

AGREEMENT FOR THE COLLECTION OF REFUSE, GARBAGE, AND OTHER WASTE MATERIALS WITHIN THE CITY OF LEMON GROVE, CALIFORNIA

The parties to this agreement are the City of Lemon Grove and the Edco Disposal Corporation, a California corporation. The City make this agreement with Collector pursuant to powers granted it by California Health and Safety Code Section 4250. Collector is engaged in the business of collection and disposal of gargage, waste, refuse, rubbish offal, trimmings, and other refuse matter, all hereinafter referred to as refuse.

In consideration of their mutual promises and other good and valuable consideration, the parties hereto agree as follows:

SECTION 1. Definitions

Whenever in this ordinance the words or phrases hereinafter in this section defined are used, they shall have the respective meaning assigned to them in the following definitions (unless in the given instance, the context wherein they are used shall clearly import a different meaning):

(a) Grantee shall mean EDCO DISPOSAL CORPORATION and its lawful successors or assigns.

(b) "City" shall mean the CITY OF LEMON GROVE, a municipal corporation of the State of California in its present incorporated form or in any later reorganized, consolidated, enlarged or reincorporated form.

(c) "Streets" shall mean the public streets, ways, alleys and places as the same now or may hereafter exist within said city, including state highways now or hereafter established within said city.

(d) "Gross Receipts" shall mean all gross operating revenues received by grantee from the collection and disposal of refuse within the City of Lemon Grove.

SECTION 2. Purpose

The franchise to collect and dispose of refuse within the City of Lemon Grove and to use for such purposes the public streets, ways and places within said City is hereby granted to Edco Disposal Corporation, its successors and assigns.

Section 3. Term

The term of this Agreement shall commence October 1, 1989, and expire September 30, 1994. Provided, however, that commencing September 1, 1990 and every year thereafter, automatic one year extensions shall be applied to said Agreement so that the the term of the Agreement shall remain between four and five years.

Should either party desire that said automatic one renewal and extension provision be terminated, such party may give the other written notice of such termination thirty (30) days prior to September 30 of any year of the Agreement. Such notice will terminate the automatic one year renewal and extension provision, and the Agreement shall remain in effect for the balance of the term then outstanding.

Section 4. Consideration

The Grantee of said franchise shall during the term thereof pay to the City five percent (5%) of the gross annual receipts of said grantee. City is authorized to increase said fee up to maximum amount of ten percent (10%). Beginning October 1, 1990, the franchise fee shall be increased by one-half percent (1/2%) each year thereafter until it reaches a maximum of ten percent (10%). The payment set out in this paragraph shall be considered an operating cost and shall be considered in any request for rate increase authorization.

Not later than October 1, 1989, Grantee may provide the City with a proposed rate schedule for the year 1990. If the City Council approves such schedule, it shall apply for the year 1990. If, however, the City Council does not approve such rate schedule, the City and Grantee shall attempt to agree upon a rate schedule. In the event of their failure to do so on or before December 15, 1989, the rate schedule for the year 1989 shall be in effect. The Grantee may, by October 1st of each subsequent year, during the term of this agreement, submit a proposed rate schedule for the following year in the same manner as above, provided each party shall have the same rights for each ensuing year for establishing of rates as are set forth above. Grantee may apply for an increase in rates at other times for any unusual economic hardships not within the Grantee's control as approved by the City Council. Grantee may not submit a proposed rate schedule unless operational costs have increased by two percent (2%) or more since the immediately preceding rate revision.

Section 5. Reports, Dates of Payment and City Audit.

The Grantee shall, not later than the 10th of each and every month submit to the City Finance Director a signed statement of gross collections during the preceding month. Grantee shall also submit by the 10th of each month the franchise fee appropriate for the preceding month. The Grantee shall keep full, complete and proper books, records and accounts of the gross sums collected within the City of Lemon Grove and said books, records, and accounts shall at all reasonable times be open to the inspection of the City or the City's authorized representative or agent. City may at its discretion audit Grantee's books and records to ascertain that the franchise fees required herein have been paid properly. If said audit reveals that Grantee is guilty of deliberate deception in keeping of its records and books, City shall have the right to immediately terminate this franchise.

SECTION 6. Compliance with Laws

Grantee shall comply with all laws and regulations of the State of California and the City of Lemon Grove. Further, Chapter 13.28 of the Lemon Grove Municipal Code is expressly made a part of this Franchise and incorporated herein by reference as if set forth in full. Grantee and City agree to be bound by all provisions of such ordinance, or any amendments thereto, or other Ordinances that might affect the collection or disposal of refuse in the City. It is understood that said ordinances are intended to be minimum standards and that higher standards and regulations may be required under the franchise.

Section 7. Obligation of Grantee

Grantee undertakes and agrees, for the consideration hereinafter mentioned, to furnish: all labor, equipment, and vehicles (including adequate equipment and vehicles in a standby capacity to provide the service herein required in the event of a breakdown of equipment); insurance and bonds necessary to insure the efficient and timely picking up, collecting, removing, and disposing of City refuse subject to and in accordance with the terms and provisions hereof.

Grantee shall provide and maintain at his own expense a solid waste collection system capable of providing service to all entities in the City requiring, or required to avail itself of said service. Not less than one regular weekly collection shall be provided to each residential unit subscribing to said service. Grantee shall provide bins as required for commercial customers or whenever other customers of Grantee request their use.

All refuse collected by Grantee shall become the property of Grantee immediately upon the collection thereof, and shall be forthwith removed and transported by Grantee to an approved place of disposal, which shall be provided, arranged for, or furnished by Grantee.

In the event Grantee fails, refuses, or neglects to collect and dispose of refuse set out or placed for collection at the time and in the manner herein required, City may collect and dispose of the same or cause the same to be collected and disposed and Grantee shall be liable for all expenses incurred in connection therewith. Such remedy of City shall be cumulative and in addition to any and all other remedies it may have in the event of such failure, refusal or neglect of Grantee.

The following shall be considered legal holidays for purposes of this agreement: New Year's Day, Thanksgiving Day, and Christmas Day. Observance of those holidays will result in refuse being collected one day late during the week of the holiday. Any other holidays

must have prior approval from the City. Holiday disruptions of commercial collections shall be handled in a manner mutually agreeable to the Grantee and individual customers.

As a further service to the public, Grantee agrees to collect refuse from all premises and properties owned by, controlled by, or occupied by the City, which properties are designated in advance by the City Manager. Service shall be provided as frequently as Grantee renders services to its collection customers or as frequently as is necessary in the judgement of the City Manager. Grantee shall provide trash bins as are suitable for the collection of refuse at each location to which Grantee is required to render said free service.

Grantee agrees to provide all labor and equipment necessary for one Community Clean-up Day each year.

Grantee agrees to treat and deal with the general public in a courteous manner and to do its utmost to serve the public well, faithfully, and courteously.

Grantee agrees to have a listed telephone number, which telephone shall be answered seven days a week, twenty-four hours a day. Grantee further agrees to maintain an office in the City of Lemon Grove with regular open hours Monday through Friday where customers may conduct business with Grantee.

Grantee agrees to maintain a record of all service complaints received from customers in the City of Lemon Grove as well as the disposition of those complaints. Grantee shall make said records available to the City Manager or his designated representative upon demand.

Section 8. City Held Harmless - Insurance

This agreement is made upon the express condition that the City is to be free from all liability and claim for damages by reason of any injury to any person or persons, including Grantee from any cause or causes whatsoever while connected in any way with Grantee's operations hereunder, Grantee hereby covenanting and agreeing to indemnify and save harmless from all liability, loss, cost, and obligations on account of or arising out of any such injuries or losses however occurring.

Grantee further agrees to take out and keep in force during the life hereof, at Grantee's expense, public liability insurance in companies approved by the City to protect against any liability to the public incident to the use of or resulting from any accident occurring in or in connection with the Grantee's operation hereunder. The liability under such insurance to be not less than \$1,000,000 for any one person injured, or \$5,000,000 for any one accident, or \$200,000 for property damage.

These policies shall insure the contingent liability of the City and are to be placed with the City, and Grantee is to obtain an obligation on the part of the insurance carriers to notify the City in writing thirty (30) days prior to any cancellations thereof; and Grantee agrees that if it does not keep such insurance in full force and effect, the City may take out the necessary insurance and pay the premium and the Grantee shall repay the City immediately upon demand or the Franchise shall be terminated.

Grantee shall also secure and maintain during the life of this agreement at Grantee's expense, adequate Worker's Compensation insurance covering all persons employed by Grantee and shall furnish the City with a certificate of such insurance.

Grantee shall furnish a Surety Bond in the amount of \$25,000 as security for the faithful performance of this agreement. The Surety Bond and the form thereof must be approved by the City Attorney.

Section 9. Rates

Grantee shall charge no more than the maximum rate set forth in the Rate Schedule which shall be determined from time to time by the City Council adopted by Resolution. Grantee may charge less than the rates set out in the rate schedule but may not charge more. Any rate charged to a classification of user shall be charged uniformly to all users in that classification.

In the event the volume of refuse left for pickup by a commercial user is greater than the volume limits set forth in the current Rate Schedule Resolution, or, in the event that accessibility to pickup points is restricted or impaired, thereby causing additional cost of collection to Grantee, the Grantee shall negotiate, in good faith, a collection fee with the affected user. In the event a reasonable fee cannot be negotiated between grantee and user the City Manager shall determine an appropriate fee. The decision of the City Manager shall be final.

Section 10. Obligations of City

City, in consideration of the faithful performance by Grantee and the deposit of bonds and certificates of insurance herein referred to, agrees that said Grantee shall have the exclusive right to collect all refuse and garbage within the City of Lemon Grove from the date of this agreement insofar as it is within the power of said City by this agreement to grant such exclusive right under its ordinances and the laws of the State of California; and that during the continuance of this agreement and the faithful performance thereof by said collector, no other person shall be given the right to engage in the business of collecting any refuse or garbage from the territory within the City of Lemon Grove.

Section 11. Right to Cancel

In the event the Grantee shall fail or refuse to perform any of the agreements or covenants by him undertaken to be performed, including but not limited to the regular, prompt collection of all garbage and trash, as herein specified, and as specified by schedules therefore established, the City shall have the right to terminate and cancel this agreement upon forty-eight hours notice by mail to the Grantee. The City also reserves the right to terminate and cancel this agreement upon seven (7) days' notice in the event the people of the City of Lemon Grove, by initiative or referendum vote require the City to furnish either garbage or refuse collection service by the use of municipal employees and no damages shall be due Grantee as a result of the City thereafter engaging in sch collection service as a municipal service.

Any and all notices and demands by and from the City to Grantee or Grantee to City shall be in writing. They shall be served by registered mail and service shall be conclusively made forty-eight (48) hours after the deposit thereof in the United States mail, postage prepaid, addressed to the party to whom such notice or demand is to be given, as follows:

City: City Manager
City of Lemon Grove
3232 Main Street
Lemon Grove CA 920445

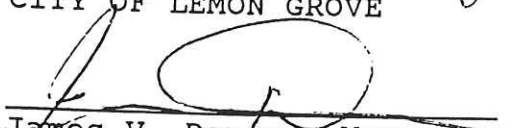
Grantee: EDCO Disposal Corporation
6670 Federal Boulevard
Lemon Grove CA 92045

Section 12 Termination for Cause: Notice of Breach


In the event that the City elects to terminate this agreement "for cause" it shall give Grantee written notice thereof at the above address. Notice shall be considered to have been given upon deposit of said notice in the United States mail in the City of Lemon Grove, postage prepaid, and shall be effective forty-eight hours thereafter.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED THIS AGREEMENT
this 15 day of August 1989 at Lemon Grove, California.

CITY OF LEMON GROVE


James V. Dorman, Mayor

EDCO DISPOSAL CORPORATION


Edward G. Burr, President

ATTEST:


Karen Thomson, City Clerk

AGREEMENT FOR THE COLLECTION OF TRASH,
RUBBISH, GARBAGE, AND OTHER WASTE MATERIALS
IN THE CITY OF LEMON GROVE, CALIFORNIA

The parties to this agreement are the City of Lemon Grove (City) and the Edco Disposal Corporation, a California corporation (Collector). The City makes this agreement with Collector pursuant to powers granted it by California Health and Safety Code Section 4250. Collector is engaged in the business of collection and disposal of garbage, waste, refuse, rubbish, offal, trimmings, and other refuse matter, all hereinafter referred to as refuse.

In consideration of their mutual promises and other good and valuable consideration, the parties hereto agree as follows:

1. COLLECTOR IS INDEPENDENT CONTRACTOR. Collector as an independent contractor, and not as an employee or agent of City, shall furnish all labor, equipment, and materials for and shall make available to all persons, residing or doing business at a location within the City limits of City, as it presently exists or as it exists in the future, the service (hereinafter referred to as service) of collection and disposal of refuse, subject to the hereinafter stated terms and conditions. Said persons who request service from Collector are hereinafter referred to as customers.

2. TERM. The term of this agreement is for five (5) years from and after execution hereof.

3. DUMP LOCATIONS AND CITY REGULATIONS. Said Collector shall furnish or secure a dump for the disposal of said refuse, and shall not permit the burning of any combustible rubbish within the City of Lemon Grove unless authorized to do so by the City Council. The garbage collected shall not be deposited or disposed of within the city limits of the City of Lemon Grove, nor in such a manner as will impair the health or sanitary conditions of the City of Lemon Grove, and shall be disposed of in such a manner as complies with all laws applicable thereto.

This agreement is subject to all City's ordinances and resolutions, both present and future. To the extent that they regulate the subject matter of this agreement, said ordinances and resolutions shall bind each of the parties hereto and are by this reference incorporated herein.

4. ASSIGNMENT. Collector agrees not to transfer, voluntarily or involuntarily, or assign this contract nor to sublet any portion of this contract

nor to place the possession and operation of its business in the possession of any other person or persons without the prior written consent of the City to such assignment, transfer, sub-letting, or change of business, and in the event of any transfer, assignment, sub-letting, or change, either voluntarily or by operation of law, without the written consent of the City, this agreement shall, at the option of the City, be therefor terminated.

5. FREQUENCY OF COLLECTION. Collector shall collect refuse once per week from each residential unit requesting such service in accordance with a schedule of collection subject to approval by the City Manager. Frequency of commercial collections shall be as negotiated by Collector and customers.

6. CITY HELD HARMLESS - INSURANCE. This agreement is made upon the express condition that the City is to be free from all liability and claim for damages by reason of any injury to any person or persons, including Collector or property of any kind whatsoever and to whomsoever belonging, including Collector from any cause or causes whatsoever while connected in any way with Collector's operations hereunder, Collector hereby covenanting and agreeing to indemnify and save harmless from all liability, loss, cost, and obligations on account of or arising out of any such injuries or losses however occurring.

Collector further agrees to take out and keep in force during the life hereof, at Collector's expense, public liability insurance in companies approved by the City to protect against any liability to the public incident to the use of or resulting from any accident occurring in or in connection with Collector's operation hereunder, the liability under such insurance to be not less than \$500,000 for any one person injured, or \$1,000,000 for any one accident, or \$50,000 for property damage. These policies shall insure the contingent liability of the City and are to be placed with the City, and Collector is to obtain an obligation on the part of the insurance carriers to notify the City in writing thirty (30) days prior to any cancellations thereof; and Collector agrees that if he does not keep such insurance in full force and effect, the City may take out the necessary insurance and pay the premium, and the Collector shall repay the City immediately upon demand; and, or terminate this franchise.

The Collector shall also secure and maintain during the life of this agreement at Collector's expense, adequate worker's compensation insurance covering all persons employed by it, and shall furnish the City with a certificate of such insurance.

7. FRANCHISE FEE. The Collector, as a part of the consideration of this agreement, agrees to pay to the City of Lemon Grove four percent (4%) of all gross sums collected by said Collector within the City of Lemon Grove. The said sum equal to four percent (4%) of all gross sums collected each month by the Collector shall be payable not later than the 10th day of each and every month on the month following the collection of the same. The Collector shall keep full, complete and proper books, records and accounts of the gross sums collected by said Collector within the City of Lemon Grove, and said books, records, and accounts shall at all reasonable times be open to the inspection of the City or the City's authorized representative or agent. The Collector further agrees that the City at any reasonable time may cause an audit to be made of said Collector's books, records, and accounts. The Collector shall, not later than the 10th day of each and every month, submit to the City a signed statement of his gross collections during the preceding month.

City may at its discretion audit Collector's books and records to ascertain that the franchise fees required hereunder have been paid properly. If said audit reveals an understatement by Collector of its "gross sums collected" against which the franchise fee is to be paid, in excess of said "gross sums" then Collector shall reimburse City for its direct and indirect expenses of audit; otherwise, City shall bear the expense of said audit. If said audit reveals that Collector is guilty of deliberate deception in the keeping of its books and records, City shall have the right immediately to terminate this franchise.

"Gross Sums" means money or any item of monies worth, or any item of value received by Collector, or any item of value forborne by Collector, in exchange for any of Collector's services rendered to any entity by Collector pursuant to the rights granted by this agreement.

8. CUSTOMER BILLING. The Collector may bill quarterly in advance; however, the customers may submit semi-annual or annual payments in advance, if such practice is to their convenience and desire and the Collector shall accept such payments if made.

9. RUBBISH COLLECTION A PUBLIC SERVICE. The Collector agrees to treat and deal with the general public in a courteous manner and do his utmost to serve the public well, faithfully and courteously.

Collector agrees to have a listed telephone number, which telephone shall be answered seven days a week, twenty-four hours a day. Collector further agrees that any calls for trash or garbage collection made prior to 2:00 pm on any day except Saturday and Sunday be acknowledged and said trash or garbage

will be collected on that same day; if said calls are made after the stated time the collections of said trash or garbage will be made the following morning unless said calls are made after 1:00 o'clock pm on Friday afternoon. Collector further agrees to install and maintain a two-way radio service from its office to the route supervisor's truck.

As a further service to the public, Collector agrees to collect trash and garbage from all premises and properties owned by, controlled by, or occupied by the City of Lemon Grove, which properties are designated in advance by the City Manager, as frequently as Collector renders collection services to its collection customers or as more frequently as is necessary in the judgment of City Manager. Collector shall provide such trash bins as are suitable for the collection of trash and garbage at each location in which Collector is required to render free City service.

10. EXCLUSIVE RIGHT TO PROVIDE SERVICE. The City, in consideration of the faithful performance by said Collector of this agreement, and the deposit of the bonds herein referred to, agrees that said Collector shall have the exclusive right to collect all refuse and garbage within the City of Lemon Grove from the date of this agreement insofar as it is within the power of said City by this agreement to grant such exclusive right under its ordinances and the laws of the State of California; that during the continuance of this agreement and the faithful performance thereof by said Collector, no other person shall be given the right to engage in the business of collecting any refuse or garbage from the territory within the City of Lemon Grove.

11. RIGHT TO CANCEL. In the event the Collector shall fail to perform any of the agreements or covenants by him undertaken to be performed, including but not limited to the regular, prompt collection of all garbage and trash, as herein specified, and as specified by schedules therefor established, the City shall have the right to terminate and cancel this agreement upon forty-eight (48) hours notice by mail to the Collector. The City also reserves the right to terminate and cancel this agreement upon seven (7) days' notice in the event people of the City of Lemon Grove, by initiative or referendum vote require the City to furnish either garbage or refuse collection service by the use of municipal employees or in the event of the City Council by a majority vote, deciding to furnish such collection service as a municipal service; and no damages shall be due Collector as a result of the City thereafter

engaging in such collection service as a municipal service.

12. BOND REQUIRED. On or before execution hereof, the Collector shall furnish a Surety Bond in the amount of \$10,000 as security for the faithful performance of this agreement. The surety on said bond and the form thereof must be approved by the City Attorney.

13. STRIKES. In the event Collector is prohibited from performing his service or interrupted in the performance of his service by reason of any strike or other labor action, City shall be entitled at no cost to City to the use of Collector's trucks and equipment previously used in City for the purpose of providing citizens of City refuse collection during the continuance of said strike. Or, City may contract with others to render trash and garbage collection within the City under whatever terms and conditions City deems just, and no damages shall be due Collector for any such decision and act by City.

14. UNIFORMS AND EQUIPMENT. Collector shall provide all of his employees with uniforms subject to approval by the City. Uniforms in good repair shall be worn at all times during working hours by Collector's employees, who perform pick-up work. Uniforms shall be washed at least three (3) times weekly.

All equipment and rolling stock shall be maintained, repaired, both with respect to appearance and mechanical condition, and in a manner satisfactory to the City at all times.

15. Any and all notices and demands by and from City to Collector or Collector to City shall be in writing. They shall be served by registered mail and service shall be conclusively made forty-eight (48) hours after the deposit thereof in the United States mail, postage prepaid, addressed to the party to whom such notice or demand is to be given, as follows:

CITY: City Manager
City of Lemon Grove
3568 Main Street, Suite C
Lemon Grove, Ca 92045

COLLECTOR: EDCO Disposal Corporation
6670 Federal Blvd.
Lemon Grove, CA 92045

16. TERMINATION FOR CAUSE: NOTICE OF BREACH. In the event that City elects to terminate this agreement "for cause" it shall give Collector written notice thereof at the above address. Notice shall be considered to have been given upon deposit of said notice in the United States mail in the City of Lemon Grove, postage prepaid, and shall be effective forty-eight (48) hours thereafter.

17. RATES. Collector shall charge no more than the maximum rate set forth in the Rate Schedule which is Exhibit "A" hereto and by this reference incorporated herein as though fully set forth hereinafter. Collector may charge less than the rates in the Rate Schedule, but not more. Any rate charged to a classification of user shall be charged uniformly to all users in that classification.

In the event the volume of rubbish and/or garbage left for pickup by a user is greater than the volume limits set forth on Exhibit "A", or, in the event that accessibility to pickup points is restricted or impaired, thereby causing additional cost of collection to Collector, the Collector shall negotiate, in good faith, a collection fee with the affected user.

18. APPLICATIONS FOR RATE CHANGE. Collector may, from time to time, apply for changes in the rates charged pursuant to this agreement. Said application shall be in writing, addressed to the City Manager of City, and contain the financial and statistical data upon which the rate change application is made. Thereafter, after report and recommendation to it by its manager, the City Council will act on said application, either grant the same, denying the same or granting some different rate schedule than that applied for.

19. COLLECTOR'S OFFICE. During the term of this agreement, Collector shall maintain a business office with regular office hours at a location in the City of Lemon Grove which provides convenient access to the users of Collector's services. Collector shall keep the City Manager of City and its users informed of the location of said office.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED THIS AGREEMENT this 1st day of July 1978, at Lemon Grove, California.

EDCO DISPOSAL CORPORATION

Edward G. Burr
Edward G. Burr, President

CITY OF LEMON GROVE

James V. Dorman
James V. Dorman, Mayor

ATTEST:

Karen Thomson
City Clerk

RATE SCHEDULE

Single Family Residential Unit	\$3.80 per month
Multiple Units, Trailer Parks, Motels	\$3.80 + \$2.75 ea. add'l
Commercial = 2 cans 1 x week	\$4.10
More than 1 x week	\$1.95 p/cubic yd

MECHANICAL SYSTEM SERVICE

One - 3 Cubic Yard Container

<u>1 x wk</u>	<u>2 x wk</u>	<u>3 x wk</u>	<u>4 x wk</u>	<u>5 x wk</u>	<u>6 x wk</u>
24.50	38.05	54.05	70.05	86.05	102.05

Extra dumps on 1 - 3 cubic yard container \$3.70 per dump