Waste, Recyclable~~
4 ~~Materials, or Organic Waste for the portion of the unincorporated county permit area covered by Exclusive~~
5 ~~Franchise Agreements, and (4) hereby waives any right it may have pursuant to Public Resources Code~~
6 ~~section 49520 or other laws to advance notice of the cancellation of such permit or other authorization for~~
7 ~~those areas represented by Exclusive Franchise Agreements.~~

8
9 ~~Franchisee agrees to abide by the conditions of any permit or other authorization pertaining to~~
10 ~~its operations within any unincorporated county area not covered by an Exclusive Franchise Agreement~~
11 ~~and to terminate said operations upon effective date of any future Exclusive Franchise Agreement in~~
12 ~~accordance with the provisions of this Agreement.~~

13
14 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
15 the Exclusive Franchise, to the extent provided for in state and federal law.

16
17 C. This Agreement shall continue until June 30, 2028. ~~for a period of seven (7) years from the~~
18 ~~Effective Date. One year after the Effective Date of this Agreement, and annually thereafter, the Term of~~
19 ~~this Agreement shall be extended for an additional one year, unless no later than thirty (30) days prior~~
20 ~~thereto either the County or the Franchisee gives written notice of non-renewal to the other party. Only one~~
21 ~~notice of non-renewal shall be required hereunder. Notice of non-renewal need not be based on cause.~~ The
22 above provisions in no way affect the County's right to terminate this Agreement following thirty (30) days
23 notice for nonperformance, as provided in Sections 9 and 10 hereof.

24
25 D. Franchisee will commence services under this Agreement on January ~~1st, 1999~~, 2022.

26
27 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
28 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
29 taken.

30 31 32 SECTION 4. FRANCHISE AREA

33
34 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
35 County defined in Exhibit B, "Franchise Area."

36 37 SECTION 5. SERVICES PROVIDED BY FRANCHISEE

38 39 A. General.

40
41 Franchisee shall provide the Collection and transportation of Solid Waste and
42 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
43 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
44 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
45 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit ~~ED~~. Minimum
46 levels of Solid Waste service to be provided under this Agreement are defined below, however, no
47 residential or commercial or business customer shall be refused service, if that party is willing to pay for
48 such service and is current in payment. Disputes arising over the terms on which a particular customer may
49 be serviced because of remoteness of location, difficulty of access, particular needs of the customer, etc.
50 shall be decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
51

1 B. Single Family Residential.

2
3 Weekly Service. Not less often than once per week, and more frequently if required to handle the
4 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
5 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
6 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
7 Collection time. ~~All~~ Solid Waste must be placed within containers at curbside without obstructions so as
8 to permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
9 ~~Franchisee may supply containers, and/or may require the use of specific containers as specified in Exhibit~~
10 ~~A.~~ Franchisee may negotiate special pickup procedures, above and beyond the normal services described
11 above, with customers for an additional fee in an amount provided in Exhibit ED.

12
13 C. Commercial, Industrial, and Multi-Residential.

- 14
15 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
16 if required to handle the waste stream of the premises where the Bins are located,
17 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
18 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
19 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
20
21 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
22 frequently if required to handle the waste stream of the premises where the Bins are located,
23 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
24 Collection in Solid Waste Bins at Commercial Units.

25
26 D. Construction and Temporary Bin/Rolloff Services.

27
28 Franchisee shall provide construction and temporary bin/rolloff services using rates ~~reflected~~
29 reestablished per Exhibit ED.

30
31 E. Semi-Annual Cleanup and Bulky Wastes Collection.

- 32
33 ~~1) At least twice a year, Franchisee shall provide a one (1) day cleanup service to all~~
34 ~~Residential Unit customers on its routes wherein all bulky materials left on the curb, or~~
35 ~~other designated location on or adjacent to customer's property, up to a maximum of one~~
36 ~~and one-half cubic yards, will be removed and disposed. Cost for this service, excluding~~
37 ~~the cost of disposal, shall be included within the normal monthly rates for Residential Unit~~
38 ~~Solid Waste Collection as specified in Exhibit E. When feasible, the bulky material will~~
39 ~~be collected in a vehicle separate from the one used to pick up the residential unit's Solid~~
40 ~~Waste on a weekly basis so that it can be readily identified as not requiring tipping fees~~
41 ~~when it arrives at the designated landfill. Franchisee will make a good faith effort to divert~~
42 ~~the bulky material away from the designated landfill and to another facility where it can be~~
43 ~~either recycled or refurbished for reuse. Collection of heavy waste materials such as dirt,~~
44 ~~rock, concrete, and asphalt are not included in this service.~~

45
46 ~~Franchisee shall provide Residential Unit customers with Bulky Wastes pick-up service arranged~~
47 ~~at the request of the customer for large household appliances or furniture or multiple smaller~~
48 ~~items not exceeding one and one-half cubic yards. Collection of heavy waste materials such as~~
49 ~~dirt, rock, concrete, and asphalt are not included in this service. Franchisee shall advertise the~~
50 ~~availability of the Bulky Wastes Collection service and shall provide the Bulky Waste Collection~~

1 ~~service within seven (7) working days of request by customer. Franchisee shall bill the customer~~
2 ~~for Bulky Waste Collection at the rate established in Exhibit E. Standard disposal rates shall be~~
3 ~~paid by franchisee at System Facility.~~

4 1) Upon verbal or written customer request, made a minimum of two business days prior to
5 the customer's regular service day, Franchisee shall provide on-call Single Family
6 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
7 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
8 customer. Franchisee and County agree that this service is intended to allow residents to
9 safely discard of large household items such as furniture and whitegoods or other large
10 household items that do not fit in their regular weekly trash containers. Each Single
11 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
12 Household Waste Collection Services per calendar year with a maximum of four (4) items
13 at each collection occurrence. The total amount of annual allowable items per household
14 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
15 (4) tires per collection request. Bulky Household Waste items do not include items such as
16 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
17 boats, campers, trailers or household hazardous waste. Additional requests for bulky item
18 service shall be subject to the bulky item rates established on the rate sheets approved by
19 the Board of Supervisors.

20 2) _____

21
22 3)2) _____ Franchisee shall provide large rolloff refuse containers requested by the Director
23 or his designee to respond to organized community clean up efforts at no charge.
24 Franchisee shall deliver containers to agreed upon collection points and shall cooperate
25 with the Director and designated community leaders to remove containers and dispose of
26 collected Solid Waste. Franchisee is obligated to provide the equivalent of two 40-cubic
27 yard bins/loads per year for each 1,000 Residential Unit customers serviced within the
28 Franchise Area. The ~~District DWR~~ will arrange that there shall be no charge of disposal
29 fees for such Solid Waste delivered in separate vehicles to the System Facilities.

30
31 F. Illegal Dumping Retrieval Services

32
33 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

- 34
35 1) If requested by the County the Franchisee shall turn in ~~to County~~ a monthly report of illegal
36 dumping of trash (in quantities exceeding one equivalent medium size trash bag) and bulky
37 items (such as tires, couches, and appliances) noticed within or along the Roadway in the
38 franchise area. For the purpose of this provision, the Roadway shall include public rights
39 of way within twenty (20) feet of the paved roadways and within twenty (20) feet of the
40 shoulders of unpaved roadways.
- 41
42 2) Franchisee shall anticipate and arrange to receive daily by facsimile electronic methods,
43 copies of reports of illegal dumping reported by citizens to the Department ~~of~~
44 Environmental Health, Department of Transportation, or the Waste Resources
45 Management District DWR.
- 46
47 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
48 materials on the Roadway within forty-eight (48) seventy-two (72) hours of the receipt of
49 reports thereof (excluding weekends and holidays) except for remote areas, as approved by
50 the director, for which the removal shall occur within five working days. The Franchisee

1 may request that specified roads, determined by the franchisee to be inaccessible for waste
2 removal, be considered by the Director for revised waste removal requirements.

3
4 ~~4) Franchisee shall leave the original reports (or copies thereof) with the gate fee collector at~~
5 ~~County disposal sites at the time of delivery of the corresponding loads of illegally dumped~~
6 ~~debris. Nothing herein shall prevent the immediate pickup, delivery and reporting thereof,~~
7 ~~as part of the normal route collection activities, of illegally discarded material.~~

8
9 ~~5) _____~~ Abandoned vehicles and objects or appliances larger than conventional household
10 furniture or appliances as well as hazardous, ~~and~~ medical, and other wastes requiring
11 special handling are exempt from the retrieval requirements set forth herein, provided,
12 however, that of these exempted items noted within the Roadway are to be immediately
13 reported to the Director.

14
15 ~~6) _____~~ The Franchisee shall, upon request of private property owners, the Director or the
16 Departments of County Transportation and Land Management Agency, provide removal
17 services for waste illegally disposed of on their private property, excluding those wastes
18 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
19 ED.

20
21 ~~7) _____~~ Illegally disposed materials along Roadways within one mile of disposal sites
22 within Riverside County are exempt from the retrieval requirements set forth herein.

23
24 ~~8) For sixty (60) days from the effective date of this contract, the County will arrange that~~
25 ~~there shall be no charge of disposal fees at System Facilities. Thereafter, Franchisee shall~~
26 ~~pay the usual fees charged for comparable types and quantities of Solid Waste.~~

27
28 ~~9) Within sixty (60) days of the end of each year of this Agreement, Franchisee shall submit~~
29 ~~to the Director an accurate accounting of its costs to provide Illegal Dumping Retrieval~~
30 ~~Service.~~

31
32 G. Collection of Used Motor Oil.

33
34 Franchisee shall collect used motor oil from single family residential customers in accordance with
35 ~~California Public Resources Code Section 48691, the Recycled Oil Collection and Storage Standards~~
36 ~~pursuant to Riverside County Ordinance 657 and Riverside County Resolution 90-668.~~

37
38 H. Diversion Services

39
40 ~~1) Diversion services proposed by Franchisee as described in Exhibit H shall be provided~~
41 ~~throughout the duration of this contract.~~

42
43 ~~2) At any time during the term of this Agreement, upon one hundred eighty (180) days written~~
44 ~~notice from the Director, Franchisee shall provide collection of Green Waste or Organic~~
45 ~~Waste from Residential Units throughout, or in designated portions of its Exclusive~~
46 ~~Franchise Area. Franchisee's rates for this service shall be as established in Exhibit E as~~
47 ~~adjusted by the methodology established in Exhibit F.~~

48
49 I.H. Collection and Equipment

1
2 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
3 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
4 Agreement. ~~No vehicle shall be used for the collection and transportation of Solid Waste, Recyclable~~
5 ~~Materials or Organic Waste, prior to inspection and approval by the Department.~~ The equipment of
6 Franchisee used under this Franchise Agreement shall ~~in addition~~ be subject to inspection ~~by the~~
7 ~~Department on an annual basis~~ at the request of the Department.

8
9 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
10 the Department of Motor Vehicles of the State of California, shall be kept clean and in
11 good repair, and shall be uniformly painted.

12
13 ~~2) Solid Waste Collection vehicles shall be washed at least once every seven (7) calendar~~
14 ~~days.~~

15
16 ~~3)2)~~ _____ A local or toll free telephone number, and vehicle number shall be clearly visibly
17 displayed on all required vehicles, ~~in letters and figures no less than three inches (3") high.~~

18 19 SECTION 6. OWNERSHIP OF SOLID WASTE

20
21 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
22 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
23 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
24 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
25 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
26 Franchisee.

27 28 SECTION 7. DIRECTION OF COLLECTED MATERIALS

29
30 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
31 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
32 and the ~~District~~DWR. The rates ~~shown~~referenced in Exhibit ~~E-D~~ are based on the _____ facility(ies)
33 designated in the Waste Delivery Agreement to be effective on the same date as this Agreement.

34 35 SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND

36 37 A. Indemnification of County ~~and District.~~

38
39 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
40 defend, indemnify, and hold harmless, County ~~and District~~ and their officers, agents, and employees from
41 and against any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries
42 to any person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees
43 which arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions
44 of Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
45 reasonable costs and expenses of investigating and defending against same; provided, however, that
46 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
47 negligence or misconduct of County ~~or District~~ or their agents, officers, or employees.

1 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
2 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
3 survive the term of the franchise.

4
5
6 B. Hazardous Substances Indemnification.
7

8 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
9 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
10 counsel approved by County, protect and hold harmless County ~~and District~~ and their respective employees,
11 agents, assigns, and any successor or successors to County's interest from and against all claims, actual
12 damages (including, but not limited to, special and consequential damages), natural resources damage,
13 injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of
14 action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including,
15 but not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
16 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
17 or asserted against, County ~~or District~~ or their respective officers, employees, agents, or Franchisees arising
18 from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any
19 removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental
20 action) concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or
21 disposes of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing
22 indemnity is intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive
23 Environmental Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and
24 California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County
25 from liability.

26
27 C. Minimum Diversion Requirements
28

29 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
30 California Public Resources Code, Section 41780 and any other current or future California Statute that
31 requires the County to divert material from landfills. In the event that the State of California alters the
32 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
33 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
34 associated with any additional recycling programs.
35

36 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
37 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
38 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
39 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
40 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
41 against any third party as a means of meeting its obligation under this section.
42

43 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
44 by the Director as set forth in Section 9.A. of this agreement.

45 ~~—The percentage of all materials collected by Franchisee under this Agreement, as detailed in Form 5 in~~
46 ~~programs approved by County, shall be recycled, processed and/or marketed by Franchisee in a manner~~
47 ~~which entitles County to diversion credit as specified in California Public Resources Code, Section 41780~~
48 ~~measured on a calendar year basis beginning January 1st, 1999 ("Minimum Diversion Requirement")~~
49 ~~provided the County adopts the recommended diversion programs as stated in Form 5, Diversion Proposal.~~
50 ~~Within sixty (60) days of each calendar year, Collector shall pay County as liquidated damages for failing~~
51 ~~to meet this requirement, twenty dollars (\$20.00) per ton, for each ton which was not diverted, which if it~~

1 ~~had been diverted would have enabled Franchisee to meet the Minimum Diversion Requirement for~~
2 ~~calendar year 2000 and each successive year. Further, if Franchisee fails to meet the annual Minimum~~
3 ~~Diversion Requirements two (2) times after the execution of the agreement, County may terminate this~~
4 ~~Agreement upon one hundred twenty (120) days notice. If the County, or District on behalf of the County,~~
5 ~~finds that additional programs are necessary to meet any IWMA required diversion goals the County, or~~
6 ~~District on behalf of the County, may require proposals for additional diversion programs to meet the~~
7 ~~diversion requirements. If necessary, County and Franchisee shall enter into good faith negotiations, but if~~
8 ~~agreement regarding programs and/or rate adjustments cannot be reached, County reserves the right upon~~
9 ~~one hundred twenty (120) days notice thereof to terminate the Franchisee's Franchise rights to collect Solid~~
10 ~~Waste, Recyclable Materials, and/or Organic Waste, and/or to independently implement programs that may~~
11 ~~be needed to meet the minimum diversion requirement.~~

12
13 ~~— If commercial recycling is being performed by generators, and others, to the extent the Franchisee is~~
14 ~~unable to meet its Minimum Diversion Requirements, Franchisee shall document such commercial~~
15 ~~recycling in writing and petition the Director for an equitable adjustment of Franchisee's Minimum~~
16 ~~Diversion Requirement, which shall not be unreasonably denied.~~

17
18 D. Worker's Compensation Insurance.

19
20 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
21 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
22 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
23 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage
24 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
25 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
26 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
27 against the County ~~and the District~~, its elected or appointed officials, employees, agents, or Franchisees for
28 losses which arise from work performed by the named insured for the County.

29
30 E. Public Liability Insurance.

31
32 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
33 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
34 ~~three-six~~ million dollars ~~(\$3,000,000.00)~~(\$6,000,000.00) aggregate and ~~one-three~~ million ~~five hundred~~
35 ~~thousand~~ dollars ~~(\$1,500,000.00)~~(\$3,000,000.00) per occurrence for bodily injury and property damage.
36 Said insurance shall protect Franchisee, the County, ~~the District~~, and their elected or appointed officials,
37 employees, and agents, from any claim for damages for bodily injury, including accidental death, as well
38 as from any claim for property damage which may arise from operations performed pursuant to this
39 Franchise Agreement, whether such operations be by Franchisee itself, or by its agents and/or employees.
40 Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with
41 the Director. All of the following endorsements are required to be made a part of the insurance policies
42 required by this Section:

- 43
44 1) "This policy shall be considered primary insurance as respects any other valid and
45 collectible insurance the County may possess including any self-insured retention the
46 County may have, and any other insurance the County ~~or District~~ does possess shall be
47 considered excess insurance and shall not contribute with it."
48
49 2) "This insurance shall act for each insured, as though a separate policy had been written for
50 each. This, however, shall not act to increase the limit of liability of the insuring company."
51

1 3) Franchisee shall cause its insurance carrier(s) to furnish County ~~and District~~ by direct mail
2 with certificate(s) of insurance showing that such insurance is in full force and effect, and
3 County ~~and District~~ are named as additional insureds with respect to this Franchise and the
4 obligations of Franchise hereunder. Further, said certificate(s) shall contain the covenant
5 of the insurance carrier(s) that thirty (30) days written notice shall be given to County ~~and~~
6 ~~District~~ prior to modification, cancellation or reduction in coverage of such insurance. In
7 the event of any such modification, cancellation or reduction in coverage and on the
8 effective date thereof, this Franchise shall terminate forthwith, unless County ~~and District~~
9 receive prior to such effective date another certificate from an insurance carrier that the
10 insurance required herein is in full force and effect.

11
12 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
13 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
14 ~~and the District~~ shall be named as additional insureds on all policies and endorsements.

15
16 F. Performance Bond or Letter of Credit.

17
18 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
19 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
20 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
21 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
22 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
23 California.

24
25 G. Modification.

26
27 The insurance requirements provided herein may be modified or waived in writing by the Board upon
28 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
29 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
30 provided by the parent company of Franchisee.

31
32 **SECTION 9. DEFAULT AND REMEDIES**

33
34 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
35 breached its obligation ~~or otherwise has not been in conformity with reasonable industry standards~~, the
36 provisions of this Agreement, the requirements of ~~the California Integrated Waste Management~~
37 ~~Board CalRecycle~~, including, but not limited to, requirements for source reduction and recycling (as to the
38 waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law,
39 ordinance or regulation, including, but not limited to, the laws governing transfer, storage, or disposal of
40 Hazardous Wastes and other wastes requiring special handling, the Director shall advise Franchisee in
41 writing of such deficiencies. The Director may, in such written instrument, set a reasonable time within
42 which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for
43 correction shall be thirty (30) days from the mailing of such written notice. The Director shall review the
44 Franchisee's response and either notify the Franchisee of that decision, in writing, or refer the matter to the
45 Board. A decision or order of the Director shall be final and binding on Franchisee if the Franchisee fails
46 to file a "Notice of Appeal" with the Director within thirty (30) days of receipt of the Director's decision.
47 Within ten working days of receipt of a Notice of Appeal, the Director shall ~~either refer the appeal to the~~
48 ~~Board for proceedings in accordance with Subsections 9B and 9C, below, or~~ refer the matter to a hearing
49 officer as provided in Section 11, below. ~~Where the County and the Franchisee have claims pending against~~
50 ~~each other at the same time under Section 9 and Section 11 jurisdiction shall be with the Board.~~

1 ~~B. The Board, may set the matter for hearing. The Board shall give Franchisee, and any other Person~~
2 ~~requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the~~
3 ~~hearing, the Board shall consider the report of the Director indicating the deficiencies, and shall~~
4 ~~give the Franchisee, or its representatives and any other interested Person, a reasonable opportunity~~
5 ~~to be heard.~~

6
7 ~~C. Based on the evidence presented at the public hearing, the Board shall determine by Resolution~~
8 ~~whether the Agreement should be terminated or other remedies imposed. If, based upon the record,~~
9 ~~the Board determines that the performance of Franchisee is in breach of any material Term of this~~
10 ~~Agreement or any material provision of any applicable Federal, State, or local statute, ordinance or~~
11 ~~regulation, or is deficient with respect to prevailing industry standards, the Board in the exercise of~~
12 ~~its sole discretion, may terminate forthwith, this Agreement. Franchisee's performance under its~~
13 ~~franchise is not excused during the period of time prior to the Board's final determination as to~~
14 ~~whether such performance is deficient.~~

15
16 D.B. The right of termination is in addition to any other rights of County upon failure of
17 Franchisee to perform its obligations under this Agreement.

18
19 E.C. The County further reserves the right to terminate Franchisee's franchise, following public
20 hearing therefor, not later than 6 months following the date of said hearing at which a majority vote of the
21 board determines it is in the public interest to do so:

- 22
- 23 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 24
- 25 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
- 26 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 27
- 28 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
- 29 compensation, liability, indemnification coverage, and performance bond as required by
- 30 the Agreement.
- 31
- 32 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
- 33 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
- 34 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
- 35 which case no breach of the franchise shall be deemed to have occurred.
- 36
- 37 5) If the Franchisee ceases to provide Collection services as required under this Agreement
- 38 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
- 39 for any reason within the control of the Franchisee.
- 40
- 41 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
- 42 refuses to provide County with required information, reports, and/or test results in a timely
- 43 manner as provided in the Franchise Agreement.
- 44
- 45 7) For any other act or omission by the Franchisee which materially violates the terms,
- 46 conditions, or requirements of this franchise, Ordinance 657745, successor ordinance,
- 47 other county ordinance, the IWMA, successor acts, or any order, directive, rule, or
- 48 regulation issued thereunder and which is not corrected or remedied within the time set in
- 49 the written notice of the violation or, if the Franchisee cannot reasonably correct or remedy
- 50 the breach within the time set forth in such notice, if the Franchisee should fail to

1 commence to correct or remedy such violation within the time set forth in such notice and
2 diligently effect such correction or remedy thereafter.

- 3
4 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
5 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
6 related to the performance of this Agreement, or of felonious conduct related to anti-trust
7 activities, illegal transport or disposal of hazardous waste or materials, or violation of
8 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.

9
10 **F.D. Professional Conduct**

- 11
12 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
13 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
14 court in the United States, or is otherwise alleged to have participated in any criminal
15 activity directly or indirectly associated with the solid waste management business,
16 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
17 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
18 description of the indictment, complaint or allegation, as well as a copy of such indictment
19 or complaint or other matters of public record related thereto. In addition to the foregoing,
20 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
21 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
22 securities laws, including quarterly and annual reports.
- 23
24 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
25 interest, who has any responsibility for any aspect of the franchisee's operations under this
26 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
27 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
28 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
29 upon request of the County be immediately removed from any assignment whatsoever,
30 directly associated with operations under this contract during the pendency of trial and/or
31 following conviction.

32
33 **G.E.** This Agreement is subject to all present and future laws, regulations and orders of Federal,
34 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
35 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
36 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
37 such party shall notify the other party of such order or requirement and the law, regulation or order on
38 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
39 or to renegotiate the terms of the Agreement within thirty (30) days after ~~the Effective Date of suchsaid~~
40 law, regulation or order becomes effective, then this Agreement shall terminate on the thirty-first day
41 following the ~~Effective Date~~date of suchsaid law, regulation or order becomes effective. Nothing in this
42 Agreement shall prohibit either party, at that party's sole expense from obtaining or seeking to obtain
43 modification or repeal of such law, regulation or order or restrict either party's right to legally contest the
44 validity of such law, regulation or order.

45
46 **SECTION 10. DISRUPTIONS IN SERVICE**

47
48 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
49 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
50 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
51 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County

1 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
2 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
3 by such conditions with an estimate of when service will be resumed.
4

5 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
6 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
7 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
8 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
9 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
10 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
11 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
12 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
13 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
14 County's sole negligence in providing such substitute service. Employees of Franchisee, including
15 management employees, may be employed by County during any period in which County temporarily
16 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
17 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
18 between Franchisee and its employees at the time Franchisee's service was interrupted.
19

20 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
21 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
22 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
23 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
24 be primarily reserved for use by County access while County or its designated representative is performing
25 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
26 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
27 accordance with the provisions of this Agreement.
28

29 SECTION 11. ADMINISTRATIVE HEARING PROCEDURES 30

31 A. Should Franchisee or the County contend that the County-other party is in breach of this Franchise
32 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
33

34 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
35 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
36 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
37 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
38 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
39 Arbitration and Mediation Services.
40

41 C. The hearing shall be conducted according to the provisions of California Government Code Section
42 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a
43 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
44 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
45 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
46 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
47 reasonably related to the seriousness of the breach of the Agreement.
48

49 D. The party losing the hearing shall be liable for the hearing officer's fees.
50

1 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
2 a material breach of the Agreement, and may be grounds for termination of the Agreement.

3
4 F. Any party to the hearing may issue a request to compel reasonable document production from the
5 other party. Disputes concerning the scope of document production and enforcement of document requests
6 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
7 document request, then by disposition by order of the hearing officer. Any such document request shall be
8 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
9 procedures to protect such rights.

10
11 G. Neither party may communicate separately with the hearing officer after the hearing officer has
12 been selected. All subsequent communications between a party and a hearing officer shall be
13 simultaneously delivered to the other party. This provision shall not apply to communications made to
14 schedule a hearing or request a continuance.

15
16 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
17 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
18 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
19 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
20 the party subject thereto acted with substantial justification or if the interests of justice so require.

21
22 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.

23
24 **SECTION 12. FRANCHISE TRANSFERABILITY**

25
26 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
27 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
28 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
29 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
30 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
31 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
32 such a request using such criteria as it deems necessary including, but not limited to, those listed in
33 Subsection C.

34
35 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
36 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
37 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
38 this Agreement.

39
40 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
41 meet the following requirements:

- 42
43 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
44 investigation costs necessary to investigate the suitability of any proposed transferee, and
45 to review and finalize any documentation required as a condition for approving any such
46 transfer.
47
48 2) The Franchisee shall furnish the County with audited financial statements of the proposed
49 transferee's operations for the immediately preceding three (3) operating years.
50

1 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
2 transferee has at least five (5) years of solid waste management experience of a scale equal
3 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
4 that in the last five (5) years, the proposed transferee has not suffered any citations or other
5 censure from any federal, state or local agency having jurisdiction over its waste
6 management operations due to any significant failure to comply with state, federal or local
7 waste management laws. Franchisee shall supply the County with a complete list of such
8 citations and censures; (iii) that the proposed transferee has at all times conducted its
9 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
10 transferee conducts its solid waste management practices in accordance with sound waste
11 management practices in full compliance with all federal, state and local laws regulating
12 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
13 insurance and bonds; and (vii) of other material as may be requested by the County.
14

15 ~~D.—This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County~~
16 ~~without the prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The~~
17 ~~foregoing is not intended to prevent the County from exercising its right to terminate the agreement~~
18 ~~consistent with Section 3, and for the County to seek a new franchisee at the expiration of this~~
19 ~~Agreement. This franchise or portions thereof may be transferred, sold, hypothecated, leased, or assigned~~
20 ~~by the County to any Public Agency having the authority to provide solid waste collection services if the~~
21 ~~Board determines it is in the public interest to do so.~~
22

23 SECTION 13. REPORTS

24
25 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
26 recovery and disposal specified in Exhibit ~~D-C~~ of this Agreement.
27

28 B. Franchisee shall make its customer base and records available to the Department for audit at
29 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
30 Agreement.
31

32 SECTION 14. COMPENSATION

33 A. Franchisee Rates.

34 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
35 the rates set forth in the Exhibit ~~ED~~. Recyclable Materials collected from Commercial and Industrial Units
36 are included in this Exclusive Franchise to the extent provided in state and federal law. ~~Exhibit E specifies~~
37 ~~the maximum rate to be charged for such materials.~~
38
39
40

41 B. Modification and Adjustment of Rates.

42
43 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
44 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
45 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste
46 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or ~~District~~
47 ~~DWR~~ subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
48 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The ~~rates set~~

1 ~~forth on Exhibit E rates~~ shall remain in effect until adjusted by County following a public hearing as
2 provided in Exhibit ~~FD~~.

3
4 C. Notice of Rate Changes
5

6 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
7 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
8 from County regarding approved changes in landfill fees and CPI adjustments. ~~The wording of the notice~~
9 ~~shall be submitted to the Director ten (10) days in advance of its release, and shall be approved as to form~~
10 ~~prior to release. If requested by the Department, the Franchisee will provide a copy of the written notice~~
11 ~~for review.~~ County shall provide Franchisee with written notice of changes in System Facility, franchise,
12 or Illegal Dumping Retrieval Services at least forty-five (45) days in advance of the anticipated rate
13 changes.

14
15 D. Resolution of Disputes Regarding Rate Adjustments
16

17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution can not be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The ~~Effective Date~~ of any dispute resolution, whether retroactive or
23 prospective, shall reasonably be determined by the Board of Supervisors, or the hearing officer, as
24 appropriate. Any Franchisee operating in a ~~Comprehensive Compulsory~~ Collection Area shall be subject
25 to all applicable provisions in the County's ~~comprehensive Compulsory eC~~ollection ordinance.

26
27 E. Billing and Payment.
28

29 Franchisee may bill and receive payment as provided ~~in Exhibit E herein~~. In cases where Franchisee
30 includes a Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount
31 consistent with established waste generation factors and Tipping Fees. Further, on a quarterly basis, the
32 County shall be allowed to include a one (1) page insert for the purpose of public education regarding waste
33 disposal, recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.

36
37
38 F. Delinquent Accounts.
39

40 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
41 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
42 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
43 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
44 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any

1 Franchisee operating in a ~~comprehensive Compulsory e~~Collection area shall be subject to all applicable
2 provisions in the ~~comprehensive Compulsory e~~Collection ordinance.

3
4 G. Refunds.

5
6 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
7 such customer for service not provided when service is discontinued by written notification to Franchisee
8 by the customer.

9
10 **SECTION 15. FRANCHISE FEES**

11
12 A Franchise Fee of ~~eight (8)~~ten (10) percent of the Franchisee's Gross Receipts, ~~less landfill fees or~~
13 ~~Transfer Station Tipping Fees~~, shall be payable by Franchisee to the Department thirty (30) days after the
14 close of each quarter of each year this Agreement remains in effect. The Franchise Fee shall not be required
15 to be paid for revenues generated by the collection or sale of Recyclable Materials and Organic Waste
16 collected by the Franchisee, ~~or for the provision of construction roll off services~~. A penalty of ten (10)
17 percent shall be due for fees not submitted within the thirty (30) day time period.

18
19 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
20 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
21 accordance with Exhibit ~~FD~~.

22
23 **SECTION 16. OTHER REQUIREMENTS**

24
25 A. Privacy

26
27 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
28 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
29 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
30 statute, or upon valid authorization of the customer. — This provision shall not be construed to preclude
31 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
32 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
33 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
34 that Franchisee may provide such lists to authorized employees and authorized representatives of the
35 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
36 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.

37
38 B. Public Access to the Franchisee

- 39
40 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
41 Monday through Friday. A representative of Franchisee shall be available during office
42 hours for communication with the public at Franchisee's principal office. In the event that
43 normal business cannot be conducted over the telephone, a representative of Franchisee
44 shall agree to meet with the public at a location agreeable to Franchisee and the public.
45 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee

1 shall also maintain a local or toll free after-hours telephone number for use during other
2 than normal business hours. Franchisee shall have a representative or answering device or
3 system available at said after-hours telephone number during all hours other than normal
4 office hours.
5

6 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
7 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
8 Person, by close of business of the second business (waste Collection) day following the
9 date on which such complaint is received. Service complaints may be investigated by the
10 Director or a designee. Franchisee shall maintain records listing the date of customer
11 complaints, the customer, describing the nature of the complaint or request, and when and
12 what action was taken by the Franchisee to resolve the complaint. All such records shall
13 be maintained and shall be available for inspection by County.
14

15 3) Government Liaison Person. The Franchisee shall designate a "government liaison
16 Person" who shall be responsible for working with the Department to resolve customer
17 complaints.
18

19 C. Resolution of Disputed Customer Complaints.
20

21 The Franchisee shall ~~notify-supply, upon~~ customers request, a copy of this complaint arbitration
22 procedure at the time a customer applies for or are provided service, and subsequently, as requested by
23 the customer annually. Procedures for resolution of disputed claims shall be as follows:
24

25 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
26 County to review the complaint. To obtain this review, the customer may request County
27 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
28 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
29 has failed to respond to the complaint. The County may extend the time to request its
30 review for good cause.
31

32 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
33 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
34 customer's complaint and determine if further action is warranted. The Director may
35 request written statements from the Franchisee and customer, and/or oral presentations.
36

37 3) The Director shall determine if the Customer's complaint is justified, and if so, what
38 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
39 of customer charges related to the period of breach of any of the terms of this Franchise
40 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
41 addition to any actual damages.
42

43 4) The Director may delegate these duties to a designee. The decision of the Director or a
44 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
45 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
46 may seek review pursuant to Section 11 above.
47

48 D. Hazardous Materials and Waste Handling and Disposal
49

1 The Franchisee shall comply with the procedures detailed in ~~Exhibit G of this Agreement~~ State Law.

2
3 **SECTION 17. FORCE MAJEURE**
4

5 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
6 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
7 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
8 Solid Waste facilities used by Franchisee:

9 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
10 earthquakes, tornados, or other catastrophic events;

11 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;

12 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
13 other event leading to the imposition of quarantines, travel or movement restrictions, social
14 distancing, or public health advisories restricting large gatherings;

15 D. Accident or other catastrophic event including fire or explosion;

16 E. Strikes and labor disputes;

17 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.

18 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
19

20 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
21 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
22 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
23 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
24 Franchisee intends to take to restore its ability to perform, and such other information as the County may
25 reasonably request.
26

27 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
28 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
29 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
30 Franchisee.

31 ~~Franchisee shall not be in default under this Franchise Agreement in the event that the services provided~~
32 ~~by the Franchisee are temporarily interrupted or discontinued for any of the following reasons: riots, wars,~~
33 ~~sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes,~~
34 ~~landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are~~
35 ~~beyond the reasonable control of Franchisee. Other catastrophic events do not include the financial inability~~
36 ~~of the Franchisee to perform or failure of the Franchisee to obtain any necessary permits or licenses from~~
37 ~~other governmental agencies or the right to use the facilities of any public utility where such failure is due~~
38 ~~solely to the acts or omissions of the Franchisee.~~
39

40 **SECTION 18. OTHER PROVISIONS**
41

42 A. Independent Contractor.
43

1 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
2 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
3 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
4 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
5 retirement or other benefits which accrue to County employees.

6
7 B. Property Damage.
8

9 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
10 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
11 completion of a proper investigation which proves that the Franchisee was at fault of said damage.
12

13 C. Right of Entry.
14

15 Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered
16 to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for
17 the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling,
18 composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.
19

20 D. Law to Govern.
21

22 The law of the State of California shall govern this Franchise Agreement.
23

24 E. Gratuities.
25

26 Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request,
27 solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this
28 Franchise Agreement.
29

30 F. Compliance with Franchise Agreement.
31

32 Franchisee shall comply with those provisions of the Riverside County Ordinances ~~657 and~~ 745, or any
33 successor ordinances, which are applicable, and with any and all amendments to such applicable provisions
34 during the Term of this Franchise Agreement.
35

36 G. Notices.
37

38 All notices required or permitted to be given under this franchise shall be in writing and shall be
39 personally delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return
40 receipt requested, and addressed as follows:
41

42 To County: County of Riverside
43 Attn: Department of Environmental Health
44 4065 County Circle Drive
45 Riverside, CA 92503

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Copy to: County Counsel

To Franchisee: CR&R Incorporated
Attn: Senior Regional Vice President
P.O. Box 1208
Perris, CA 92572

Copy to: CR&R Incorporated
Attn: David ~~Fahrion~~Ronnenberg, President
~~P.O. Box 1208~~ 11292 Western Ave
~~Perris, Ca, 92572~~ Stanton, CA 90680

or to such other address as either party may from time to time designate by notice to the other given in accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed, three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon receipt of confirmation of delivery which confirmation may be transmitted by fax.

H. Exhibits Incorporated.

Exhibits A through ~~I-D~~ are attached to and incorporated in the Franchise Agreement by reference. In the event of differences or conflicts between the language of an Exhibit and the language of the Franchise Agreement, the language of the Exhibit shall prevail.

I. Nondiscrimination.

In performing the Collection services hereunder, Franchisee shall not discriminate against any Person on the ground of race, sex, age, creed, color, religion or national origin.

J. Laws and Licenses.

Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary to perform the services hereunder and maintain the same in full force and effect.

K. Waiver.

No waiver by either party of any one or more defaults or breaches by the other in the performance of this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a like or different character.

SECTION 19. SEVERABILITY

A. The parties agree that the Waste Delivery Agreement ~~attached to this franchise as Exhibit I~~ referenced in this agreement is a material part of the franchise agreement, itself, and is not severable from

1 it. Franchisee agrees not to challenge the validity or enforceability of the Waste Delivery Agreement or
2 any term or provision found in such agreement. If for any reason this Waste Delivery Agreement or any
3 part thereof is found to be void or unenforceable ~~or any part thereof~~ by a court of law, then, ~~the Franchise~~
4 ~~agreement, itself, is deemed to be terminated thereupon and to be of no further force or effect.~~ the County
5 may consider termination or amendment of the Franchise Agreement.
6

7 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
8 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
9 enforceability of any of the remaining provisions of this Franchise Agreement.
10

11 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**

12
13 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
14 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
15 and all other communications, representations, proposals, understandings or Agreements, either written or
16 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
17 or amended, in whole or in part, except by writing signed by both parties hereto.
18

19 At least once every 5 years, or more often as required by a significant change in law, starting from the
20 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
21 or required amendments.
22

23 24 **SECTION 21. CONSTRUCTION OF FRANCHISE**

25
26 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
27 attorneys, and no provision contained herein shall be construed against County solely because it prepared
28 this agreement in its executed forms.
29

30 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

31
32 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
33 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
34 another company, all service levels and rates of this contract shall at the discretion of the Board of
35 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on ~~May 5th, 2016.~~ _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

~~Steve Van Stockum~~ Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

~~J. Alex Braicovich~~ Clifford Ronnenberg

17

Chairman and CEO ~~Senior Regional Vice~~

18

~~President~~

19

CR&R Incorporated

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EXHIBIT B

FRANCHISE AREA 13

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

Hauler Franchise Area 13

1
2
3 Beginning at the Northwest Corner of Section 3, T. 2 S., R. 5 E., S.B.M.;

4
5 Thence Easterly, along the Northerly Riverside County Boundary, Also Being the Township Line Between
6 T. 1 S. And T. 2 S., to the Southwest Corner of Section 33, T. 1 S., R. 16 E.;

7
8 Thence Northerly, along Said County Boundary to the Northwest Corner of Section 21, T. 1 S., R. 16 E.;

9
10 Thence Easterly, along the Section Lines, Also Being Said County Boundary, to the Point of Intersection
11 with the Interstate Boundary Between the States of Arizona and California on the Centerline of the Colorado
12 River. Said Interstate Boundary and Centerline Being Described in "Interstate Compact Defining the
13 Boundary Between the States of Arizona and California." a Certified Copy of Which is on File with the
14 Riverside County Recorders Office, Riverside County, California;

15
16 Thence Southerly, along Said County Boundary, Also Being said Interstate Boundary, to the Point of
17 Intersection with the South Line of T. 8 S., Said Line Also Being the Second Standard Parallel South;

18
19 Thence Westerly, along Said County Boundary, Also Being Said Parallel, to the Point of Intersection with
20 the Northeasterly Right of Way Line with the All American Canal Shown on Map 16-B-1 (45-K), on File
21 in the Office of the Riverside County Surveyor, Riverside County, California;

22
23 Thence Northwesterly, along Said Canal, Through its Various Courses, to the Point of Intersection with the
24 West Line of Section 18, T. 7 S., R. 10 E., Said Line Also Being the West Line of Said Township;

25
26 Thence Northerly, along Said Township Line, Also Being the West Line of Sections 18, 7, and 6, to a Point
27 Being the Northwest Corner of Section 6, Said Point Also Falling on the North Line of Said Township;

28
29 Thence Continuing Northerly, along the West Line of T. 6 S., R 10 E., Also Being the West Line of Sections
30 31, 30, 19, 18, 7, and 6, to a Point Being the Northwest Corner of Section 6, Said Point Also Falling on the
31 North Line of Said Township;

32
33 Thence Continuing Northerly, along the West Line of T. 5 S., R. 10 E., Also Being the West Line of Section
34 31, to the Point of Intersection with the Southwesterly Right of Way Line of the Colorado River Aqueduct;

35
36 Thence Northwesterly, along Said Southwesterly Right of Way Line of the Colorado River Aqueduct;
37 Through its Various Courses, to the Point of Intersection with the North Line of Section I, T. 4 S., R 7 E.,
38 Said Point Also Falling on the North Line of Said Township;

39
40 Thence Easterly, along Said Township Line, Also Being the North Line of Said Section I, to the Point of
41 Intersection with the Southwesterly Boundary Line of Joshua Tree National Park;

42
43 Thence Northwesterly, along Said National Park Boundary, Through its Various Courses, to the Point of
44 Intersection with the West Line of Section 22, T. 2 S., R. 5 E.;

45
46 Thence Northerly, along Said National Park Boundary, Also Being the West Line of Sections 22, 15, 10,
47 and 3, to the Northwest Corner of Section 3 of Said Township, Also Being the Point of Beginning.

48
49 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
50 in areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12.

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EXHIBIT DC

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the ~~District-DWR~~ reserve the right to request additional information as necessary to meet their needs, ~~including but not limited to the AB 939 reporting requirements and to comply with applicable State Law.~~ Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste, ~~and recyclables and green waste~~ Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste, ~~recyclables and green waste~~ and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit ~~all~~ completed ticket transactions to the ~~District-DWR~~ as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the ~~District-DWR~~ within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the ~~District-DWR~~ and placed on Franchisee's monthly billing, ~~for each day' delinquencies as described in the CDTTS Procedure Manual and Riverside County Waste resources Management District Ordinance No. 1.~~

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter. ~~The first report is due by April 30, 1999 and shall cover the period from the effective date of this Agreement through the end of each quarter.~~

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary ~~Summary~~ reports
2. ~~Equipment inventory~~
3. ~~Future programs~~
2. Litigation information Education and Outreach
3. Service Performance
4. Container contamination monitoring

1
2 **Collection ~~Information~~Summary**
3

4 The Franchisee shall provide a ~~quarterly~~ report that lists the quantity of solid waste and Recyclable Material
5 collected by month and the number of accounts serviced monthly. The quantities of solid waste, ~~recyclables~~
6 ~~and green waste~~ and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if
7 tonnage information is not available). The Department may, at its discretion, also require reporting by
8 volume. The Franchisee shall clearly specify any assumptions made in reporting the tonnage or cubic yard
9 information such as density factors.
10

11 **Education and Outreach**
12

13 The Franchisee shall submit copies of public education materials sent to customers or provided
14 electronically on their websites or social media outlets.

15 **Service Performance**
16

17 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
18 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
19 shall identify the total number of all written or oral Customer comments and shall provide the number of
20 comments received in the following categories: praises, litter or property damage complaints, misplacement
21 of containers, stolen containers, personnel complaints, missed pickups, and other.
22

23 **Container Contamination Monitoring**
24

25 The Franchise shall provide a summary of container contamination monitoring activities including
26 information on efforts to minimize container contamination. When applicable a separate detailed report
27 shall be provided to the Department identifying sites that are out of compliance and require additional
28 enforcement by the County.
29

30 **~~Program Implementation~~**
31

32 ~~The Franchisee shall submit a report summarizing the problems or barriers to implementation of services~~
33 ~~for the quarter. The report shall address how the problems and barriers were overcome or the proposed~~
34 ~~resolutions and schedule for correcting the problem.~~
35

36 **4. ANNUAL REPORTS**
37

38 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
39 Franchisee will be responsible for providing the following reports:
40

- 41 1. Summary reports
- 42 2. Equipment inventory
- 43 3. Program implementation
- 44 3-4. Future programs
- 45 5. Litigation information
- 46 4-6. Education and Outreach
47

48 **Summary Reports**
49

1 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
2 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
3 provided shall include quantities of materials collected, and if processed by non-system facilities, the
4 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
5 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
6 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
7 experiences, and any problems in program operation and how they were resolved.

8 9 **Equipment Inventory**

10
11 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
12 The inventory list shall indicate the age of the equipment.

13 14 **Program Implementation**

15
16 The Franchisee shall submit a report summarizing the problems or barriers to implementation of services
17 for the quarter/year. The report shall address how the problems and barriers were overcome or the proposed
18 resolutions and schedule for correcting the problem.

19 20 **Future Programs**

21
22 The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed
23 but have not been planned for.

24 25 **Litigation Information**

26
27 The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation
28 against the parent company and all subsidiaries of parent company that may have an effect on the
29 Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

30 31 **Education and Outreach**

32
33 The Franchisee shall submit copies of public education materials sent to customers or provided
34 electronically on their websites or social media outlets.

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EXHIBIT ~~FD~~

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

~~All Rate adjustments must receive approval by the Board of Supervisors following public hearings.~~

1.3. ANNUAL RATE ADJUSTMENT

~~The Schedule of Approved Rates provided referenced in Exhibit E Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st with the first such adjustment occurring July 1, 1999. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario/Los Angeles/Anaheim/Riverside Metropolitan Area or equivalent successor index, (1982-84=100), as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service. Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year, January through December. The first adjustment shall be effective July 1, 1999, based upon changes in the consumer Price Index formula for the period January 1998 through December 1998. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. District-DWR direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.~~

~~Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.~~

2. PERIODIC RATE ADJUSTMENT MECHANISM

~~The Department reserves the right to review the Franchisee's rates every three years from the effective date~~

1 ~~of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in~~
2 ~~comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that the~~
3 ~~Department makes such a determination the Franchisee's rates may be adjusted to any level at or above the~~
4 ~~average rates in the comparable jurisdictions.~~

5
6 **3.4. EXTRAORDINARY RATE REVIEW**

7
8 A. The Director or Franchisee may initiate a special rate review by the Department should an
9 extraordinary event or circumstance arise which has a significant impact on the economic operation
10 of the Franchisee or the rates charged to customer as follows:

- 11
12 1. An event or circumstance (including changes in law) occurs which is beyond the control of
13 Franchisee or County.
14
15 2. Changes to operations mandated by the County or proposed by Franchisee and approved by the
16 County.

17
18 ~~3. Any change in disposal/Green Waste tip fees.~~

19
20 ~~4.3.~~ The ~~District DWR~~ directs Franchisee to use a different System Facility for more than thirty (30)
21 days that involves a change in round trip time or distance.

22
23 ~~5.4.~~ The County modifies the franchise fee.

24
25 ~~6.5.~~ Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.

26
27 ~~7.6.~~ Significant increases in the number of customer accounts due to development or growth.

28
29 ~~8.7.~~ Other circumstances at the discretion of the Director or the Board of Supervisors.

30
31 B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which
32 warrant consideration of a special rate review, as specified above, will be reviewed and considered.

33
34 C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and
35 operational information at least three months prior to the proposed effective date of any rate
36 adjustment.
37

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FRANCHISE COLLECTION
AGREEMENT
FOR FRANCHISE
AREA #13

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EXHIBITS

A. SERVICES

B. FRANCHISE AREA

C. REPORTING

D. RATES AND RATE ADJUSTMENT MECHANISM

1 AMMENDED AND RESTATED AGREEMENT BETWEEN
2 THE COUNTY OF RIVERSIDE AND CR&R INCORPORATED
3 FOR THE COLLECTION AND TRANSPORTATION
4 OF RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS
5

6 This Franchise Agreement ("Franchise Agreement") by and between the County of Riverside
7 ("County") and CR&R Incorporated ("Franchisee"), for the Collection and transportation of Solid Waste,
8 Recyclable Materials, Organic Waste, and construction debris and other specified services, originally
9 entered into on October 8, 1997, and most recently amended on May 5, 2016, is hereby amended and
10 restated on December 7, 2021.
11

12 **RECITALS**
13

14 **WHEREAS**, pursuant to California Public Resources Code Section 40059 (a)(1), and County
15 Ordinance 745 the County of Riverside ("County") has determined that the public health, safety, and well-
16 being of county residents requires that an Exclusive Franchise be awarded to a qualified enterprise for waste
17 management services for residential, commercial, and industrial customers in the County of Riverside; and
18

19 **WHEREAS**, in order to comply with the mandates of the California Integrated Waste Management
20 Act of 1989 ("IWMA") and subsequent legislation and regulation, the County of Riverside must have the
21 ability to direct the flow of Solid Waste within the unincorporated County for the purposes of processing,
22 recovery and disposal; and
23

24 **WHEREAS**, the Board of Supervisors of the County of Riverside declares its intention of
25 maintaining reasonable rates for the provision of Solid Waste services within the unincorporated County;
26

27 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
28

29 **SECTION 1. REPRESENTATIONS AND WARRANTIES**
30

31 **A. Representations and Warranties of Franchisee.** Franchisee hereby makes the following
32 representations and warranties for the benefit of the County as of the date of this Agreement.
33

- 34 1) Franchisee is duly organized and validly existing as a corporation in good standing under
35 the laws of the State of California.
- 36
- 37 2) Franchisee has full legal right, power, and authority to execute, deliver, and perform this
38 Agreement, and has duly authorized the execution and delivery of this Agreement.
39
- 40 3) The Persons signing this Agreement on behalf of Franchisee have been authorized by
41 Franchisee to do so, and this Agreement has been duly executed and delivered by
42 Franchisee, and constitutes a legal, valid and binding obligation of Franchisee enforceable
43 against Franchisee in accordance with its terms.
44
- 45 4) To the best of Franchisee's knowledge, there is no action, suit, or proceeding before any
46 court or governmental entity against Franchisee or affecting Franchisee, wherein an
47 unfavorable decision, ruling or finding would adversely affect the validity or enforceability
48 of this Agreement, or which would have a material adverse effect on the financial condition
49 of Franchisee.
50

1 5) Franchisee has sufficient financial resources to perform all aspects of its obligations
2 hereunder. There has been no material adverse change in Franchisee's or Franchisee's
3 parent company's financial circumstances since the date of the most recent financial
4 statements submitted to the Environmental Health Department ("Department"). Prior to
5 the Effective Date of this Agreement, the Franchisee shall submit to the Department the
6 most recent annual financial statements. The Department may at its discretion specify the
7 contents and form of such statements. The Director of Environmental Health may inspect
8 the financial records of the Franchisee at any reasonable time for any reasonable purpose
9 relevant to the performance of this contract.

10
11 6) Franchisee has the expert, professional, and technical capability to perform all of its
12 obligations under this Agreement.

13
14 B. Representations and Warranties of the County.

15
16 Prior to commencement of any services hereunder, the County hereby makes the following
17 representations and warranties to and for the benefit of Franchisee as of the date of this Agreement:

- 18
19 1) The parties executing this Agreement on behalf of the County are duly authorized to do so.
20 This Agreement constitutes the legal, valid and binding Agreement of the County and is
21 enforceable against the County in accordance with its terms.
22
23 2) To the best of the County's knowledge, there is no action, suit, or proceeding against the
24 County before any court or governmental entity wherein an unfavorable decision, ruling or
25 finding would adversely affect the validity or enforceability of this Agreement.
26

27 **SECTION 2. DEFINITIONS**

28
29 Whenever any term used in this Franchise Agreement has been defined by Division 30, Part I, Chapter
30 2 of the California Public Resources Code, the definitions in the Public Resources Code, as presently
31 defined and as they may be amended in the future shall apply unless the term is otherwise defined in this
32 Agreement. In the event of conflict between the definition of a term as found in the California Public
33 Resources Code or in County ordinances and this Agreement, the definition in this Agreement shall
34 supersede the definition found in the Public Resources Code or in County ordinances.
35

36 A. Agreement means this Agreement between the County and Franchisee for the Collection and
37 transportation of Solid Waste and other specified services, including all exhibits, and any future
38 amendments.
39

40 B. Bins mean those containers provided by Franchisee for commercial, industrial, construction,
41 and multi-residential uses. Bins are of two types: (i) Bins (generally 2 to 6 cubic yards in size) which are
42 picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (generally 10 to 40
43 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.
44

45 C. Board means the Riverside County Board of Supervisors.
46

47 D. Bulky Items mean discarded furniture (including chairs, sofas, mattresses, carpet, and other
48 similar items); appliances (including refrigerators, ranges, washers, dryers, water heaters, dishwashers,
49 plumbing, small household appliances, and other similar items, commonly known as "white goods"); wood
50 wastes (including wood waste, tree trunks, and large branches if no more than 2 feet in diameter, 4 feet in

1 length, and 50 pounds in weight per bundle, scrap wood, in the aggregate not exceeding 0.5 cubic yard per
2 Collection unless Contractor allows heavier or larger-sized items); clothing; and tires. Any Bulky Items
3 containing chloroflourocarbon (CFC) refrigerants shall be handled in accordance with Applicable Law.
4 Bulky Items do not include car bodies or C&D, or any other items that cannot be handled safely by two (2)
5 Persons.

6
7 E. Collection means Collection of Solid Waste, recyclable material, or other material specified in
8 this Agreement and its transportation to an appropriate Solid Waste Facility.

9
10 F. Commercial Units mean all commercial, industrial, institutional or other facilities, except
11 residential and Multi-Residential Units.

12
13 G. Compulsory Collection Areas mean specific portions or areas of the County designated by an
14 Ordinance or Resolution of the Board of Supervisors in which specified residential, multi-residential, and/or
15 commercial units are required to subscribe to refuse collection.

16
17 H. County means the County of Riverside, State of California.

18
19 I. Department means the Riverside County Department of Environmental Health.

20
21 J. Director means the Director of the Riverside County Department of Environmental Health or
22 their designee.

23
24 K. Diversion (or any variation thereof including "Divert") means activities which reduce or
25 eliminate discarded materials from disposal, including, but not limited to, source reduction, reuse, salvage,
26 recycling, and composting.

27
28 L. Effective Date means the date on which this Agreement becomes effective, which shall be the
29 date it is executed by the Board of Supervisors.

30
31 M. Exclusive Franchise means the rights granted to the Franchisee under the terms and conditions
32 of this Agreement, including the sole right to collect Solid Waste, Recyclable Materials and/or Organic
33 Waste, and other materials as specified in this Agreement and its exhibits, within the area defined in Exhibit
34 B.

35
36 N. Franchise Area means the geographic territory defined in Exhibit B.

37
38 O. Generator means the owner or occupant of premises, including residences or businesses, which
39 initially produces Solid Waste, Recyclable Materials, or Organic Waste.

40
41 P. Green Waste means organic waste generated from any landscaping including grass clippings,
42 leaves, prunings, tree trimmings, weeds, branches, and brush.

43
44 Q. Gross Receipts means all monies received by Franchisee for providing franchise services
45 specified in this Agreement, including, but not limited to, payment for regular and special services, leases
46 on containers, pass through costs collected on behalf of the County, and collections received on delinquent
47 accounts. Gross Receipts does not include uncollectible accounts and pass through costs collected on behalf
48 of State or other governmental agencies.

1 R. Hard-to-Service may refer to any service area that is not standard curb and gutter service or
2 cannot be serviced by the Franchisee's standard vehicles. Hard to Service areas may include one or more
3 of the following:

- 4 1) Rural, sparsely populated areas,
- 5 2) Hilly or mountainous terrain,
- 6 3) Poorly paved or unpaved roads which may be impassable in poor weather,
- 7 4) Large, uninhabited areas between pockets of homes,
- 8 5) Unusually heavy waste due to large properties, livestock, etc.
- 9 6) Limited access on a private street or alley.

10 Areas designated to be "Hard-to-Service" may be reviewed by the Franchisee and County every twenty-
11 four (24) months, or more frequently as requested by the County, in order to verify that those areas remain
12 "Hard to Service"

13
14 S. Integrated Waste Management Act (IWMA) means the California Integrated Waste
15 Management Act of 1989 (AB 939), including all subsequent amendments.

16
17 T. Multi-Residential Units mean permanent buildings containing three or more Residential Units
18 including, but not limited to, condominiums, apartment houses, motels, hotels, mobilehome parks where
19 mobilehome lots are not individually owned, travel trailer parks, and recreational vehicle parks.

20
21 U. Organic Waste means food waste, green waste, landscape and pruning waste, nonhazardous
22 wood waste, and food-soiled paper waste that is mixed in with food waste.

23
24 V. Recyclable Materials mean material which has been segregated from other Solid Waste
25 material for the purpose of reuse or recycling, including, but not limited to, discarded paper, glass,
26 cardboard, plastic, ferrous materials, Organic Waste or aluminum. Recyclable Materials also include mixed
27 Recyclables consisting of two or more of the above-referenced material types separated from non-
28 Recyclable Materials at the point of Collection and offered for Collection in a mixture including not more
29 than five (5) percent Solid Waste by weight.

30
31 W. Residential Unit means an occupied dwelling within the unincorporated area of the County
32 occupied by a Person or group of Persons. A Residential Unit shall be deemed occupied when either water
33 or domestic light and power services are being supplied thereto. This definition shall apply also to
34 mobilehome subdivisions where the mobilehome lot is individually owned. A duplex is considered to be
35 two (2) attached Residential Units.

36
37 X. Roadways mean all County maintained roadways in the unincorporated area of the County or
38 private roadways, accessible by the Franchisee and used for providing routine service as defined in Exhibit
39 A of this Agreement.

40
41 Y. System Facility means a Solid Waste Facility that is owned and/or operated by the Riverside
42 County Department of Waste Resources (DWR), or with which the DWR has entered into an Agreement,
43 and that for the purposes of this Agreement is designated by the DWR through a separately executed Waste
44 Delivery Agreement to be used by the Franchisee for the processing, recovery and/or disposal of Solid
45 Waste, Recyclable Materials or Organic Waste.

46
47 Z. Term means the Term of this Agreement, as provided for in Section 3.
48

1 AA. Waste Delivery Agreement means the contract entered into by the DWR and the Franchisee
2 (defined as "Collector" therein) specifying the specific portions of the waste stream that are to be directed
3 to specified System Facilities and kept on file with the DWR.
4

5 BB. Wood Waste means industrial dimension lumber, pallets, shipping dunnage, and similar
6 discarded processed wood materials, and large tree limbs.
7

8 SECTION 3. GRANT AND TERM OF EXCLUSIVE FRANCHISE 9

10 A. Pursuant to Ordinance 745, and the IWMA, and subject to the terms and conditions of this
11 Agreement, including any prior amendments which are incorporated herein by reference, County hereby
12 grants to Franchisee the exclusive right, privilege, and franchise to provide the services set forth in Exhibit
13 A of this Agreement within the portion of the unincorporated area of the County of Riverside specified in
14 Exhibit B of this Agreement for the Term set forth below and to use the County streets and roads for such
15 purposes.
16

17 B. In consideration of the rights, privilege, and franchise granted by this Agreement, Franchisee
18 hereby agrees (1) to provide the services set forth in Exhibit A of this Agreement within the portion of the
19 unincorporated area of the County of Riverside specified in Exhibit B of this Agreement for the Term set
20 forth below; and (2) to not collect from any other portions of the unincorporated county covered by
21 Exclusive Franchise Agreements, except as specified in Exhibit B, Solid Waste, Recyclable Materials or
22 Organic Waste.
23

24 In addition, Recyclable Materials collected from Commercial and Industrial Units are included within
25 the Exclusive Franchise, to the extent provided for in state and federal law.
26

27 C. This Agreement shall continue until June 30, 2028. The above provisions in no way affect the
28 County's right to terminate this Agreement following thirty (30) days notice for nonperformance, as
29 provided in Sections 9 and 10 hereof.
30

31 D. Franchisee will commence services under this Agreement on January 1, 2022.
32

33 E. County will enforce the exclusivity of the Franchise granted in this Agreement, but will use its
34 reasonable judgment in determining whether enforcement is necessary and the type of steps that should be
35 taken.
36

37 SECTION 4. FRANCHISE AREA 38

39 The Franchise Area granted by this Franchise Agreement is the portion of the unincorporated Riverside
40 County defined in Exhibit B, "Franchise Area."
41

42 SECTION 5. SERVICES PROVIDED BY FRANCHISEE 43

44 A. General. 45

46 Franchisee shall provide the Collection and transportation of Solid Waste and
47 Recyclable Materials within the Franchise Area in accordance with the terms of this Agreement. The
48 specific manner in which these services shall be provided is specified in Exhibit A. The Franchisee shall
49 also, upon written request of the Director, provide optional services in the Franchise Area in accordance
50 with the terms set forth in Exhibit A, and the rates set forth in accordance with Exhibit D. Minimum levels
51 of Solid Waste service to be provided under this Agreement are defined below, however, no residential or

1 commercial or business customer shall be refused service, if that party is willing to pay for such service and
2 is current in payment. Disputes arising over the terms on which a particular customer may be serviced
3 because of remoteness of location, difficulty of access, particular needs of the customer, etc. shall be
4 decided in accordance with the provisions of Section 16 (B) (2) related to "service complaints."
5

6 B. Single Family Residential.
7

8 Weekly Service. Not less often than once per week, and more frequently if required to handle the
9 waste stream of the premises, Franchisee shall collect the Solid Waste and Recyclable Material (except
10 bulky items and Hazardous Waste) which have been placed, kept, or accumulated in containers at
11 Residential Units within the Franchise Area and placed at curbside prior to Franchisee's normal weekly
12 Collection time. Solid Waste must be placed within containers at curbside without obstructions so as to
13 permit for safe and efficient Collection, unless otherwise agreed upon by County and Franchisee.
14 Franchisee may negotiate special pickup procedures, above and beyond the normal services described
15 above, with customers for an additional fee in an amount provided in Exhibit D.
16

17 C. Commercial, Industrial, and Multi-Residential.
18

- 19 1) Multi-Residential Weekly Service. Not less often than once per week, and more frequently
20 if required to handle the waste stream of the premises where the Bins are located,
21 Franchisee shall collect the Solid Wastes (including bulky items which have been placed
22 in a closed bin, and excepting metallic white goods and Hazardous Waste) which have been
23 placed, kept or accumulated for Collection in Solid Waste Bins at Multi- Residential Units.
24
25 2) Commercial and Industrial Weekly Service. Not less often than once per week, and more
26 frequently if required to handle the waste stream of the premises where the Bins are located,
27 Franchisee shall collect the Solid Wastes which have been placed, kept or accumulated for
28 Collection in Solid Waste Bins at Commercial Units.
29

30 D. Construction and Temporary Bin/Rolloff Services.
31

32 Franchisee shall provide construction and temporary bin/rolloff services using rates established per
33 Exhibit D.
34

35 E. Semi-Annual Cleanup and Bulky Wastes Collection.
36

- 37 1) Upon verbal or written customer request, made a minimum of two business days prior to
38 the customer's regular service day, Franchisee shall provide on-call Single Family
39 Residential Bulky Household Waste Collection Service. Bulky items shall be placed within
40 two (2) feet of the curb or other such location as agreed to by the Franchisee and the
41 customer. Franchisee and County agree that this service is intended to allow residents to
42 safely discard of large household items such as furniture and whitegoods or other large
43 household items that do not fit in their regular weekly trash containers. Each Single
44 Residential Unit Customer shall be entitled to receive up to two (2) on-call Bulky
45 Household Waste Collection Services per calendar year with a maximum of four (4) items
46 at each collection occurrence. The total amount of annual allowable items per household
47 shall be eight (8) Bulky Items per calendar year. Automobile tires shall be limited to four
48 (4) tires per collection request. Bulky Household Waste items do not include items such as
49 dirt, rock, sod, other inert or construction materials, motor vehicles, motor vehicle parts,
50 boats, campers, trailers or household hazardous waste. Additional requests for bulky item

1 service shall be subject to the bulky item rates established on the rate sheets approved by
2 the Board of Supervisors.

- 3
4 2) Franchisee shall provide large rolloff refuse containers requested by the Director or his
5 designee to respond to organized community clean up efforts at no charge. Franchisee shall
6 deliver containers to agreed upon collection points and shall cooperate with the Director
7 and designated community leaders to remove containers and dispose of collected Solid
8 Waste. Franchisee is obligated to provide the equivalent of two 40-cubic yard bins/loads
9 per year for each 1,000 Residential Unit customers serviced within the Franchise Area.
10 The DWR will arrange that there shall be no charge of disposal fees for such Solid Waste
11 delivered in separate vehicles to the System Facilities.
12

13 F. Illegal Dumping Retrieval Services

14 Franchisee agrees to provide specified illegal dumping retrieval and disposal services as follows:

- 15
16
17 1) If requested by the County the Franchisee shall turn in a report of illegal dumping of trash
18 (in quantities exceeding one equivalent medium size trash bag) and bulky items (such as
19 tires, couches, and appliances) noticed within or along the Roadway in the franchise area.
20 For the purpose of this provision, the Roadway shall include public rights of way within
21 twenty (20) feet of the paved roadways and within twenty (20) feet of the shoulders of
22 unpaved roadways.
23
24 2) Franchisee shall anticipate and arrange to receive daily by electronic methods, copies of
25 reports of illegal dumping reported by citizens to the Department, Department of
26 Transportation, or the DWR.
27
28 3) Franchisee shall arrange to remove and shall dispose all such reported illegally dumped
29 materials on the Roadway within seventy-two (72) hours of the receipt of reports thereof
30 (excluding weekends and holidays) except for remote areas, as approved by the director,
31 for which the removal shall occur within five working days. The Franchisee may request
32 that specified roads, determined by the franchisee to be inaccessible for waste removal, be
33 considered by the Director for revised waste removal requirements.
34
35
36 4) Abandoned vehicles and objects or appliances larger than conventional household furniture
37 or appliances as well as hazardous, medical, and other wastes requiring special handling
38 are exempt from the retrieval requirements set forth herein, provided, however, that of
39 these exempted items noted within the Roadway are to be immediately reported to the
40 Director.
41
42 5) The Franchisee shall, upon request of private property owners, the Director or the
43 Departments of County Transportation and Land Management Agency, provide removal
44 services for waste illegally disposed of on their private property, excluding those wastes
45 described immediately above in paragraph 5, at a cost or costs as be specified in Exhibit
46 D.
47
48 6) Illegally disposed materials along Roadways within one mile of disposal sites within
49 Riverside County are exempt from the retrieval requirements set forth herein.
50
51

1 G. Collection of Used Motor Oil.

2
3 Franchisee shall collect used motor oil from single family residential customers in accordance with
4 California Public Resources Code Section 48691.

5
6 H. Collection and Equipment

7
8 Franchisee shall provide an adequate number of vehicles and equipment for the Collection,
9 transportation, recycling, and disposal of Solid Waste for which it is responsible under this Franchise
10 Agreement. The equipment of Franchisee used under this Franchise Agreement shall be subject to
11 inspection at the request of the Department.

- 12
13 1) All vehicles used by Franchisee under this Franchise Agreement shall be registered with
14 the Department of Motor Vehicles of the State of California, shall be kept clean and in
15 good repair, and shall be uniformly painted.
16
17 2) A local or toll free telephone number, and vehicle number shall be clearly visibly displayed
18 on all required vehicles.
19
20

21 **SECTION 6. OWNERSHIP OF SOLID WASTE**

22
23 Once Solid Waste, Organic Waste, Wood Waste and construction debris collected from Residential,
24 Commercial or Multi-Residential Units are picked up by Franchisee from Bins for Collection or containers
25 at curbside, and once Recyclable Materials are set out for collection, ownership shall transfer to Franchisee.
26 Solid Waste, Recyclable Materials, Organic Waste, Wood Waste and construction debris, or any part
27 thereof, shall become the property of the owner or operator of a System Facility once deposited there by
28 Franchisee.
29

30 **SECTION 7. DIRECTION OF COLLECTED MATERIALS**

31
32 The direction of the flow of materials collected by the Franchisee under this Agreement is governed by
33 the separately executed Waste Delivery Agreement between the Franchisee (defined as "Collector" therein)
34 and the DWR. The rates referenced in Exhibit D are based on the facility(ies) designated in the Waste
35 Delivery Agreement to be effective on the same date as this Agreement.
36

37 **SECTION 8. INDEMNIFICATION AND INSURANCE, AND BOND**

38
39 A. Indemnification of County

40
41 Separate and distinct from the insurance provisions found in this Agreement, Franchisee agrees to
42 defend, indemnify, and hold harmless, County and their officers, agents, and employees from and against
43 any and all claims, demands, damages, liabilities, costs or expenses for any damages or injuries to any
44 person or property, including, but not limited to, injury to Franchisee's officers, agents, or employees which
45 arise from or are connected with or are caused or claimed to be caused by negligent acts or omissions of
46 Franchisee, and its officers, agents, or employees, in performing the work or services herein, and all
47 reasonable costs and expenses of investigating and defending against same; provided, however, that
48 Franchisee's duty to indemnify and hold harmless shall not include any claims or liability arising from the
49 negligence or misconduct of County or their agents, officers, or employees.

1
2 This obligation shall not be limited by the amounts or coverage specified in the insurance policies and
3 bond(s) supplied by franchisee in conjunction with the agreement. This indemnification obligation shall
4 survive the term of the franchise.
5

6
7 B. Hazardous Substances Indemnification.
8

9 Without limiting the generality of the foregoing, if Franchisee has acted negligently or willfully with
10 respect to the collection or transportation of waste materials, Franchisee shall indemnify, defend with
11 counsel approved by County, protect and hold harmless County and their respective employees, agents,
12 assigns, and any successor or successors to County's interest from and against all claims, actual damages
13 (including, but not limited to, special and consequential damages), natural resources damage, injuries,
14 costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action,
15 suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including, but
16 not limited to, attorneys' and expert witness fees and costs incurred in connection with defending against
17 any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by,
18 or asserted against, County or their respective officers, employees, agents, or Franchisees arising from or
19 attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal,
20 remedial, response, closure or other plan (regardless of whether undertaken due to governmental action)
21 concerning any hazardous substance or Hazardous Wastes at any place where Franchisee stores or disposes
22 of municipal Solid Waste or construction debris pursuant to this Agreement. The foregoing indemnity is
23 intended to operate as an Agreement pursuant to Section 107(e) of the Comprehensive Environmental
24 Response, Compensation and Liability Act, "CERCLA", 42 U.S.C. Section 9607(e) and California Health
25 and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify County from liability.
26

27 C. Minimum Diversion Requirements
28

29 The County and Franchisee shall establish programs sufficient to meet the County's obligations under
30 California Public Resources Code, Section 41780 and any other current or future California Statute that
31 requires the County to divert material from landfills. In the event that the State of California alters the
32 requirements of PRC 41780, the County may require the Franchisee to alter existing recycling programs or
33 to provide additional recycling programs. The Franchisee shall be entitled to a rate adjustment for costs
34 associated with any additional recycling programs.
35

36 The effort to meet the requirements in PRC 41780 shall be supported by the County through reasonable
37 enforcement of the provision of Riverside County Ordinance 745 and any other related County ordinances.
38 The County reserves the right to request reasonable cost recovery from the Franchisee for any efforts
39 County undertakes to meet the requirement of PRC 41780 that are contractually obligated on the part of
40 Franchisee. Nothing in this agreement shall preclude the Franchisee from seeking its own legal remedy
41 against any third party as a means of meeting its obligation under this section.
42

43 Any noted deficiencies in the diversion program set by the County and the Franchisee shall be addressed
44 by the Director as set forth in Section 9.A. of this agreement.
45

46 D. Worker's Compensation Insurance.
47

48 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
49 Agreement full workers' compensation insurance in accord with the provisions and requirements of the
50 Labor Code of the State of California. Endorsements that implement the required coverage shall be filed
51 and maintained with the Director throughout the Term of this Agreement. The policy providing coverage

1 shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in
2 coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt
3 requested, has been given to County. The policy shall also be amended to waive all rights of subrogation
4 against the County, its elected or appointed officials, employees, agents, or Franchisees for losses which
5 arise from work performed by the named insured for the County.

6
7 E. Public Liability Insurance.
8

9 Franchisee shall obtain and maintain in full force and effect throughout the entire Term of this
10 Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of
11 six million dollars (\$6,000,000.00) aggregate and three million dollars (\$3,000,000.00) per occurrence for
12 bodily injury and property damage. Said insurance shall protect Franchisee, the County and their elected
13 or appointed officials, employees, and agents, from any claim for damages for bodily injury, including
14 accidental death, as well as from any claim for property damage which may arise from operations performed
15 pursuant to this Franchise Agreement, whether such operations be by Franchisee itself, or by its agents
16 and/or employees. Copies of the policies or endorsements evidencing the above required insurance
17 coverage shall be filed with the Director. All of the following endorsements are required to be made a part
18 of the insurance policies required by this Section:
19

- 20 1) "This policy shall be considered primary insurance as respects any other valid and
21 collectible insurance the County may possess including any self-insured retention the
22 County may have, and any other insurance the County does possess shall be considered
23 excess insurance and shall not contribute with it."
24
25 2) "This insurance shall act for each insured, as though a separate policy had been written for
26 each. This, however, shall not act to increase the limit of liability of the insuring company."
27
28 3) Franchisee shall cause its insurance carrier(s) to furnish County by direct mail with
29 certificate(s) of insurance showing that such insurance is in full force and effect, and
30 County are named as additional insureds with respect to this Franchise and the obligations
31 of Franchise hereunder. Further, said certificate(s) shall contain the covenant of the
32 insurance carrier(s) that thirty (30) days written notice shall be given to County prior to
33 modification, cancellation or reduction in coverage of such insurance. In the event of any
34 such modification, cancellation or reduction in coverage and on the effective date thereof,
35 this Franchise shall terminate forthwith, unless County receive prior to such effective date
36 another certificate from an insurance carrier that the insurance required herein is in full
37 force and effect.
38

39 The limits of such insurance coverage, and companies, shall be subject to review by the Director every
40 year and may be modified at that time by the County upon a demonstration of reasonable need. The County
41 shall be named as additional insureds on all policies and endorsements.
42

43 F. Performance Bond or Letter of Credit.
44

45 Franchisee shall furnish a corporate surety bond as security for performance under this Agreement.
46 The amount of the bond shall be the average of two months' expected Gross Receipts. Premium for the
47 above described bond(s) shall be paid by Franchisee. A certificate from the surety showing that the bond
48 premiums have been paid in full shall accompany the bond. The surety on the bond shall be a company
49 acceptable by the County and shall be a corporate surety company authorized to do business in the State of
50 California.
51

1 G. Modification.
2

3 The insurance requirements provided herein may be modified or waived in writing by the Board upon
4 the request of Franchisee, provided the Board determines such modification or waiver is in the best interest
5 of County, in its reasonable judgment, considering all relevant factors, including financial guarantees
6 provided by the parent company of Franchisee.
7

8 **SECTION 9. DEFAULT AND REMEDIES**
9

10 A. If the Director determines that the Franchisee's performance pursuant to this Agreement has
11 breached its obligation, the provisions of this Agreement, the requirements of CalRecycle, including, but
12 not limited to, requirements for source reduction and recycling (as to the waste stream subject to this
13 Franchise Agreement) or any other applicable Federal, State, or local law, ordinance or regulation,
14 including, but not limited to, the laws governing transfer, storage, or disposal of Hazardous Waste and other
15 wastes requiring special handling, the Director shall advise Franchisee in writing of such deficiencies. The
16 Director may, in such written instrument, set a reasonable time within which correction of all such
17 deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be thirty (30)
18 days from the mailing of such written notice. The Director shall review the Franchisee's response and either
19 notify the Franchisee of that decision, in writing, or refer the matter to the Board. A decision or order of
20 the Director shall be final and binding on Franchisee if the Franchisee fails to file a "Notice of Appeal" with
21 the Director within thirty (30) days of receipt of the Director's decision. Within ten working days of receipt
22 of a Notice of Appeal, the Director shall refer the matter to a hearing officer as provided in Section 11,
23 below.
24

25 B. The right of termination is in addition to any other rights of County upon failure of Franchisee to
26 perform its obligations under this Agreement.
27

28 C. The County further reserves the right to terminate Franchisee's franchise, following public hearing
29 therefor, not later than 6 months following the date of said hearing at which a majority vote of the board
30 determines it is in the public interest to do so:
31

- 32 1) If the Franchisee practices, or attempts to practice, any fraud or deceit upon the County.
- 33
- 34 2) If the Franchisee becomes insolvent, unable, or unwilling to pay its debts, or upon listing
35 of an order for relief in favor of Franchisee in a bankruptcy proceeding.
- 36
- 37 3) If the Franchisee fails to provide or maintain in full force and effect, the workers'
38 compensation, liability, indemnification coverage, and performance bond as required by
39 the Agreement.
- 40
- 41 4) If the Franchisee willfully violates any orders or rulings of any regulatory body having
42 jurisdiction over the Franchisee relative to this Agreement, provided the Franchisee may
43 contest any such orders or rulings by appropriate proceedings conducted in good faith, in
44 which case no breach of the franchise shall be deemed to have occurred.
- 45
- 46 5) If the Franchisee ceases to provide Collection services as required under this Agreement
47 overall or a substantial portion of its Franchise Area for a period of seven (7) days or more,
48 for any reason within the control of the Franchisee.
- 49

- 1 6) If the Franchisee willfully fails to make any payments required under the Agreement and/or
2 refuses to provide County with required information, reports, and/or test results in a timely
3 manner as provided in the Franchise Agreement.
4
5 7) For any other act or omission by the Franchisee which materially violates the terms,
6 conditions, or requirements of this franchise, Ordinance 745, successor ordinance, other
7 county ordinance, the IWMA, successor acts, or any order, directive, rule, or regulation
8 issued thereunder and which is not corrected or remedied within the time set in the written
9 notice of the violation or, if the Franchisee cannot reasonably correct or remedy the breach
10 within the time set forth in such notice, if the Franchisee should fail to commence to correct
11 or remedy such violation within the time set forth in such notice and diligently effect such
12 correction or remedy thereafter.
13
14 8) Should the Franchisee or any parent corporation or entity, or any of the officers or directors
15 of the Franchisee or any parent corporation or entity be found guilty of felonious conduct
16 related to the performance of this Agreement, or of felonious conduct related to anti-trust
17 activities, illegal transport or disposal of hazardous waste or materials, or violation of
18 Racketeer - Influenced Corrupt Organizations (RICO) Statutes.
19

20 D. Professional Conduct
21

- 22 1) In the event that any official, employee, or contractor for Franchisee or its successor-in-
23 interest is indicted by a grand jury, named as a defendant in a felony complaint filed in any
24 court in the United States, or is otherwise alleged to have participated in any criminal
25 activity directly or indirectly associated with the solid waste management business,
26 Franchisee or its successor-in-interest shall provide written notice thereof to the Director
27 within 14 days of such indictment, complaint or allegation. Such notice shall contain a
28 description of the indictment, complaint or allegation, as well as a copy of such indictment
29 or complaint or other matters of public record related thereto. In addition to the foregoing,
30 Franchisee or its successor-in-interest shall provide the Director with copies of any reports
31 required to be prepared by Franchisee or its successor-in- interest pursuant to federal
32 securities laws, including quarterly and annual reports.
33
34 2) In the event that any official, employee, or contractor for Franchisee or its successor-in-
35 interest, who has any responsibility for any aspect of the franchisee's operations under this
36 contract, is convicted, indicted by a grand jury, or named as a defendant in a felony
37 complaint filed in the Superior Court or a complaint filed in Federal Court associated with
38 conduct of doing business for Franchisee or its successor-in- interest, this person shall,
39 upon request of the County be immediately removed from any assignment whatsoever,
40 directly associated with operations under this contract during the pendency of trial and/or
41 following conviction.
42

43 E. This Agreement is subject to all present and future laws, regulations and orders of Federal,
44 State, County, and City governments and any instrumentalities thereof. Should either of the parties hereto
45 at any time during the Term of this Agreement be ordered or required, pursuant to any laws, regulations or
46 orders, to do any act that substantially impairs the party's ability to perform under this Agreement, then
47 such party shall notify the other party of such order or requirement and the law, regulation or order on
48 which such order or requirement is based. Unless the parties agree in writing to continue this Agreement,
49 or to renegotiate the terms of the Agreement within thirty (30) days after said law, regulation or order
50 becomes effective, then this Agreement shall terminate on the thirty-first day following the date said law,
51 regulation or order becomes effective. Nothing in this Agreement shall prohibit either party, at that party's

1 sole expense from obtaining or seeking to obtain modification or repeal of such law, regulation or order or
2 restrict either party's right to legally contest the validity of such law, regulation or order.
3

4 **SECTION 10. DISRUPTIONS IN SERVICE**
5

6 A. If, at any time during the Term of this Agreement for a period of seventy-two (72) consecutive
7 hours or more, Franchisee fails for any reason to collect and remove Solid Waste as required hereunder,
8 County may immediately, upon written notice to Franchisee, cause such Solid Waste to be collected and
9 removed by whatever means available to County. Franchisee shall pay any and all costs incurred by County
10 in providing the service. This clause shall not apply to failure to collect due to unsafe weather or road
11 conditions, provided, however, that the franchisee immediately notifies the Director of the areas affected
12 by such conditions with an estimate of when service will be resumed.
13

14 B. In the event Franchisee fails to collect and remove Solid Waste as required hereunder for a period
15 of at least seventy-two (72) consecutive hours, County, upon written notice to Franchisee, may take
16 temporary possession of and operate any and all trucks or other equipment used by Franchisee for Collection
17 and removal of Solid Waste in the Franchise until such time, not to exceed one hundred twenty (120) days,
18 as Franchisee satisfies County that it is ready, able, and willing to comply with all of the Provisions of this
19 Agreement. In this event Franchisee shall provide County with driver route listings and necessary
20 operational records. County shall be reimbursed by Franchisee for all costs of providing such substitute
21 service. In such events, Franchisee shall indemnify and hold harmless County from and against any damage
22 or liability to any third Person injured or damaged as a result of Franchisee's actions or inactions excepting
23 County's sole negligence in providing such substitute service. Employees of Franchisee, including
24 management employees, may be employed by County during any period in which County temporarily
25 assumes the obligations of Franchisee under this Agreement. However, the rates of compensation paid to
26 Franchisee's employees or any other employees, during such period shall not exceed the rates in effect
27 between Franchisee and its employees at the time Franchisee's service was interrupted.
28

29 C. The parties hereby agree that if Franchisee's failure to perform hereunder is due to a strike or labor
30 dispute or other force majeure event, this Agreement shall not terminate and shall continue to be effective
31 for the duration of such strike or labor dispute. In the event of such a strike or labor dispute, Franchisee
32 shall maintain an unobstructed entrance at its place of business which is not regularly used but which will
33 be primarily reserved for use by County access while County or its designated representative is performing
34 Franchisee's responsibilities. If the labor dispute or picketing blocks access to Franchisee's place of
35 business, Franchisee shall receive no compensation for any time period in which it failed to perform in
36 accordance with the provisions of this Agreement.
37

38 **SECTION 11. ADMINISTRATIVE HEARING PROCEDURES**
39

40 A. Should Franchisee or the County contend that the other party is in breach of this Franchise
41 Agreement, it shall file a request with the Director for an administrative hearing on the allegation.
42

43 B. If the Director refers a matter to a hearing officer, or if the Franchisee should allege a breach of the
44 franchise by the County, County and Franchisee shall mutually agree on a hearing officer within twenty
45 (20) days. County and the Franchisee may, but are not required to, choose a hearing officer from among
46 retired California Superior Court judges or Appellate Court justices, none of whom are related to the parties,
47 and such retired judges or justices may be affiliated with private judicial service companies, such as Judicial
48 Arbitration and Mediation Services.
49

50 C. The hearing shall be conducted according to the provisions of California Government Code Section
51 11500, et seq. The exclusive venue shall be in Riverside County, California. A hearing officer to whom a

1 matter is referred shall have the authority to (i) order the County or the Franchisee to undertake remedial
2 action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess damages
3 and/or levy a penalty upon the County or Franchisee consistent with the terms of this Agreement including
4 terminate the Agreement; or (iii) find there has been no breach. The amount of the penalty shall be
5 reasonably related to the seriousness of the breach of the Agreement.

6
7 D. The party losing the hearing shall be liable for the hearing officer's fees.

8
9 E. Any failure of the Franchisee or County to comply with the hearing officer's order shall be deemed
10 a material breach of the Agreement, and may be grounds for termination of the Agreement.

11
12 F. Any party to the hearing may issue a request to compel reasonable document production from the
13 other party. Disputes concerning the scope of document production and enforcement of document requests
14 shall be subject to Agreement by the parties, or if Agreement is not reached within twenty (20) days of that
15 document request, then by disposition by order of the hearing officer. Any such document request shall be
16 subject to the proprietary rights and rights of privilege of the parties, and the hearing officer shall adopt
17 procedures to protect such rights.

18
19 G. Neither party may communicate separately with the hearing officer after the hearing officer has
20 been selected. All subsequent communications between a party and a hearing officer shall be
21 simultaneously delivered to the other party. This provision shall not apply to communications made to
22 schedule a hearing or request a continuance.

23
24 H. Until final judgment is entered from the hearing officer proceeding under the foregoing provisions
25 and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any
26 penalties or sanctions provided in the Agreement and related to the subject matter of the hearing shall be
27 stayed. The hearing officer may modify or cancel any proposed penalties or sanctions upon a finding that
28 the party subject thereto acted with substantial justification or if the interests of justice so require.

29
30 I. Judicial review is as provided for in Code of Civil Procedure Section 1094.5.

31
32 **SECTION 12. FRANCHISE TRANSFERABILITY**

33
34 A. The franchise granted by this Agreement shall not be transferred, sold, hypothecated, leased, or
35 assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or
36 transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest,
37 or property therein, pass to or vest in any Person, except the Franchisee, either by act of the Franchisee or
38 by operation of law, without the prior written consent of the County expressed by Resolution. Any attempt
39 by Franchisee to assign this franchise without the consent of County shall be void. The County shall review
40 such a request using such criteria as it deems necessary including, but not limited to, those listed in
41 Subsection C.

42
43 B. The County shall not unreasonably withhold its consent to a transfer of the franchise granted by
44 this Franchise Agreement. The County may impose new conditions of approval on a Franchise Agreement
45 transfer, including, but not limited to, conditions requiring acceptance of any reasonable amendments to
46 this Agreement.

47
48 C. If the Franchisee requests that the County consider and consent to a transfer, the Franchisee shall
49 meet the following requirements:
50

- 1 1) The Franchisee shall pay the County its reasonable expenses for attorney's fees and
2 investigation costs necessary to investigate the suitability of any proposed transferee, and
3 to review and finalize any documentation required as a condition for approving any such
4 transfer.
5
6 2) The Franchisee shall furnish the County with audited financial statements of the proposed
7 transferee's operations for the immediately preceding three (3) operating years.
8
9 3) The Franchisee shall furnish the County with satisfactory proof: (i) that the proposed
10 transferee has at least five (5) years of solid waste management experience of a scale equal
11 to or exceeding the scale of operations conducted by Franchisee under this Agreement; (ii)
12 that in the last five (5) years, the proposed transferee has not suffered any citations or other
13 censure from any federal, state or local agency having jurisdiction over its waste
14 management operations due to any significant failure to comply with state, federal or local
15 waste management laws. Franchisee shall supply the County with a complete list of such
16 citations and censures; (iii) that the proposed transferee has at all times conducted its
17 operations in an environmentally safe and conscientious fashion; (iv) that the proposed
18 transferee conducts its solid waste management practices in accordance with sound waste
19 management practices in full compliance with all federal, state and local laws regulating
20 the Collection and disposal of waste; (v) of comparable financial strength; (vi) of required
21 insurance and bonds; and (vii) of other material as may be requested by the County.
22

23 This franchise may not be transferred, sold, hypothecated, leased, or assigned by the County without the
24 prior written consent of the Franchisee, which consent shall not be unreasonably withheld. The foregoing
25 is not intended to prevent the County from exercising its right to terminate the agreement consistent with
26 Section 3, and for the County to seek a new franchisee at the expiration of this Agreement.
27

28 **SECTION 13. REPORTS**

29
30 A. Franchisee shall provide the Director the periodic reports regarding waste stream Collection,
31 recovery and disposal specified in Exhibit C of this Agreement.
32

33 B. Franchisee shall make its customer base and records available to the Department for audit at
34 reasonable times for purposes relevant to review of performance and rate adjustment requests under the
35 Agreement.
36

37 **SECTION 14. COMPENSATION**

38 39 A. Franchisee Rates. 40

41 Franchisee shall provide the services described in this Agreement and its exhibits in accordance with
42 the rates set forth in the Exhibit D. Recyclable Materials collected from Commercial and Industrial Units
43 are included in this Exclusive Franchise to the extent provided in state and federal law.
44

45 B. Modification and Adjustment of Rates. 46

47 If the Franchisee owns, has a financial interest in or operates any landfill located in Riverside County
48 at any time during the effective period of this contract, the Franchisee shall provide copies of all contract
49 and any supplemental agreements it has with each of its (in county) contract customers for disposal of waste

1 at these sites. If rate discrepancies or financial incentives exhibit a potentially unfair advantage or DWR
2 subsidy, the Franchisee hereby agrees the County Board of Supervisors shall have the authority to
3 renegotiate the County Franchise rates and/or the terms of the landfill operating agreement. The rates shall
4 remain in effect until adjusted by County following a public hearing as provided in Exhibit D.

5
6 C. Notice of Rate Changes
7

8 The Franchisee shall provide customers a minimum of thirty (30) days written notice of the
9 implementation of changes in any of its rates and charges provided Franchisee has ninety (90) days notice
10 from County regarding approved changes in landfill fees and CPI adjustments. If requested by the
11 Department, the Franchisee will provide a copy of the written notice for review. County shall provide
12 Franchisee with written notice of changes in System Facility, franchise, or Illegal Dumping Retrieval
13 Services at least forty-five (45) days in advance of the anticipated rate changes.
14

15 D. Resolution of Disputes Regarding Rate Adjustments
16

17 Any dispute regarding adjustment, or the computation or any other dispute regarding Franchisee's
18 reimbursement for fees, special services, or extraordinary costs described in Exhibit D, shall be decided by
19 the Director or his representative. If resolution cannot be reached, the Director shall refer the matter to the
20 Board of Supervisors, or to a hearing officer as provided in Section 11 above. The rates in effect at the time
21 such dispute is submitted to the Board of Supervisors, or a hearing officer shall remain in effect pending
22 resolution of such dispute. The date of any dispute resolution, whether retroactive or prospective, shall
23 reasonably be determined by the Board of Supervisors, or the hearing officer, as appropriate. Any
24 Franchisee operating in a Compulsory Collection Area shall be subject to all applicable provisions in the
25 County's Compulsory Collection ordinance.
26

27 E. Billing and Payment.
28

29 Franchisee may bill and receive payment as provided herein. In cases where Franchisee includes a
30 Landfill Tipping Fee amount on a customer's bill, the County shall prescribe the amount consistent with
31 established waste generation factors and Tipping Fees. Further, on a quarterly basis, the County shall be
32 allowed to include a one (1) page insert for the purpose of public education regarding waste disposal,
33 recycling, or other environmental issues. Print ready copy of such insert, which conforms to the
34 Franchisees' billing, shall be delivered by County Information Officer thirty (30) working days in advance
35 of Franchisee's billing dates.
36

37 F. Delinquent Accounts.
38

39 Franchisee may discontinue service for non-payment of customer's billing or customer's failure to
40 substantially comply with the requirements of this Agreement. After the Franchisee has given fifteen (15)
41 days' notice to customer for non-compliance, Franchisee shall notify the Director in writing of any service
42 termination including a written copy of the notice to the customer. Upon payment of the delinquent fees,
43 if applicable, Franchisee shall resume Collection on the next regularly scheduled Collection day. Any
44 Franchisee operating in a Compulsory Collection area shall be subject to all applicable provisions in the
45 Compulsory Collection ordinance.

1
2 G. Refunds.
3

4 Franchisee shall refund to each customer, on a pro rata basis, any advance service payments made by
5 such customer for service not provided when service is discontinued by written notification to Franchisee
6 by the customer.
7

8 **SECTION 15. FRANCHISE FEES**
9

10 A Franchise Fee of ten (10) percent of the Franchisee's Gross Receipts shall be payable by Franchisee
11 to the Department thirty (30) days after the close of each quarter of each year this Agreement remains in
12 effect. The Franchise Fee shall not be required to be paid for revenues generated by the collection or sale
13 of Recyclable Materials and Organic Waste collected by the Franchisee. A penalty of ten (10) percent shall
14 be due for fees not submitted within the thirty (30) day time period.
15

16 County may, at its sole discretion, adjust the Franchise Fee at any time after giving Franchisee one
17 hundred twenty (120) days notice. Such adjustment shall be cause for a corresponding rate adjustment in
18 accordance with Exhibit D.
19

20 **SECTION 16. OTHER REQUIREMENTS**
21

22 A. Privacy
23

24 Franchisee shall strictly observe and protect the rights of privacy of customers. Information identifying
25 individual customers or the composition or contents of a customer's waste stream shall not be revealed to
26 any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by
27 statute, or upon valid authorization of the customer. This provision shall not be construed to preclude
28 Franchisee from preparing, participating in, or assisting in the preparation of waste characterization studies
29 or waste stream analyses which may be required by the IWMA, and/or County. In addition, Franchisee
30 shall not market, sell, convey, or donate to any Person any list with the name or address of customers except
31 that Franchisee may provide such lists to authorized employees and authorized representatives of the
32 County as necessary to comply with this Agreement. The rights accorded customers pursuant to this Section
33 shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.
34

35 B. Public Access to the Franchisee
36

- 37 1) Office Hours. Franchisee's office hours shall be, at a minimum, from 8:00a.m. to 5:00 p.m.
38 Monday through Friday. A representative of Franchisee shall be available during office
39 hours for communication with the public at Franchisee's principal office. In the event that
40 normal business cannot be conducted over the telephone, a representative of Franchisee
41 shall agree to meet with the public at a location agreeable to Franchisee and the public.
42 Normal office hours telephone numbers shall either be a local or toll free call. Franchisee
43 shall also maintain a local or toll free after-hours telephone number for use during other
44 than normal business hours. Franchisee shall have a representative or answering device or
45 system available at said after-hours telephone number during all hours other than normal
46 office hours.

- 1
2 2) Service Complaints. All customer complaints shall be directed to Franchisee. Franchisee
3 agrees to use its best efforts to resolve all complaints received by mail, by telephone, or in
4 Person, by close of business of the second business (waste Collection) day following the
5 date on which such complaint is received. Service complaints may be investigated by the
6 Director or a designee. Franchisee shall maintain records listing the date of customer
7 complaints, the customer, describing the nature of the complaint or request, and when and
8 what action was taken by the Franchisee to resolve the complaint. All such records shall
9 be maintained and shall be available for inspection by County.
10
11 3) Government Liaison Person. The Franchisee shall designate a "government liaison
12 Person" who shall be responsible for working with the Department to resolve customer
13 complaints.
14

15 C. Resolution of Disputed Customer Complaints.
16

17 The Franchisee shall supply, upon customers request, a copy of this complaint arbitration procedure at
18 the time a customer applies for or is provided service, and subsequently, as requested by the customer.
19 Procedures for resolution of disputed claims shall be as follows:
20

- 21 1) A customer dissatisfied with Franchisee's decision regarding a complaint may ask the
22 County to review the complaint. To obtain this review, the customer may request County
23 review within thirty (30) days of receipt of Franchisee's response to the Complaint, or
24 within forty-five (45) days of submitting the complaint to the Franchisee, if the Franchisee
25 has failed to respond to the complaint. The County may extend the time to request its
26 review for good cause.
27
28 2) Before reviewing the complaint, the Director shall refer it to the Franchisee. If the
29 Franchisee fails to cure the complaint within ten (10) days, the Director shall review the
30 customer's complaint and determine if further action is warranted. The Director may
31 request written statements from the Franchisee and customer, and/or oral presentations.
32
33 3) The Director shall determine if the Customer's complaint is justified, and if so, what
34 remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate
35 of customer charges related to the period of breach of any of the terms of this Franchise
36 Agreement or a penalty of up to one hundred dollars (\$100.00) for any single event in
37 addition to any actual damages.
38
39 4) The Director may delegate these duties to a designee. The decision of the Director or a
40 designee shall be final on any matter under five thousand dollars (\$5,000.00). In the event
41 of a decision on a matter awarding five thousand dollars (\$5,000.00) or more, Franchisee
42 may seek review pursuant to Section 11 above.
43

44 D. Hazardous Materials and Waste Handling and Disposal
45

46 The Franchisee shall comply with the procedures detailed in State Law.
47
48
49

1 **SECTION 17. FORCE MAJEURE**

2
3 Franchisee shall not be in default of its obligations under this Agreement in the event of, and for so
4 long as, it is impossible or extremely impractical for it to perform its obligations in whole or in part for any
5 of the following as they may impact Franchisee's facilities, equipment, supply chain, labor force, or the
6 Solid Waste facilities used by Franchisee:

- 7 A. Acts of God including severe acts of nature, and severe weather events, such as floods, fires,
8 earthquakes, tornados, or other catastrophic events;
9 B. War, insurrection, riot, acts of terrorism, acts of sabotage, or malicious acts;
10 C. Infectious disease defined by medical experts as an epidemic, pandemic, endemic, outbreak, or
11 other event leading to the imposition of quarantines, travel or movement restrictions, social
12 distancing, or public health advisories restricting large gatherings;
13 D. Accident or other catastrophic event including fire or explosion;
14 E. Strikes and labor disputes;
15 F. Acts of governmental authorities by emergency order, expropriation, or condemnation.
16 G. Other catastrophic events that are beyond the reasonable control of the Franchisee.
17

18 To invoke this Force Majeure provision, Franchisee shall give timely notice to County, but in no event
19 later than five (5) calendar days after the claimed Force Majeure event. Said Force Majeure Notice shall
20 describe in detail the claimed Force Majeure event, the services impacted by the claimed Force Majeure
21 event, the expected length of time that Franchisee expects to be prevented from performing, the steps which
22 Franchisee intends to take to restore its ability to perform, and such other information as the County may
23 reasonably request.
24

25 Other catastrophic events do not include the financial inability of the Franchisee to perform or failure
26 of the Franchisee to obtain any necessary permits or licenses from other governmental agencies or the right
27 to use the facilities of any public utility where such failure is due solely to the acts or omissions of the
28 Franchisee.
29

30 **SECTION 18. OTHER PROVISIONS**

31
32 A. Independent Contractor.
33

34 Franchisee is an independent contractor and not an officer, agent, servant, or employee of County.
35 Franchisee is solely responsible for the acts and omissions of its officers, agents, and employees, if any.
36 Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between
37 County and Franchisee. Neither Franchisee nor its officers, agents, or employees shall obtain any rights to
38 retirement or other benefits which accrue to County employees.
39

40 B. Property Damage.
41

42 Any physical damage caused by the actions or non-actions of employees, officers, or agents of the
43 Franchisee to private or public property shall be promptly repaired or replaced by the Franchisee upon
44 completion of a proper investigation which proves that the Franchisee was at fault of said damage.

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C. Right of Entry.

Franchisee shall have the right, until receipt of written notice revoking permission to pass is delivered to Franchisee, to enter or drive on any private street, court, place, easement, or other private property for the purpose of providing temporary bin/rolloff services and the Collection, transportation, recycling, composting, and disposal of Solid Waste and construction debris pursuant to this Franchise Agreement.

D. Law to Govern.

The law of the State of California shall govern this Franchise Agreement.

E. Gratuities.

Franchisee shall not, nor shall it permit any officer, agent, or employee employed by it to, request, solicit, demand, or accept, either directly or indirectly, any gratuity for services required under this Franchise Agreement.

F. Compliance with Franchise Agreement.

Franchisee shall comply with those provisions of the Riverside County Ordinance 745, or any successor ordinances, which are applicable, and with any and all amendments to such applicable provisions during the Term of this Franchise Agreement.

G. Notices.

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

To County: County of Riverside
Attn: Department of Environmental Health
4065 County Circle Drive
Riverside, CA 92503

Copy to: County Counsel

To Franchisee: CR&R Incorporated
Attn: Senior Regional Vice President
P.O. Box 1208
Perris, CA 92572

Copy to: CR&R Incorporated
Attn: David Ronnenberg, President
11292 Western Ave

1 Stanton, CA 90680

2
3 or to such other address as either party may from time to time designate by notice to the other given in
4 accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed,
5 three (3) business days from the date such notice is deposited in the United States mail, or if by fax, upon
6 receipt of confirmation of delivery which confirmation may be transmitted by fax.
7

8 H. Exhibits Incorporated.
9

10 Exhibits A through D are attached to and incorporated in the Franchise Agreement by reference. In the
11 event of differences or conflicts between the language of an Exhibit and the language of the Franchise
12 Agreement, the language of the Exhibit shall prevail.
13

14 I. Nondiscrimination.
15

16 In performing the Collection services hereunder, Franchisee shall not discriminate against any Person
17 on the ground of race, sex, age, creed, color, religion or national origin.
18

19 J. Laws and Licenses.
20

21 Franchisee shall comply with all federal, State, and County laws, ordinances, rules, and regulations
22 applicable to the performance of the services hereunder and shall obtain all licenses and permits necessary
23 to perform the services hereunder and maintain the same in full force and effect.
24

25 K. Waiver.
26

27 No waiver by either party of any one or more defaults or breaches by the other in the performance of
28 this Agreement shall operate or be construed as a waiver of any future defaults or breaches, whether of a
29 like or different character.
30

31 **SECTION 19. SEVERABILITY**
32

33 A. The parties agree that the Waste Delivery Agreement referenced in this agreement is a material part
34 of the franchise agreement, itself, and is not severable from it. Franchisee agrees not to challenge the
35 validity or enforceability of the Waste Delivery Agreement or any term or provision found in such
36 agreement. If for any reason this Waste Delivery Agreement or any part thereof is found to be void or
37 unenforceable by a court of law, then, the County may consider termination or amendment of the Franchise
38 Agreement.
39

40 B. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid
41 or unenforceable, the invalidity or unenforceability of such provision shall not affect the validity and
42 enforceability of any of the remaining provisions of this Franchise Agreement.
43
44
45
46

1 **SECTION 20. ENTIRE AGREEMENT; AMENDMENT**

2
3 This Agreement, its accompanying Exhibits, and the separately executed Waste Delivery Agreement
4 constitute the entire Agreement between the parties concerning the subject matter hereof and supersede any
5 and all other communications, representations, proposals, understandings or Agreements, either written or
6 oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified
7 or amended, in whole or in part, except by writing signed by both parties hereto.
8

9 At least once every 5 years, or more often as required by a significant change in law, starting from the
10 date of this agreement, the Department and Franchisee may meet and review this agreement for any needed
11 or required amendments.
12

13 **SECTION 21. CONSTRUCTION OF FRANCHISE**

14
15 The parties hereto have negotiated this franchise at arm's length and with advice of their respective
16 attorneys, and no provision contained herein shall be construed against County solely because it prepared
17 this agreement in its executed forms.
18

19 **SECTION 22. RENEGOTIATION OF TERMS AS A RESULT OF OWNERSHIP CHANGES**

20
21 In the event of a significant change to the ownership of the franchisee that impacts the activities in this
22 contract, including, but not limited to acquisition of, acquisition by, merger with or stock exchange with
23 another company, all service levels and rates of this contract shall at the discretion of the Board of
24 Supervisors be made open to renegotiation of the existing franchise and rate exhibits.

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

2

3 Executed on _____

4

5

6 RIVERSIDE COUNTY

7

8

BY: _____

9

Keith Jones

10

Riverside County

11

Department of Environmental Health

12

13 FRANCHISEE

14

15

BY: _____

16

Clifford Ronnenberg

17

Chairman and CEO

18

CR&R Incorporated

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EXHIBIT B

FRANCHISE AREA 13

This exhibit contains: a map showing the franchise area, a legal description, and lists of exceptions to the Franchise Collection Agreement.

Legal Description: (To be provided before contract is executed by County)

A. Standard Exceptions:

1. Any incorporated areas;
2. All Community Service Districts which have exercised their latent authority for solid waste collection;
3. All County Service areas which provide a refuse collection service, which was in existence prior to the effective date of this agreement;

Hauler Franchise Area 13

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2
3 Beginning at the Northwest Corner of Section 3, T. 2 S., R. 5 E., S.B.M.;

4
5 Thence Easterly, along the Northerly Riverside County Boundary, Also Being the Township Line Between
6 T. 1 S. And T. 2 S., to the Southwest Corner of Section 33, T. 1 S., R. 16 E.;

7
8 Thence Northerly, along Said County Boundary to the Northwest Corner of Section 21, T. 1 S., R. 16 E.;

9
10 Thence Easterly, along the Section Lines, Also Being Said County Boundary, to the Point of Intersection
11 with the Interstate Boundary Between the States of Arizona and California on the Centerline of the Colorado
12 River. Said Interstate Boundary and Centerline Being Described in "Interstate Compact Defining the
13 Boundary Between the States of Arizona and California." a Certified Copy of Which is on File with the
14 Riverside County Recorders Office, Riverside County, California;

15
16 Thence Southerly, along Said County Boundary, Also Being said Interstate Boundary, to the Point of
17 Intersection with the South Line of T. 8 S., Said Line Also Being the Second Standard Parallel South;

18
19 Thence Westerly, along Said County Boundary, Also Being Said Parallel, to the Point of Intersection with
20 the Northeasterly Right of Way Line with the All American Canal Shown on Map 16-B-1 (45-K), on File
21 in the Office of the Riverside County Surveyor, Riverside County, California;

22
23 Thence Northwesterly, along Said Canal, Through its Various Courses, to the Point of Intersection with the
24 West Line of Section 18, T. 7 S., R. 10 E., Said Line Also Being the West Line of Said Township;

25
26 Thence Northerly, along Said Township Line, Also Being the West Line of Sections 18, 7, and 6, to a Point
27 Being the Northwest Corner of Section 6, Said Point Also Falling on the North Line of Said Township;

28
29 Thence Continuing Northerly, along the West Line of T. 6 S., R 10 E., Also Being the West Line of Sections
30 31, 30, 19, 18, 7, and 6, to a Point Being the Northwest Corner of Section 6, Said Point Also Falling on the
31 North Line of Said Township;

32
33 Thence Continuing Northerly, along the West Line of T. 5 S., R. 10 E., Also Being the West Line of Section
34 31, to the Point of Intersection with the Southwesterly Right of Way Line of the Colorado River Aqueduct;

35
36 Thence Northwesterly, along Said Southwesterly Right of Way Line of the Colorado River Aqueduct;
37 Through its Various Courses, to the Point of Intersection with the North Line of Section I, T. 4 S., R 7 E.,
38 Said Point Also Falling on the North Line of Said Township;

39
40 Thence Easterly, along Said Township Line, Also Being the North Line of Said Section I, to the Point of
41 Intersection with the Southwesterly Boundary Line of Joshua Tree National Park;

42
43 Thence Northwesterly, along Said National Park Boundary, Through its Various Courses, to the Point of
44 Intersection with the West Line of Section 22, T. 2 S., R. 5 E.;

45
46 Thence Northerly, along Said National Park Boundary, Also Being the West Line of Sections 22, 15, 10,
47 and 3, to the Northwest Corner of Section 3 of Said Township, Also Being the Point of Beginning.

48
49 The boundaries described herein specifically exclude any territory assigned by franchises to other haulers
50 in areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12.
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EXHIBIT C

REPORTING REQUIREMENTS

1. GENERAL

The Franchisee shall provide disposal tonnage tracking, and quarterly and annual reporting as outlined in this Exhibit and required by State Law; however, the Department and the DWR reserve the right to request additional information as necessary to meet their needs and to comply with applicable State Law. Reports shall be provided in a format approved by the Department. All information included in the reports shall be provided according to the source of generation. Waste generator types are defined as follows:

Residential - Solid waste and Recyclable Materials originating from single-family and from multi-residential units.

Commercial/Industrial - Solid waste and Recyclable Materials from commercial and industrial sources.

Construction/Temporary Bin/Rolloff - All solid waste or other materials placed in debris boxes.

Annual Cleanup - Solid waste and other materials collected through the annual cleanup.

Data and information pertaining to services performed under this franchise upon submittal to the Department become the property of the Department.

2. DISPOSAL TONNAGE TRACKING

Franchisee shall submit completed ticket transactions to the DWR as required by the Countywide Disposal Tonnage Tracking System (CDTTS). Tickets, with waste origin information, must be received by the DWR within five (5) business days of the landfill transactions {the day of transaction being the first (1st) business day}. If these tickets and correct information are not received within the specified period of time, a penalty of twenty-five dollars (\$25.00) may be assessed by the DWR and placed on Franchisee's monthly billing.

3. QUARTERLY REPORTS

The Franchisee shall submit quarterly reports no later than one month following the completion of each quarter.

The quarterly reports shall include the information collected and summarized on a monthly basis. Specifically, Franchisee shall provide the following quarterly reports:

1. Collection summary reports
2. Education and Outreach
3. Service Performance
4. Container contamination monitoring

Collection Summary

The Franchisee shall provide a report that lists the quantity of solid waste and Recyclable Material collected by month and the number of accounts serviced monthly. The quantities of solid waste and Recyclable Material collected shall be reported in terms of tonnage (or cubic yards if tonnage information is not

1 available). The Department may, at its discretion, also require reporting by volume. The Franchisee shall
2 clearly specify any assumptions made in reporting the tonnage or cubic yard information such as density
3 factors.

4 5 **Education and Outreach**

6
7 The Franchisee shall submit copies of public education materials sent to customers or provided
8 electronically on their websites or social media outlets.

9 **Service Performance**

10
11 The Franchisee shall provide a report summarizing the entries made in the service log including all praises,
12 complaints, and notifications of missed pickups, and the Franchisee responses thereto. The summary report
13 shall identify the total number of all written or oral Customer comments and shall provide the number of
14 comments received in the following categories: praises, litter or property damage complaints, misplacement
15 of containers, stolen containers, personnel complaints, missed pickups, and other.

16 17 **Container Contamination Monitoring**

18
19 The Franchise shall provide a summary of container contamination monitoring activities including
20 information on efforts to minimize container contamination. When applicable a separate detailed report
21 shall be provided to the Department identifying sites that are out of compliance and require additional
22 enforcement by the County.

23 24 **4. ANNUAL REPORTS**

25
26 The Franchisee shall submit annual reports to the Department no later than January 31 of each year. The
27 Franchisee will be responsible for providing the following reports:

- 28
- 29 1. Summary reports
- 30 2. Equipment inventory
- 31 3. Program implementation
- 32 4. Future programs
- 33 5. Litigation information
- 34 6. Education and Outreach

35 36 **Summary Reports**

37
38 The Franchisee shall provide a summary of information contained in the quarterly reports. The summary
39 reports shall clearly indicate the diversion rate for each waste sector type. The diversion information
40 provided shall include quantities of materials collected, and if processed by non-system facilities, the
41 quantities recycled and composted in tons (or cubic yards if tonnage information is not available) for each
42 waste generator type. In this report, the Franchisee shall note unusual changes in disposal quantities and
43 indicate potential reason(s) for this change. The summary report shall include a discussion of noteworthy
44 experiences, and any problems in program operation and how they were resolved.

45 46 **Equipment Inventory**

47
48 The Franchisee shall provide a complete inventory of collection equipment and other major equipment.
49 The inventory list shall indicate the age of the equipment.

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Program Implementation

The Franchisee shall submit a report summarizing the problems or barriers to implementation of services for the year. The report shall address how the problems and barriers were overcome or the proposed resolutions and schedule for correcting the problem.

Future Programs

The Franchisee shall prepare a report that identifies any future programs and/or facilities that may be needed but have not been planned for.

Litigation Information

The Franchisee shall submit declarations of the current status of any pending criminal or civil litigation against the parent company and all subsidiaries of parent company that may have an effect on the Franchisee's ability to meet the obligations of the Agreement or provide a satisfactory level of service.

Education and Outreach

The Franchisee shall submit copies of public education materials sent to customers or provided electronically on their websites or social media outlets.

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EXHIBIT D

RATES AND RATE ADJUSTMENT MECHANISM

1. RATES

The rates approved by the Riverside County Board of Supervisors, for all services provided by the Franchisee, shall be on file with the Director. The Franchisee may not assess a rate that exceeds the rates approved by the Board or assess a rate that has not been first approved by the Board.

2. HARD-TO-SERVICE RATES

Franchisee may request the Director to designate portions of its Exclusive Franchise Area as Hard-to-Service. Upon approval of the Director, whose approval shall not be unreasonably withheld, Franchisee may charge the Hard-to-Service Rates on file with the Director. Considerations to be used in designating Hard-to-Service areas include but are not limited to those listed in the definition "Hard to Service" as noted in Section 2 of the Franchise Agreement.

3. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates referenced in Section 1 shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st. Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario Metropolitan Area or equivalent successor index, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS). Said change shall be measured for the twelve (12) month period as posted by the BLS in the first CPI-U report for each year. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. DWR direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one year period in order to recover any additional costs incurred by Franchisee during the previous year.

Pass through items shall be adjusted based upon the actual expenses or costs related to that item. Revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

4. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.

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3. The DWR directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
 4. The County modifies the franchise fee.
 5. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
 6. Significant increases in the number of customer accounts due to development or growth.
 7. Other circumstances at the discretion of the Director or the Board of Supervisors.
- B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.
- C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

THE PRESS-ENTERPRISE

1825 Chicago Ave, Suite 100
Riverside, CA 92507
951-684-1200
951-368-9018 FAX

PROOF OF PUBLICATION (2010, 2015.5 C.C.P)

Publication(s): The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: NOH- AMENDED AND RESTATED FRANCHISE
COLLECTION AGREEMENTS /

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

01/15/2022

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date: January 15, 2022
At: Riverside, California



Legal Advertising Representative, The Press-Enterprise

BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE
PO BOX 1147
RIVERSIDE, CA 92502

Ad Number: 0011512147-01

P.O. Number:

Ad Copy:

NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY

NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1st Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on **Tuesday, January 25, 2022 at 9:30 a.m.**, or as soon as possible thereafter, to consider the following:

SUMMARY OF AMENDED AND RESTATED FRANCHISE COLLECTION AGREEMENTS

This summary is presented pursuant to California Government Code Section 25151.

The Department of Environmental Health oversees the existing 11 Franchise Collection Agreements that address trash and recycling services in the unincorporated portions of Riverside County.

The Amended and Restated Franchise Collection Agreements are intended to address the changes to State Statute related to SB 1383 (2016) and prior updates affecting trash and recycling collection and to clarify what is required from the Franchisees to assist the County in meeting the new mandates.

The amendments presented cover the following topics:

- Removed dated language and specific actions related to original crafting of these agreements in the late 90's.
- Updated definitions to current terms, removing unused or confusing definitions, adding new definitions as needed to cover new topics.
- Updated terminology and concepts to current standards throughout.
- Rewording where clarity of language intent was needed.
- Included language to specify new services being provided by the franchisee for organic recycling, outreach and review of the waste stream for contamination and improper disposal of organic material.
- Revised reporting requirement to cover new elements required by SB 1383 that will be provided by the franchisees.
- Remove outdated or unnecessary exhibits, update remaining exhibits with current terminology, and consolidate like topics into a singular exhibit.
- Exhibit A (Franchisee Services) is excluded from these changes and will be presented with updated rate sheets at a later date.
- An increase in the franchise rate to cover additional workload by DEH.

The Riverside County Board of Supervisors approved a Form 11 on November 16, 2021 initiating a public hearing on January 25, 2022.

Alternative formats available upon request to individuals with disabilities. If you require reasonable accommodation, please contact Clerk of the Board at (951) 955-1069, at least 72 hours prior to hearing.

Please send all written correspondence to: Clerk of the Board, 4080 Lemon Street, 1st Floor, Post Office Box 1147, Riverside, CA 92502-1147

Dated: December 6, 2021

KECIA R. HARPER, Clerk of the Board
By: Zuly Martinez, Board Assistant
Press-Enterprise: 1/15

11/16/2021

Environmental
Health

Item 3.24

PROOF OF PUBLICATION

**STATE OF CALIFORNIA SS.
COUNTY OF RIVERSIDE**

RIVERSIDE COUNTY-BOARD OF SUP.
4080 LEMON ST

RIVERSIDE CA 92501

I am over the age of 18 years old, a citizen of the United States and not a party to, or have interest in this matter. I hereby certify that the attached advertisement appeared in said newspaper (set in type not smaller than non pariel) in each and entire issue of said newspaper and not in any supplement thereof of the following issue dates, to wit:

01/15/2022

I acknowledge that I am a principal clerk of the printer of The Desert Sun, printed and published weekly in the City of Palm Springs, County of Riverside, State of California. The Desert Sun was adjudicated a Newspaper of general circulation on March 24, 1988 by the Superior Court of the County of Riverside, State of California Case No. 191236.

I certify under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.. Executed on this 18th of January 2022 in Green Bay, WI, County of Brown.


DECLARANT

Ad#:0005036061
P O : Code Section 25151
This is not an invoice
of Affidavits: 1

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BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY**

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Dated: December 6, 2021

KECIA R. HARPER, Clerk of the Board
By: Zuly Martinez, Board Assistant

Published: 01/15/2022

Environmental Health
Item 3.24
NOV-16, 2021

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