

A-2340

CITY OF ESCONDIDO WASTE AND RECYCLING  
FRANCHISE AGREEMENT

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Between the City of Escondido and EDCO Refuse  
Services, Inc.

Date: August 12, 2019

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This Waste and Recycling Franchise Agreement is entered into this 12th day of August, 2019, by and between the **City of Escondido**, a California municipal corporation and **EDCO Refuse Services, Inc.** a California corporation dba Escondido Disposal, Inc. (collectively, the "Parties" and individually referred to as "Party").

### RECITALS

WHEREAS, the California Integrated Waste Management Act of 1989 ("Waste Management Act") codified at California Public Resources Code Sections 40000 *et seq.*, established a Solid Waste management process which requires cities and other local jurisdictions to implement source reduction, reuse and recycling as integrated waste management practices; and

WHEREAS, local agencies are authorized and required to make adequate provisions for Solid Waste handling within their jurisdictions; and

WHEREAS, Section 40059 of the California Public Resources Code provides that the City may determine aspects of Solid Waste handling which are of local concern, including, but not limited to, frequency of collection, means of collection and transportation, level of services, charges and fees and nature, location and extent of providing Solid Waste handling services and whether the services are to be provided by means of partially exclusive or wholly exclusive franchise, contract, license, permit or otherwise, either with or without competitive bidding; and

WHEREAS, the City is obligated to protect the public health and safety of the residents of the City and arrangements by waste haulers for the collection of Solid Waste should be made in a manner consistent with the protection of public health and safety; and

WHEREAS, the City declares its intention of maintaining reasonable rates and quality service related to the collection, transportation, recycling, processing, and disposal of Solid Waste and other services; and

WHEREAS, the City and the Contractor are mindful of the provisions of the laws governing the safe collection, transport, recycling and disposal of Solid Waste, including the Waste Management Act and the Resource Conservation and Recovery Act ("RCRA") 42 U.S.C. Sections 6901 *et seq.*

WHEREAS, the Waste Management Act contains certain diversion, reduction and other goals for local jurisdictions to be implemented by identified and specific programs; and

WHEREAS, there are no places within Escondido where landfills are located, or which are suitable for the siting of a landfill, and Solid Waste must, therefore, be exported from Escondido; and

WHEREAS, the Contractor has represented and warranted to the City that it has the experience, responsibility, and qualifications to conduct the services detailed herein, and to arrange with residents and other entities in Escondido for the collection, safe transport and disposal of Recyclables and Solid Waste which may inadvertently contain hazardous substances; and

WHEREAS, the City Council of the City determines and finds that the public interest, health, safety and well-being would be served if the Contractor performs these services for single family and multifamily residences and commercial and industrial businesses; and

WHEREAS, the City has the power to let contracts for the collection, removal, transportation and disposal of garbage pursuant to Escondido Municipal Code Section 14-47; and

WHEREAS, in 1983, pursuant to Chapter 14 of the Escondido Municipal Code, the City granted a Franchise for the collection, transportation and disposal of rubbish and garbage to the Contractor; and

WHEREAS, in 1990, pursuant to Chapter 14 of the Escondido Municipal Code, the City granted a Franchise for the collection, transportation and marketing of recyclable items to the Contractor; and

WHEREAS, on October 6, 1999, the City entered into a franchise agreement with the Contractor; and

WHEREAS, on June 19, 2019, the City Council considered the terms of the Agreement at a duly noticed public meeting and public testimony was received and considered by the City Council; and

WHEREAS, the City Council adopted Resolution No. 2019-61 on June 19, 2019, authorizing the execution of the Agreement; and

WHEREAS, the Agreement will supersede all other agreements for Solid Waste, Recyclables and Organic Waste collection services in Escondido regarding the Franchise;

**NOW THEREFORE**, in consideration of the above recitals, the covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the City and the Contractor hereby agree as follows:

## **Section 1 Definitions**

- 1.1 **"Agreement"** shall mean this Waste and Recycling Franchise Agreement between the City and the Contractor, including all exhibits and attachments, and any amendments thereto.

- 1.2 **"Anaerobic Digester"** shall mean the facility currently under development at the Escondido Resource Recovery Facility and the process by which organic matter is broken down to produce biogas and bio fertilizer. This process happens in the absence of oxygen in a sealed, oxygen-free tank called an anaerobic digester. The biogas is then processed to be used as RNG and converted to electricity or other beneficial re-uses.
- 1.3 **"Applicable CPI Increase"** shall mean the product of the previous years consume price index rate multiplied by the percentage change in the San Diego, CA area Consumer Price Index for All Urban Consumers (all items), base period of 1982 - 84 = 100, published by the United States Department of Labor, Bureau of Labor Statistics for the latest twelve-month period for which statistics are available. The formula for calculating the percentage adjustment shall be:
- $$\frac{\text{Current Period CPI} - \text{Previous Period CPI}}{\text{Previous Period CPI}} = \text{index point change/previous period. CPI} * 100 = \text{percent change}$$
- 1.4 **"Bulky Items"** shall mean Solid Waste generated by residential Customers in Escondido which is too large to fit in a standard container or refuse cart, including furniture and white goods.
- 1.5 **"City" or "Escondido"** shall mean the City of Escondido, a general law city and municipal corporation organized under the laws of the State of California, and all the territory lying within the municipal boundaries of the City as presently existing or as such boundaries may be modified during the term of this Agreement.
- 1.6 **"Commingled Organics Recycling"** shall refer to the processing of Organics Waste.
- 1.7 **"Collection Operations"** shall be the curbside collection and disposal of Solid Waste, Recyclables, and Organic Waste from residential Generators within the City, and the collection and disposal of Solid Waste, Recyclables, and Organic Waste from non-residential Generators within the City. "Collection Operations" shall not include collateral or any operations not subject to a Franchise Fee such as the operation of the Escondido Resource Recovery Facility.
- 1.8 **"Commingled Organics Recycling Facility"** shall be the facility or facilities used by the Contractor for the purposes of Commingled Organics Recycling as designated by the Contractor and approved by the City, which consent shall not be unreasonably withheld.
- 1.9 **"Containers"** shall mean all containers owned and maintained by the Contractor for the purposes of depositing Solid Waste, Recyclables, and Organic Waste, including but not limited to Bins, Collection Carts, Compactors and Drag On Bodies (DOB).

- 1.10 **"Contractor"** shall mean EDCO Refuse Services, Inc., d/b/a Escondido Disposal, Inc., a California corporation, organized and operating under the laws of the State of California and its officers, directors, employees, agents and companies.
- 1.11 **"Customer"** shall mean the person having the care and control of any premises in the City who receives any collection service from the Contractor.
- 1.12 **"Designated Disposal Site"** shall mean the Solid Waste disposal site(s) used by the Contractor for ultimate disposal of Solid Waste pursuant to this Agreement as designated by the Contractor and approved by the City, which consent shall not be unreasonably withheld.
- 1.13 **"Designated Recyclables Processing Facility"** shall be the facility or facilities used by the Contractor for the purposes of separating or processing Recyclables as designated by the Contractor and approved by the City, which consent shall not be unreasonably withheld.
- 1.14 **"Disposed Edible Food"** shall mean unsold or unserved food that is fit for human consumption, even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other conditions.
- 1.15 **"Effective Date"** shall mean the date this Agreement is executed by the Mayor of the City.
- 1.16 **"Escondido Resource Recovery Facility"** shall mean the Solid Waste, Organic Waste and Recyclables transfer and processing facility owned, leased, or operated by the Contractor in Escondido.
- 1.17 **"Food Waste"** shall mean cooked and uncooked food that is discarded or left uneaten. It can be from residential or commercial locations. Food waste includes; dairy, meat and bones, fruit, vegetables, bread, rice and pasta, fish, tea bags and coffee grounds, egg shells, biodegradable liners, paper towels, paper plates, waxed paper cartons, and newspapers. It does not include any packaging such as plastic wrappers, plastic bags, liquids, oils, or diapers.
- 1.18 **"Franchise"** shall mean the special right granted by the City to operate a public utility for Solid Waste, Commingled Organics Recycling and Recycling Services, within the City.
- 1.19 **"Franchise Fee"** shall mean the fee paid by the Contractor to the City pursuant to this Agreement for the right to hold the Franchise for Solid Waste, Commingled Organics Recycling, and Recycling granted by this Agreement.
- 1.20 **"Generators"** shall mean residential, industrial and commercial producers of Solid Waste, Recyclables and Organic Waste.

- 1.21 **"Governmental Authorities"** shall mean the local, state and federal agencies which have regulatory control over the Contractor's provision of the Solid Waste, Commingled Organics Recycling, and Recycling services.
- 1.22 **"Green Waste"** shall mean branches and twigs, flowers, weeds, roots, leaves, grass, plant clippings and uncoated wood chips. It does not include Food Waste, rocks, dirt, concrete, cactus or palm branches, glass, metal, aluminum, plastic, and treated or coated wood.
- 1.23 **"Gross Receipts"** shall mean any and all revenues, receipts, or compensation in any form, except for any City Fees or revenues, receipts, and compensation from the sale of Recyclables, organics and natural gas or electricity, received by the Contractor for Collection Operations pursuant to this Agreement, in accordance with Generally Accepted Accounting Principles including, but not limited to, monthly Customer fees for collection of Solid Waste or any other cost of doing business.
- 1.24 **"Hazardous Waste"** shall mean all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State of California in Health and Safety Code Sections 25110.02, 25115, and 25117 or in the future amendments to or re-codifications of such statutes, or identified and listed as Hazardous Waste by the US Environmental Protection Agency (EPA), pursuant to the RCRA, all future amendments thereto, and all rules and regulations promulgated thereunder.
- 1.25 **"Household Hazardous Waste" or "HHW"** shall mean Hazardous Waste generated at residential premises.
- 1.26 **"Normal Business Hours"** are limited to the hours between 8:00 a.m. and 5:00 p.m. daily, excluding Saturday, Sunday and national holidays.
- 1.27 **"Organic Waste"** shall mean Food Waste and Green Waste.
- 1.28 **"PHHWCF"** shall mean the Permanent Household Hazardous Waste Collection Facility.
- 1.29 **"Recyclables"** shall mean materials and substances in the Solid Waste collected by the Contractor which are susceptible to reuse, reprocessing, combustion or other means of recycling or revenue generation in lieu of permanent disposal.
- 1.30 **"Renewable Natural Gas or RNG"** shall mean the natural gas that is an ultra-clean, ultra-low carbon natural gas alternative which is captured as organic matter decomposes in controlled environments such as an Anaerobic Digester. The methane gas can then be processed, purified, and distributed as compressed natural gas or liquid natural gas to natural gas fuel stations.

- 1.31 **"Solid Waste"** means all garbage, refuse, rubbish, and other materials and substances discarded or rejected as being spent, useless, worthless or in excess to the Generator thereof at the time of such discard or rejection and which are (a) normally disposed of by or collected from residential (single family and multifamily), commercial, industrial, governmental and institutional establishments and (b) acceptable at permitted landfills under applicable law. The term "Solid Waste" does not include (1) Hazardous Waste, as defined in Public Resources Code Section 40141; (2) Radioactive waste regulated pursuant to the Radiation Control Law pursuant to Chapter 8 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety Code); (3) Medical waste regulated pursuant to the Medical Waste Management Act (Part 14 (commencing with Section 117600) of Division I 04 of the Health and Safety Code); (4) any other materials or substances which must be segregated or handled in a manner different from other Solid Waste under any applicable law or regulation. Solid Waste does not include Recyclables or Organic Waste which have been Source-separated from the Solid Waste.
- 1.32 **"Source-separated"** means the segregation of materials into separate containers by the Generator of individual components of material which otherwise would become Solid Waste, for the purpose of recycling, to be picked up by the Contractor.
- 1.33 **"Tip Fee"** shall mean the fees charged to Generators and haulers for the use of the Escondido Resource Recovery Facility.

## **Section 2 Exhibits**

- 2.1 **Residential Rates.** "Residential Rates" refers to and includes the residential fee rates as provided in Exhibit A attached to this Agreement.
- 2.2 **Commercial Rates.** "Commercial Rates" refers to and includes the commercial fee rates as provided in Exhibit B attached to this Agreement.
- 2.3 **Host Fee.** "Host Fee" refers to and includes the host fee rates as provided in Exhibit C attached to this Agreement.
- 2.4 **City Locations.** "City Locations" refers to and includes the locations in the City which Contractor shall provide collection and disposal services for as provided in Exhibit D attached to this Agreement.

## **Section 3 Grant of Franchise**

- 3.1 **Franchise.** The City hereby grants to the Contractor an exclusive Franchise to collect, transfer, transport, recycle, process and dispose of, for a fee, Solid Waste, Recyclables, and Commingled Organics Recycling from residential, commercial and industrial Generators within Escondido and to use Escondido



streets and byways for such purposes. This Franchise is granted pursuant to the authority and subject to the terms and conditions contained in Chapter 14 of the Escondido Municipal Code. This Franchise is granted upon each and every condition contained in this Agreement, and shall be strictly construed against the Contractor. Nothing shall pass by the Franchise granted to the Contractor unless it be granted in plain and unambiguous terms. Each of the conditions contained in this Agreement is a material and essential condition to the granting of the Franchise.

### 3.2 Exclusive Nature of Franchise

- A. During the term of this Franchise, except as otherwise provided in the Agreement, or except as may otherwise be required by federal or state law, the rights granted to the Contractor under this Franchise shall be exclusive to the Contractor, and the City will not let any contract to, or enter into any contract with, any other person, firm, or corporation for the performance of the services required to be performed by the Contractor. The City shall protect the Contractor's rights to such exclusive contract by proper ordinances, and by reasonable enforcement thereof.
- B. Such exclusive rights shall not extend to Solid Waste, Organic Waste or Recyclables which cannot be exclusively franchised under federal or state law. In addition, this grant of exclusive Franchise is not intended and does not preclude duly licensed Escondido based non-profit organizations and community groups from conducting recycling programs for the purpose of raising funds to support their own operations or facilities, nor does it preclude a person from selling or otherwise disposing of their own Recyclables at a buy-back center or from donating their own Recyclables.

3.3 Franchise Fee. In consideration of the exclusive Franchise provided in this Agreement, the Contractor agrees to pay to the City a Franchise Fee equal to ten percent (10%) of the Contractor's Gross Receipts from its collection operations in the City. The Franchise Fee may be modified in the amount and manner of payment at any time during the term of this Agreement by resolution of the City Council and shall be treated as a pass through rate component.

3.4 Timing of Franchise Fee Payments. The Franchise Fee based on all Gross Receipts collected each month by the contractor and in an amount as amended by City Council Resolution, shall be payable no later than the 10th day of each and every month of the month following the Contractor's actual receipt of the Gross Receipts on which such Franchise Fee is calculated. The Contractor shall, not later than the 10th day of each and every month, submit to the City a signed statement of its Gross Receipts during the preceding month.

## **Section 4 Term and Automatic Extension**

- 4.1 Term. The term of this Agreement shall commence on July 1, 2019, and terminate on June 30, 2030, unless earlier terminated in accordance with the provisions hereof. The term of this Agreement shall be subject to the automatic extension provided by Section 4.2 set forth below.
- 4.2 Automatic Extension. On July 1, 2020 and each year thereafter, the term of this Agreement shall automatically extend by one year increments so that the term of the Agreement shall remain a minimum of ten years unless terminated in accordance with Section 4.3.
- 4.3 Termination. Should the City or the Contractor desire to terminate the automatic extension for any reason whatsoever, such party must give the other party written notice of the termination of the automatic extension within (30) days prior to July 1 of any year of the Agreement. Such written notice by either party will constitute a termination of the automatic one-year extension set forth in Section 4.2 and the Agreement shall remain in effect for the balance of the remaining term unless earlier terminated in accordance with the provisions of the Agreement.

## **Section 5 Conditions of Effectiveness of Agreement**

- 5.1 The obligation of the City to permit this Agreement to become effective and to perform its undertakings provided for in this Agreement is subject to the Contractor's satisfaction of each and all of the conditions set out below, each of which may be waived in whole or in part by the City.
  - A. Accuracy of Representations. The representations and warranties made by the Contractor throughout this Agreement are true and correct on, and as of, the Effective Date of this Agreement.
  - B. Absence of Litigation. There is no litigation pending on the Effective Date of this Agreement in any court challenging the award or execution of this Agreement or seeking to restrain or enjoin its performance.
  - C. Furnishing of Insurance and Bonds. The Contractor has furnished evidence of the insurance and bonds required by this Agreement.
  - D. Effectiveness of City Council Action. The City Council's Resolution authorizing the Mayor to execute this Agreement, shall have become effective pursuant to California law prior to the Effective Date.

## **Section 6 Services Provided**

- 6.1 Generally. The Contractor undertakes and agrees, for the consideration set forth herein, to collect, transfer, transport, recycle, process and dispose of all Solid Waste, Recyclables, Green Waste and upon the commissioning of the Anaerobic Digester, Organic Waste that are generated or accumulated by or upon all property located within Escondido during the term of this Agreement, subject to and in accordance with the terms and provisions hereof. The Contractor shall furnish all labor, equipment, and vehicles (including reasonably adequate standby equipment and vehicle capacity to provide the service herein required in the event of a breakdown), and all insurance and bonds necessary to insure the efficient and timely performance of such obligation.
- 6.2 Ownership. All Solid Waste, Recyclables and Organic Waste collected by the Contractor shall become the property of the Contractor immediately upon the collection thereof, and shall be removed and transported by the Contractor to an approved place of disposal, or sale, as appropriate, which shall be provided, managed for or furnished by the Contractor in accordance with the terms of this Agreement. The collection and removal of Solid Waste, Recyclables and Organic Waste shall be done in a prompt, thorough, lawful and workmanlike manner.
- 6.3 Contingency Plan. The Contractor shall submit to the City upon reasonable notice a written contingency plan demonstrating the Contractor's management to provide vehicles and personnel and to maintain uninterrupted service during mechanical breakdowns, and in case of natural disaster or other emergency.
- 6.4 Compliance with Existing Requirements. Contractor shall provide and implement adequate programs to ensure compliance with the various diversion, reuse, recycling, and other requirements or promulgated regulations imposed on the City by the Waste Management Act and any other applicable state or federal law.
- 6.5 Changes in Law. The Contractor shall develop and, upon the City Council's approval, implement within a timely manner, programs to meet new state and federal laws. The Contractor may request a rate increase or decrease for additional duties required hereunder.

## **Section 7 Collection and Disposal**

- 7.1 Collection of Residential Solid Waste, Recyclables and Organic Waste. The Contractor shall be responsible for collecting residential Solid Waste, Recyclables and Organic Waste and transporting it to the Escondido Resource Recovery Facility. The Contractor will provide weekly collection services to all existing and future single family and multifamily residences within the incorporated boundary of the City. The standard service will include collection at

the curb. Individuals desiring the convenience of backyard service, where such service is feasible, will have that option at an additional fee.

- A. Containers. The Contractor shall be responsible for purchasing, distributing, and maintaining all Collection Carts for residential Customers. The cost of Collection Carts will be included in the corresponding service fee charged to residential Customers and is already included in the Residential Rates.
  - B. Automated Collection Service. Automated collection of Solid Waste, Recyclables and Organic Waste from all residences in the City shall continue. The automated collection system includes fully automated collection vehicles and standard size Collection Carts for all Customers.
  - C. Kitchen Containers. The Contractor shall also provide one kitchen pail container for indoor storage of Food Waste for each single family residence, which shall reasonably fit on a counter top or underneath a residential sink, be clearly labeled, and include graphics to aid customers in proper Food Waste diversion.
- 7.2 Collection of Commercial and Industrial Solid Waste, Recyclables and Organic Waste. The Contractor shall be responsible for collecting the Solid Waste, Recyclables and Organic Waste and delivering it to the Escondido Resource Recovery Facility. The Contractor shall provide weekly commercial collection with Containers sized to appropriately service the needs of the Customer and collection on a frequency as required by the Customer.
- A. Containers.
    - (1) Ownership and Cost. The Contractor shall be responsible for purchasing, distributing, and maintaining any Containers provided to commercial Customers. The cost of any such Containers shall be included in the service fee charged to commercial Customers.
    - (2) Size and Types. Containers will be variable and will include Bins and Collection Carts ranging in size from approximately 35 gallons to 6 cubic yards. The Contractor will make Compactors and DOBs available for industrial Solid Waste collection with DOBs and Compactors sized to appropriately service the needs of the Customer and collection on a frequency as required by the Customer. The DOB sizes will be variable typically ranging from approximately 14 to 38 cubic yards. The fee for such service will include the cost of delivery and pick-up of the Container and disposal of the Solid Waste. The Contractor shall also make available DOBs for Organic Waste and Recyclables with fees for the respective materials.

- (3) Placement. The Contractor shall, whenever possible, place Collection Carts in the street gutter, adjacent to the curb, upon completing collection. If the Collection Cart was collected from an alternative, approved location, the cart shall be returned to that location. The Contractor shall return all Bins to the same location upon the property and shall secure gates, doors, and/or enclosures when applicable.
- (4) Overflow and Unsanitary Conditions. The Contractor shall work with the City in identifying and resolving continual problems with overflowing Bins or Bin enclosures, and/or other unsanitary conditions caused by Customers. Contractor shall clean out (including removing Solid Waste, Recyclables and Organic Waste, sweeping or other service as directed by City) any overflowing Bins or Bin enclosures within the City, within twenty-four (24) hours of notification by the City. The Contractor may bill for any such services, when they are required by City to provide these services, in an amount not to exceed the Contractor's actual and reasonable costs incurred in doing so.
- (5) Maintenance. The Contractor shall at all times keep Solid Waste, Recyclables and Organic Waste Containers in good, clean and sanitary condition to the satisfaction of the City. Bins shall be free of "tagging" or graffiti and shall be replaced or re-painted within three (3) business days as necessary. Bins to be repaired shall be removed from the service location and taken to Contractor's maintenance facility for such cleaning or repair. Enclosure maintenance shall be the responsibility of the Customer(s). However, the Contractor shall pick up any Solid Waste, Recyclables and Organic Waste, debris or litter that is deposited on the ground as a result of the dumping of the Bin. Contractor shall report any structural issues regarding an enclosure to the City.
- (6) Storm Water Compliance. Contractor shall ensure that the placement of Containers for, or collection of, Solid Waste, Recyclables and Organic Waste is in compliance with the City's storm water regulations and policies. Contractor will work with the City to ensure lids remain closed on all Containers. Locations where lids are damaged will be replaced within forty-eight (48) hours. All carts and bins will be maintained in such a way as to prevent the leaking of liquid materials from the Containers.

Where the collection location is within an enclosure constructed pursuant to the requirements of the City, the Contractor shall be responsible for the removal and replacement of all Containers placed therein. In order to service the Containers, the Contractor shall use sufficient care in the handling of such Containers so as to prevent any damage caused by the Contractor's negligence to the enclosure, the enclosure doors, and adjacent facilities or improvements. The Contractor shall repair at its own expense and within thirty (30) business days after notification from the City or Customer, any such enclosure or adjacent facilities or improvements damaged by Contractor except for damage caused by normal wear and tear.

7.3 Collection of Solid Waste from Public Containers and Collection of Solid Waste, Recyclables and Organic Waste from City Facilities.

- A. Generally. The Contractor shall collect and dispose of all Solid Waste, Recyclables, Green Waste and upon commissioning, all Organic Waste contained in Containers at the City Locations throughout Escondido at no additional charge to the City. In addition, the Contractor shall provide, at no additional charge to the City, DOBs ranging in size from approximately 14 to 38 cubic yards, or as designated by the City Manager, for Solid Waste collection at City facilities. The Contractor shall be responsible for delivering the Solid Waste, Recyclables and Organic Waste collected pursuant to this section to the Escondido Resource Recovery Facility. The City and the Contractor may amend the locations or collection schedule at City facilities at any time by mutual consent.
- B. Locations. The Contractor shall collect and dispose of all Solid Waste, Recyclables, and Organic Waste at City facilities as specified in Exhibit D as well as provide appropriate Containers.
- (1) Additional Facilities. Contractor shall collect and dispose of Solid Waste, Organic Waste, and Recyclables from any additional facility owned and operated by the City that provides essential services, including, but not limited to, fire stations, police stations and parks that are not already listed on Exhibit D.
- (2) Bus Stops. The Contractor shall collect and dispose of all Solid Waste, Recyclables and Organic Waste from Containers located at designated bus stops within the City boundary. The collection shall be provided with automated collection vehicles and the schedule for collection shall be as designated by the City.

- 7.4 Bulky Items Collection. The Contractor will provide collection of Bulky Items as an ongoing service available to residential Customers. The service requires pickup of Bulky Items from residents on an on-call basis for a service fee. The Contractor shall deliver the collected Bulky Items to the Designated Recyclables Processing Facility for recovery, or to the Designated Disposal Site, as reasonably determined by the Contractor depending on the type of materials collected.
- 7.5 Container Cleaning. The Contractor shall, at Customer's request, once annually, refurbish, replace, and steam clean as necessary all Contractor-owned Commingled Organics Recycling Containers at no charge to Customers; provided, however, City may require the steam cleaning or replacement of Containers utilized at restaurants, bars and grocery stores/markets more frequently if it determines such action is needed to protect public health and safety. Contractor will be responsible for the cleaning method, but will not allow any materials from the cleaning process to be discharged into the City's municipal separate storm sewer systems. Additional steam cleanings, refurbishments or replacements beyond once per year shall be provided to any Customers who request it at a charge not to exceed the rate set forth in Exhibits A & B.

## **Section 8 Recycling and Other Related Services**

- 8.1 Recycling Collection Generally. The Contractor shall be responsible for collecting Source-separated Recyclables from residential service Customers at the curbside, and multifamily Customers on premises. The residential Source-separated Recyclables collection services will be provided weekly on the same day as Solid Waste collection. The Contractor shall collect Source-separated Recyclables using a method compatible with the Escondido Resource Recovery Facility. The Contractor will accept responsibility and work with the City for maintaining minimum contamination levels. The Contractor shall transport the Source-separated Recyclables to the Escondido Resource Recovery Facility.

The Contractor will work to identify and post all materials that are accepted at the Escondido Resource Recovery Facility. This material list will be sent to the City on a quarterly basis so that all communications from both the City and the contractor are up to date and accurate. The material list will be made available on the contractor's website and any changes in materials accepted will be updated along with inclusion in the quarterly newsletter. New materials to be added, or no longer accepted, with mutual agreement by the Contractor and the City. The Contractor will collect and transport additional types of material that can be diverted from a landfill that are not currently being recycled, if the City and the Contractor subsequently agree in writing.

8.2 Automated Collection Service. Upon commissioning of Anaerobic Digester, residential collection of Green Waste will be expanded to Organic Waste. The Contractor's automated collection system uses fully automated collection vehicles and Collection Carts for all residential Customers. The Contractor shall provide single dual-wheeled carts indicated in the rate sheet attached for each residential Customer. The Contractor shall be responsible for purchasing, distributing, and maintaining the collection containers or bins. The Contractor must obtain the City's approval of the purchase contract for the containers prior to purchasing same. Any and all costs associated with distributing, maintaining or replacing the containers shall be paid for by the Contractor. The Contractor shall be responsible for repair and maintenance of the containers, graffiti removal, and replacement of lost, stolen or damaged containers. The Contractor shall also be responsible for purchase of containers for new Customers.

8.3 Commercial Recycling Program. Contractor shall develop a routing system to collect the Source-separated Recyclables, including Organic Waste, from all Escondido businesses and deliver the materials to the Escondido Resource Recovery Facility. In addition, the Contractor will divert recyclable commercial and industrial waste which is collected by the Contractor and/or delivered to the Contractor by self-haul Customers, at the Escondido Resource Recovery Facility, through floor sorting procedures to recover recyclables not separated at the point of generation. A differential rate structure for refuse collection containers and recyclable material containers will further work to achieve diversion goals. The City will work with the Contractor to establish commercial recycling fees and programs that encourage diversion and recycling. The Contractor shall provide commercial customers a variety of Bin and Collection Cart sizes for the segregation and collection of refuse, recyclables and commingled organics recycling containers.

The Contractor along with the City shall actively solicit and require all commercial Customers to subscribe to recycling services. The Contractor shall make commercial recycling service a requirement to any commercial Customer that subscribes for Solid Waste service. The Contractor shall assist the Customers in evaluating waste generation in order to achieve maximum diversion and lowest possible costs associated with implementing recycling services, commingled organics recycling and reducing Solid Waste collection services. The Contractor along with the City shall undertake a comprehensive public education program specifically targeting commercial recycling and diversion services.

8.4 Recyclables Processing and Marketing. The Contractor will use its best efforts to sell Recyclables for cash at the highest available market rates. The Contractor shall receive and process Recyclables, prepare Recyclables for markets, and



market Recyclables. The Escondido Resource Recovery Facility will receive Recyclables collected through the residential and commercial recycling programs.

The Contractor shall be required to provide processing facility capacity and shall designate a site for such purpose. In meeting the obligation to provide processing facility capacity, the Contractor may purchase, lease, subcontract, or make other arrangements with a new or existing facility. The Contractor will ensure that any applicable purchase or lease agreements with property owners and the local land-use authorities are implemented. The Contractor shall have the responsibility to assure the technical and environmental suitability of any site for its intended purpose.

If at any time during the term the Contractor is unable to accept or process the Recyclables at the Designated Recyclables Processing Facility, the Contractor shall pay the City all costs incurred by the City to implement alternative processing of Recyclables collected.

Source-separated Recyclables that are contaminated due to the placement of Solid Waste in designated recycling container, or inclement weather that leaves the Recyclables unmarketable, may be disposed of as Solid Waste. The Contractor shall retain a record of such occurrences and report them to the City on a quarterly basis.

- 8.5 Christmas Trees. It is the intent of the City to divert from the landfill and recycle Christmas trees. The Contractor shall, without additional compensation, collect all Christmas trees discarded by Customers during the first three regularly scheduled collection days after New Year's Day for each collection route. In addition, the Contractor will provide DOB containers for Christmas tree collection at locations designated by the City Manager. The Contractor shall deliver all Christmas trees collected during this period to the Escondido Resource Recovery Facility.
- 8.6 Organic Waste Collection. The Contractor shall provide residential weekly Source-separated Green Waste curbside collection on the same collection day as Solid Waste and Recyclables collection, and deliver collected Green Waste to the Escondido Resource Recovery Facility. Upon commissioning of the Anaerobic Digester, the Green Waste collection will be expanded to collection of Organic Waste. All residential Customers in Escondido are eligible to receive Green Waste and upon commissioning of the Anaerobic Digester, Organic Waste collection service.

Customers will be required to place Source-separated Green Waste and upon the commissioning of the Anaerobic Digester, Organic Waste materials at the curbside in the current Green Waste Container. Multifamily residential complexes receiving refuse Bin service will be required to have Organic Waste collection service. Contractor will provide water tight Containers for collection of all Organic Waste. Contractor will label all Organic Waste Containers with informative labels, as approved by the City.

- 8.7 Commingled Organics Recycling. The Contractor shall make arrangements for processing the Source-separated Organic Waste volume generated through the collection service. The Contractor shall ensure the technical and environmental effectiveness of the Anaerobic Digester system will meet state mandates for diversion and greenhouse gas emissions control.

If at any time during the term of the Agreement, the Contractor is unable to accept and/or process the City's Source-separated Organic Waste at the Escondido Resource Recovery Facility, the Contractor shall absorb all costs incurred to implement alternative processing of Source-separated Organic Waste collected.

Commingled Organics Recycling in the Anaerobic Digester will produce RNG that will be used to power Contractors fleet of trucks serving Southern California. Additional RNG can be fed into the gas grid or used to generate environmentally friendly power in a combined heat and power unit.

Additionally, the Anaerobic Digester will produce a digestate that can be used as raw organic fertilizer or soil conditioner. With additional processing the digestate can produce compost and or a liquid organic fertilizer.

As part of this Agreement the Contractor agrees to collaborate with the City to explore uses, distribution and marketing for the RNG and the processed digestate. In addition, shared revenue with the City will be included as part of the collaboration.

- 8.8 Recycling Revenues. For the initial six months of the Agreement through December 31, 2019, the Contractor agrees to pay the City \$0.75 per ton of Solid Waste collected by Contractor and subsequently disposed of from all Customers (excluding City facilities, public works projects and waste not subject to the Solid Waste, Recyclables and Organic Waste.) Contractor shall, not later than the 10th day of each and every month, submit such payment accompanied by supporting documentation demonstrating the accuracy of the payment to the City. Contractor shall retain all revenues generated from the sale of Recyclables collected by the Contractor and any payments distributed by the State of California for materials and programs. In consideration for the right to retain all revenues generated from the sale of Recyclables throughout the term of this

Agreement, the Contractor shall pay to the City a total payment of Seventy-Five Thousand Dollars (\$75,000.00). The payment of \$75,000.00 will be due on or before January 2, 2020.

## **Section 9 Transfer and Disposal**

- 9.1 In General. The Contractor owns and operates the Escondido Resource Recovery Facility located in Escondido. For the term of this Agreement, the Contractor agrees to use the Escondido Resource Recovery Facility to accept all of the City's Solid Waste, Recyclables and Commingled Organics Recycling. The Contractor agrees to maintain at all times sufficient capacity at the Escondido Resource Recovery Facility to accept, recycle and/or dispose of all of the City's Solid Waste, Recyclables and Commingled Organics Recycling. The Contractor shall make sufficient space available at the Escondido Resource Recovery Facility site for the City to operate its Household Hazardous Waste collection program. The City agrees that all Solid Waste, Recyclables and Commingled Organics Recycling collected within its boundaries may be delivered to the Escondido Resource Recovery Facility.
- 9.2 Priority Over Other Generators. The Contractor shall use its best efforts to attract Solid Waste from other Generators for delivery to its Escondido Resource Recovery Facility either on a short- or long- term basis, provided that such additional Solid Waste does not prevent the Contractor from meeting its obligations under this Agreement. The Contractor shall give the City priority at the Escondido Resource Recovery Facility over all other Generators. The Contractor may set Tip Fees for Solid Waste, Recyclables, and Commingled Organics Recycling other than the City's at any amount it determines to be commercially reasonable. Notwithstanding the foregoing, the Tip Fee charged to Customers shall at all times be equal to or lower than the lowest Tip Fee charged to any other Generator or hauler, except for self-haul Solid Waste.
- 9.3 Host Fees. The City and the Contractor acknowledge that the acceptance of Solid Waste, Recyclables, and Organic Waste from outside the jurisdictional authority of the City may negatively impact the condition of the public streets and highways that are used by the Contractor in the operation of the Escondido Resource Recovery Facility. To compensate the City for any adverse impacts that may occur, the Contractor agrees to pay to the City a Host Fee for every ton of Solid Waste, Recyclables, and Organic Waste originating from Generators located outside Escondido and delivered by permitted haulers to the Escondido Resource Recovery Facility. The Contractor shall pay Host Fees to the City on a monthly basis. The City may review the amount of the Host Fee at any time and may increase or decrease the Host Fee at the discretion of the City Council.

- 9.4 Self-Haul. The Contractor will develop and implement self-haul programs and applicable fees for residential and commercial self-haulers for Solid Waste, Recyclables, and Organic Waste.

## **Section 10 Permanent Household Hazardous Waste Collection Facility**

- 10.1 In General. Contractor shall provide convenient Household Hazardous Waste recycling and disposal capacity for Escondido residents and small quantity generators of hazardous waste within the City limits of Escondido. The Contractor owns a facility in the City which is permitted as a Household Hazardous Waste collection facility. The Contractor has built, opened and manages the PHHWCF. The Contractor may sub-contract such operations to a qualified, licensed service provider and any sub-contract shall require approval from the City Manager. Such approval shall not be unreasonably withheld.
- 10.2 PHHWCF Operations Plan. The Contractor will review with the City the operations and contingency plan specific to the PHHWCF site. This plan includes the agreement with any sub-contractor and terms related to operating the site. The PHHWCF shall be open to residents on Saturdays, two times per month. Periodically, and at the City's discretion, days and hours of the operation of the PHHWCF may be reviewed and amended. The PHHWCF shall accept all types of HHW allowed by applicable state and federal laws. The following types of waste will be acceptable on a case-by-case basis only and may be subject to additional fee: electronic waste (TV's, computer monitors, electronic devices), radioactive materials, explosives, compressed gases (aerosol containers are not excluded) and biological or infectious waste. The Contractor shall provide sharps recovery, pharmaceuticals take backs, and propane gas containers recycling and reusable programs.

The Contractor and sub-contractor will be responsible for preparing all paperwork related to the transportation of materials and reporting of waste collected as required by all local, state and federal agencies as well as all related or required reports. The City shall not be responsible for any costs associated with closure of the PHHWCF for any reason, or any other costs associated with the site following its closure.

- 10.3 Regional Participation. The Contractor may sign use agreements with other jurisdictions for use of the PHHWCF provided the City approves such arrangements by agreeing to be a mutual signer. In addition, the City may direct the Contractor to provide capacity use agreements for the PHHWCF to other jurisdictions provided such arrangements are consistent and do not interfere with any agreement between the Contractor and a sub-contractor hired to operate the PHHWCF. However, in all circumstances, the Escondido residents shall have

first priority for HHW disposal capacity. During the two Saturdays a month, when the PHHWCF is opened to City residents, capacity must be available for all HHW brought to the facility.

- 10.4 Household Hazardous Waste Collection Revenue. To fund the cost of operating the Escondido PHHWCF the fees charged to residents and businesses specifically for the handling of HHW, will be utilized. Such fees may be reviewed and adjusted to reflect changes in the costs of operating said facility.

## **Section 11 Public Education, Community Services and Outreach**

11.1 In General. The Contractor shall develop and implement public education programs on, Food Waste diversion, source reduction, reuse, recycling, composting and secondary materials usage and availability, bulky goods pick-ups, Commingled Organics Recycling programs, and the importance of the safe disposal of Hazardous Waste. The City and the Contractor recognize the importance of continual public education in support of these programs. The Contractor agrees to work and support the City with public education in good faith in accordance with the terms and conditions contained in this Agreement. Educational programs developed by the Contractor shall include, but are not limited to, achieving the goals of the Waste Management Act, proper disposal of Hazardous Waste, composting, secondary materials usage, multifamily recycling, commercial business recycling, and other related city, county and state programs aimed at improving the quality of life through conservation.

11.2 Materials and Distribution.

- A. Handbook. The Contractor shall provide all Customers with a new handbook that explains the Contractor's Solid Waste, Recyclables, and Commingled Organics Recycling programs, including, but not limited to reuse, recycling, source reduction, Bulky Items pick-ups, residential greens programs, and the safe disposal of HHW. The Contractor will distribute a new handbook to all Customers upon initiation of the Commingled Organics Recycling program. The Contractor will provide a handbook to all new Customers within seven (7) days of being notified by the City of the new Customer.
- B. Newsletter. The Contractor shall publish a quarterly newsletter, reviewed and approved by the City, aimed at informing and educating Customers on Solid Waste, Commingled Organics Recycling, and recycling programs and upcoming events. If the Contractor wishes to replace an edition of the quarterly newsletter with a comparable alternative, it may do so with the approval of the City, which approval shall not be unreasonably withheld. The newsletter along with other educational materials will be rebranded, to conform to City related

communication tools. Customers who don't receive a newsletter may receive one at the Contractor's office upon producing proof of City residency.

- 11.3 Approval. The City and the Contractor shall meet quarterly to coordinate their goals and activities for public education and outreach. The Contractor will provide the City with copies of all educational materials prior to distribution for the City's review, comment and approval.
- 11.4 Marketing and Outreach. The Contractor, in coordination with the City, shall provide information to the public by a variety of means such as designated website location for Customers, information tags distributed in curbside recycling bins, school presentations and facility tours, attendance at community events, community banners, billing inserts, presentations to service groups, periodic workshops on recycling and composting, brochures, press releases, and the City's quarterly recreational brochure.
- 11.5 Cleanup Coupons. The Contractor shall provide two (2) free cleanup coupons per calendar year to all Escondido residents allowing them to dispose of unwanted materials at the Escondido Resource Recovery Facility. The Contractor shall promote the availability of the cleanup coupons to Escondido residents. The Contractor shall stipulate load contents and dimensions, and hours of operation on the coupons. The Contractor shall include the cleanup coupons in the Contractor's newsletter.
- 11.6 E-Waste and Shred Events. The Contractor shall sponsor two (2) e-waste and shred events per calendar year during which Escondido residents will be allowed to dispose of an unlimited amount of residential electronic waste and two (2) bankers' boxes of documents for on-site destruction. The events shall take place at locations in the City designated by the Contractor and approved by the City, which consent shall not be unreasonably withheld. The Contractor shall provide advertising for the events in high profile locations such as the newspaper, billing inserts, a direct-mail postcard, and the Contractor's newsletter.
- 11.7 HHW. The Contractor shall provide public education through quarterly newsletters on safe handling of HHW, the services available through the PHHWCF and an annual magnet outlining the specific dates that the PHHWCF will be available for appointments.
- 11.8 Commingled Organics Recycling. Contractor shall develop an educational campaign for the new Commingled Organics Recycling program. This program will feature a roll-out effort along with comprehensive education for the first year. All new Customers will receive appropriate educational materials.

## Section 12 Records, Reports, and Audits

### 12.1 Records

- A. The Contractor shall maintain accurate records for its operation including Solid Waste quantities collected and quantities transported to each disposal site. Records shall be maintained in forms and methods that facilitate the use of data for the production of reports as needed. The Contractor shall make these records available and provide to the City any record or documentation necessary for the City to fulfill its obligations under the Waste Management Act.
- B. The Contractor shall provide all the records of any and all companies conducting operations which are subject to the Franchise Fee addressed in this Agreement to the City and its designated representatives during Normal Business Hours, upon request by the City.
- C. The Contractor shall keep at its premises full and accurate books of account, records, receipts and other pertinent data showing its rates, fees and associated tonnages. The Contractor shall install and maintain accurate receipt-printing registers and shall record on the registers all Tip Fees and Solid Waste loads received at its Escondido Resource Recovery Facility.
- D. The Contractor shall keep full, complete and proper books, records, and accounts of the gross receipts collected by the Contractor within Escondido, and said books, records, and accounts shall at all reasonable time be open to the inspection of the City or the City's authorized representative or agent.
- E. Contractor will meet with the City to review all reporting identified below to ensure the City has accurate understanding of the report contents and its relevance to public education and meeting state mandates on a quarterly basis.

### 12.2 Reports

- A. The Contractor shall furnish to the City all copies of its periodic reports and returns filed with all Governmental Authorities at the time each is filed with each Governmental Authority.
- B. The Contractor shall record and provide to the City on a monthly basis the daily quantities of Solid Waste collected and disposed at each facility used by the Contractor. The Contractor shall record and provide to the City on a monthly basis the daily quantities of Recyclables, Organic Waste, and any materials destined for transformation facilities collected according to: (1) material types; (2) program; and (3) processing facility/markets to which materials are delivered.

- C. All disposal and diversion tonnages shall also be further disaggregated according to the source, with reporting on diversion tonnage and percentage from each source of generation as follows:
- (1) Residential Solid Waste - Solid Waste originating from single- and multiple-unit dwellings. Single-unit tonnages are to be accounted for separately from multi-unit tonnages. In those cases, where multi-unit accounts are commingled with material from other waste sources, the Contractor will be responsible for developing a reasonable methodology for estimating such multi-unit tonnages which is acceptable to the City (e.g., [container greenage] x [frequency] x [% of capacity] x [assumed density]).
  - (2) Commercial Solid Waste - Solid Waste originating from stores; business offices; commercial warehouses; hospitals; educational, health care, military, and correctional institutions; nonprofit research organizations; and government offices.
  - (3) Industrial Solid Waste - All Solid Waste placed in debris boxes. In addition to tonnage, the number of debris boxes segregated into Solid Waste, Recyclables, and Commingled Organics Recycling.
  - (4) Other Sources Solid Waste originating from such sources as state and federal lands and recreational areas.
- D. Written reports reflecting payments received by the Contractor for Recyclables shall be submitted to the City on a quarterly basis.
- E. This monthly information shall be given to the City timely for the City's inclusion in any necessary City reports.
- F. The Contractor shall also provide to the City an annual waste disposal and diversion report based upon these daily records by the 31st day of January of each year of the Agreement or at other times as may be requested by the City. This report shall include total tonnages disposed by waste source and disposal facility, and total tonnages diverted by waste source, material type, and program and the specific Solid Waste processing facility or market to which the materials were delivered. The Contractor shall attempt to include reports on private recycling efforts so that these will be counted toward the City's diversion goals.
- G. All reports shall be adequate to meet the City's reporting requirements under the Waste Management Act or other applicable local, state, or federal law.



- H. Monthly reports shall also include the number of Escondido residential and commercial Customers participating and a summary of service requests, complaints and Contractor responses for the month. Reports shall be in a form approved by the City.
- I. All records shall be maintained and submitted electronically and in a computerized database compatible with the City's computers. Reports shall be formatted and accessible to the City via a shared cloud platform, as requested by the City. The Contractor shall submit to the City on a monthly basis all reporting forms for the disposition of Solid Waste, Recyclables and Organic Waste as well as the Escondido Resource Recovery Facility operations prepared by the Contractor or the Governmental Authorities.
- J. These reports and records will be reviewed by the Contractor and City during their quarterly meeting.

12.3 Audit and Inspection by the City. At any time during Normal Business Hours, the Contractor shall make available to the City for examination the Contractor's data and records with respect to Collection Operations under this Agreement. The Contractor will permit the City to audit, examine, and make excerpts or transcripts from such data and records, and make audits of all data relating to Collection Operations under this Agreement.

The Contractor shall maintain such data and records in an accessible location and condition for a period of not less than three years following the termination of this Agreement unless the City agrees in writing to an earlier disposition.

## **Section 13 Rates for Collection and Other Services**

13.1 In General. In consideration of the Contractor's provision of services in accordance with the terms of this Franchise, the Contractor shall be permitted to charge service fees to all Customers. Service fees charged to residential, industrial and commercial users who are not located in Escondido shall be as the Contractor deems commercially reasonable. The rates charged by the Contractor and paid by Customers for Solid Waste, Organic Waste, and Recyclables provided by the Contractor under this Franchise shall be those set forth in Exhibits A and B.

### 13.2 Contractor's Right to Increase Rates

- A. Commencing on January 1, 2020, and upon each one-year anniversary thereof for the remainder of the term, the Residential and Commercial Rates (excluding any Franchise Fees or other "pass-throughs") shall increase by an amount not to exceed the Applicable CPI Increase.

- B. In the event that the Applicable CPI Increase referred to above shall no longer be published, then another similar generally recognized index may be substituted upon approval by the City Manager. All service rate increases must first be reviewed by the City Council, which may, by written resolution, amend the service rates from time to time. All service rate increases must first be adopted by written resolution of the City Council before such increase become effective. Nothing in this section shall affect in any way the rights guaranteed to the citizens of Escondido pursuant to Proposition 218 and the California Constitution.
  - C. The Contractor's right to increase the rate is contingent upon the Contractor providing written notice to the City Manager or his or her designee of a proposed increase, including proposed rates for all Generator classes of fees, and to all affected Customers by no later than 45 days prior to the effective date of the proposed increase. At the City's discretion, failure to comply with this notice requirement may be deemed to be a final decision by the Contractor not to increase rates for the upcoming year.
  - D. If the Contractor elects to not increase a service rate in any year, or elects to increase a service rate, but not up to the allowable increase for such year, the Contractor's unused ability to increase rates in any given year shall be eligible to be carried forward to subsequent years.
  - E. The Contractor agrees to coordinate, whenever possible, the concurrent imposition of any pending service rate increase with any pending Franchise Fee or regulatory fee increases by the City.
- 13.3 Contractor's Reserved Right to Request Increases Based on Extraordinary Circumstances. Notwithstanding the foregoing, the Contractor may submit a request to the City Council for additional rate relief at any time if extraordinary expenses are incurred beyond the Contractor's reasonable control. The basis for this rate adjustment request must be an unforeseen change in the Contractor's cost of doing business which is beyond the Contractor's reasonable control, including, but not limited to, any new local, state, or federal tax, fee or surcharge imposed upon collection, recycling, transfer or disposal of Solid Waste. City Council reserves the right to approve or disapprove such a request in its sole discretion.
- 13.4 City's Right to Request Additional Programs. The City reserves the right to require additional services for collection and/or recycling of Solid Waste, provided that the Contractor shall receive such rate increase as is necessary to cover the additional costs for the required programs.

## **Section 14 Right of First Refusal**

If the shareholders of the Contractor, in their sole and absolute discretion, elect to sell all or any portion of the Escondido Resource Recovery Facility, the City shall at all times during this Agreement, maintain the right of first refusal to purchase the Escondido Resource Recovery Facility at the then current fair market value. The City shall have forty-five (45) days after receiving notice of the intended sale to exercise its right of first refusal by delivering written notice to the Contractor. The current fair market value of the Escondido Resource Recovery Facility will be determined by an independent appraiser jointly selected by the Contractor and the City. If the Contractor and City cannot agree on an appraiser, each Party shall select an appraiser and the two appraisers shall select a third party appraiser to conduct the appraisal. The City shall pay the cost of the appraisal. If the City fails to timely exercise such right, the shareholders may thereafter sell the Escondido Resource Recovery Facility upon such terms as they deem acceptable subject to the terms and conditions of this Agreement. Alternatively, if the Contractor receives an unsolicited offer for the purchase of all or a portion of the Escondido Resource Recovery Facility the Contractor shall present the offer to the City and the City shall have the right to purchase the Escondido Resource Recovery Facility at the amount of the offer presented. The City may not assign the City's rights under this section. Any transfer of the Escondido Resource Recovery Facility resulting from a financial obligation due to the terms of a loan or note are not considered an election to sell for the purposes of this section.

Notwithstanding any term contained herein to the contrary, a sale or other transfer of the Franchise, the Contractor or the Escondido Resource Recovery Facility, will not be deemed to have occurred in the event that (a) operational control is passed to or assumed by Edward G. Burr or Sandra L. Burr, one of their immediate family members, or thereafter to a member of such transferee's immediate family; (b) a transfer of stock occurs between or among Edward G. Burr, Sandra L. Burr, members of their immediate families, or members of their immediate families' families; or (c) any transfer of stock or assets primarily for estate planning or asset protection purposes which does not materially affect the day to day operations of the Contractor or the Escondido Resource Recovery Facility, as the case may be.

## **Section 15 Indemnity**

### **15.1 Indemnification Generally**

- A. The Contractor agrees to and shall defend, with counsel to be agreed upon by both Parties, indemnify, and hold harmless the City, its elected and appointed boards, commissions, officers, employees, volunteers and agents (collectively "Indemnitees") from and against any and all loss, liability, penalty, forfeiture,

claim, demand, action, proceeding or suit in law or equity of any and every kind and description (including, but not limited to, injury to and death of any person and damage to property, or for contribution or indemnity claimed by third parties) arising or resulting from and in any way connected with (1) the acts or omissions of the Contractor, its officers, employees, agents, contractors and/or subcontractors in performing services under this Agreement; (2) the failure of the Contractor, its officers, employees, agents, contractors and/or subcontractors to comply in all respects with the provisions of this Agreement, applicable laws, ordinances and regulations, and/or applicable permits and licenses; (3) the acts of the Contractor, its officers, employees, agents, contractors and/or subcontractors in performing services under this Agreement for which strict liability is imposed by law. The foregoing indemnity shall apply regardless of whether such loss, liability, penalty, forfeiture, claim, demand, action, proceeding, suit, injury, death or damage is also caused in part by any of the Indemnities negligence, but shall not extend to any liability which a court of competent jurisdiction has determined to have arisen from the Indemnitees' sole or active negligence, willful misconduct or breach of this Agreement. The Contractor further agrees to and shall, upon demand of the City, at the Contractor's sole cost and expense, defend, with attorneys acceptable to the City, the Indemnitees against any claims, actions, suits in law or equity or other proceedings, whether judicial, quasi-judicial or administrative in nature, arising or resulting from any of the aforementioned events.

#### 15.2 Hazardous Materials Indemnification

- A. For all Solid Waste or other material collected by the Contractor, the Contractor shall indemnify, defend, with counsel to be agreed upon by both Parties, and hold harmless the City from alleged or actual liability for damages (including but not limited to special, consequential damages, natural resources damages, punitive damages), injuries, any costs of response, remediation and removal, or any other losses or liabilities, including attorneys' fees, arising from the Contractor's failure to comply with laws and regulations regarding the handling of (1) Hazardous Waste, as defined in Public Resources Code Section 40141; (2) Radioactive waste regulated pursuant to the Radiation Control Law pursuant to Chapter 8 (commencing with Section 114960) of Part 9 of Division 104 of the Health and Safety Code; (3) Medical waste regulated pursuant to the Medical Waste Management Act Part 14 (commencing with Section 117600) of Division 104 of the Health and Safety Code; (4) any other materials or substances collected or disposed of by the Contractor.
- B. This indemnity shall also apply to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or

other plan (whether undertaken due to government action or voluntarily) concerning any Hazardous Waste or hazardous substance at any disposal or processing facility where Solid Waste was collected by the Contractor pursuant to this Agreement.

15.3 CERCLA Indemnity

- A. To the maximum extent possible, the indemnity provided in this Agreement also serves as an agreement pursuant to the 42 U.S.C. Section 9607(e), as amended, and California Health and Safety Code Section 25364, as amended, for the Contractor to defend, protect, hold harmless and indemnify the City from all forms of liability under applicable statutes or common law for any and all matters addressed in this provision.

15.4 Cal. Pub. Res. Code § 40059.1 Indemnification

- A. Contractor agrees to indemnify, defend, and hold harmless the City from any action taken to enforce the Solid Waste diversion requirements imposed by Chapter 6 of Part 2 of the California Public Resources Code (commencing with Section 41780), or any action taken to punish or penalize the City for any failure to meet such requirements, including the cost of attorneys' fees.
- B. The indemnity offered in the paragraph above does not apply to the Contractor to the extent that a court of competent jurisdiction has made a final determination that the City itself, and not the Contractor, is at fault by its action or inaction, for failure to meet the Solid Waste diversion requirements. Prior to and during such a final determination by a court, however, the Contractor must defend the City until the Contractor has affirmatively sought, on behalf of the City, all administrative relief available pursuant to Chapter 6 and Chapter 7 of Part 2 of the California Public Resources Code.

- 15.5 Survival upon Termination. All of the indemnity promised by the Contractor in this Agreement shall survive the expiration of the term of this Agreement. Any other indemnification agreement covering the same subject matter of which the City is beneficiary shall benefit the City in addition to the indemnification agreement of this Section.

## Section 16 Insurance

### 16.1 Scope of Insurance

A. The Contractor must have the following insurance at all times during this Agreement:

- (1) General liability insurance with at least \$5,000,000 combined single-limit coverage per occurrence for bodily injury and property damage;
- (2) Automobile liability insurance of \$5,000,000 combined single-limit per accident for bodily injury and property damage; and
- (3) Workers' compensation and employers' liability insurance, pursuant to the requirements of the California Labor Code. Each insurance policy required above must:
  - a. Name the City (which in this paragraph includes its officers, employees, and volunteers) specifically as an additional insured under the policy on a separate endorsement page, with the exception of the workers' compensation policy;
  - b. Provide for advance written notice within 10 days or less following policy cancellation or termination;
  - c. Provide coverage by a Best's A-V rated carrier or better, admitted in California; and
  - d. Provide a service of suit endorsement for all carriers not admitted in California.

B. With respect to the workers' compensation and employer's liability insurance, the Contractor waives all rights of subrogation against the City.

### 16.2 Deductibles and Self-Insured Retentions

A. Any deductibles or self-insured retentions over \$500,000 must be declared to and approved by the City Attorney. At the option of the City Attorney, either: the Contractor shall reduce or eliminate such deductibles or self-insured retentions which apply to the Contractor's indemnity of the City, its officials, employees, agents or volunteers; or the Contractor shall procure an additional letter of credit or bond guaranteeing such indemnity, to the satisfaction of the City Attorney.

### 16.3 Other Insurance Requirements

- A. The indemnity requirements of Section 15 of this Agreement need not be separately insured or bonded by the Contractor, unless each indemnity is fully or partially excluded from the liability insurance required of the Contractor under this Agreement. Any "pollution exclusion" or hazardous substance exception to the Contractor's general liability insurance must be separately insured by the Contractor.
- B. The Contractor agrees that all approved insurance documents will be on file at the same time as the execution of this Agreement, and that proof of insurance will be provided on an annual basis throughout the term of this Agreement. Failure to provide proof of insurance prior to execution or on an annual basis shall constitute a material default of this Agreement.

## Section 17 Faithful Performance Bond

- 17.1 Simultaneously with the execution of this Agreement, the Contractor shall file with the City a bond, payable to the City, securing the Contractor's faithful performance of its obligations under this Agreement. The principal sum of the bond shall be Five Hundred Thousand Dollars (\$500,000.00). The bond shall be executed as surety by a corporation authorized to issue surety bonds in the State of California, with a financial condition and record of service satisfactory to the City.
- 17.2 In the alternative, the Contractor may deposit a letter of credit or open a certificate of deposit in the name of the City to be held to secure this faithful performance in an amount of Five Hundred Thousand Dollars (\$500,000.00). Such a letter of credit or certificate of deposit must allow the City sole authority to execute or withdraw necessary funds to cure the Contractor's performance default, subject to the satisfaction of the City Attorney.

## Section 18 Default and Remedies

### 18.1 Events of Default

- A. Each of the following shall constitute an event of default, if the City has provided written notice of the default and the condition continues for ten (10) days following the notice:
  - (1) Failure to perform. The Contractor fails to perform any of its material obligations under this Agreement, as it may be amended from time to time.
  - (2) Misrepresentation. Any misrepresentation or disclosure made to the City by the Contractor in connection with or as an inducement to entering this

Agreement or any future amendment to this Agreement, which proves to be false or misleading in any material respect as of the time the representation or disclosure is made, whether or not any such representation or disclosure appears as part of this Agreement.

- (3) Seizure or Attachment. Any seizure, attachment or levy affecting possession of the Contractor's operating equipment or facilities to the extent that it materially impairs the Contractor's ability to perform under this Agreement, and which cannot be released, bonded, or otherwise lifted within seventy-two (72) hours, excluding weekends and holidays.
  - (4) Financial Insolvency. The Contractor files a voluntary petition for debt relief under any applicable bankruptcy, insolvency, debtor relief, or other similar law now or hereafter in effect, or consents to the appointment of a receiver, liquidator, assignee, trustee or custodian, for any part of the Contractor's operating assets or any substantial part of the Contractor's property.
  - (5) Court Decisions. Any court of competent jurisdiction enters a decree or order for relief affecting the Contractor, in any case brought under any bankruptcy, insolvency, debtor relief, or similar law now or hereafter in effect, or any such court enters a decree or order appointing a receiver, liquidator, assignee trustee or custodian, for any part of the Contractor's operating equipment, assets, or other property.
  - (6) Fraud or Deceit. If the Contractor practices, or attempts to practice, any fraud or deceit upon the City.
  - (7) Failure to Maintain Coverage. If the Contractor fails to provide or maintain in full force and effect all insurance coverage and indemnification required by this Agreement.
  - (8) Violations of Regulation. If a court or administrative agency finds that the Contractor has violated any permit, order, or filing which materially affects the Contractor's ability to perform under this Agreement.
  - (9) Acts or Omissions. Any other act or omission by the Contractor which materially violates the terms, conditions, or requirements of this Agreement, or which violates any other local, state or federal law.
- 18.2 Right to Terminate Upon Default. The Contractor agrees that following any ten (10) day period during which an event of default continues, the City shall have the right to terminate this Agreement without need for any additional hearing, suit or legal action



### 18.3 City's Remedies Cumulative: Specific Performance

- A. The City's right to terminate the Agreement is not an exclusive remedy or an election among various remedies. Instead, the right to terminate is in addition to any other legal and equitable rights or remedies which the City may have.
- B. By virtue of the necessity of timely, continuous and high quality service created by this Agreement, and the lead time required to effect alternative service, the Contractor agrees that the remedy of damages for a breach hereof by the Contractor may be inadequate and that the City may be entitled to injunctive relief.

### 18.4 Excuse from Performance

- A. The Parties shall be excused from performing their respective obligations hereunder in the event they are prevented from so performing by reason of floods, earthquakes, other "acts of God," war, civil insurrection, riots, acts of any government or court, and other similar catastrophic events which are beyond the control of and not the fault of the party claiming excuse from performance hereunder. Labor unrest, strikes, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by the Contractor's employees is not an excuse from performance.
- B. The party claiming excuse from performance shall, immediately after such party has notice of such cause, give the other party notice of the facts constituting such cause and asserting its claim to excuse under this Section.
- C. In the event that either party validly exercises its rights under this Section, the Parties hereby waive any claim against each other for any damages sustained thereby.
- D. Notwithstanding the foregoing, however, (1) the existence of an excuse from performance will not affect the City's rights under this Section; (2) no excuse is available to the Contractor in the event of a catastrophic event which is followed by implementation of the City's emergency preparedness plan; and (3) even if the Contractor is validly excused from performing its obligations for any reason for thirty (30) days or more, the City has the undisputed right, in its sole discretion, to terminate this Agreement by giving five (5) working days' notice.

## **Section 19 Other Agreements of the Parties**

- 19.1 Relationship of Parties. The Contractor is an independent contractor and no agency or employment relationship, either express or implied, is created by the execution of this Agreement. The Contractor's officers, employees,

subcontractors and agents do not have any right to retirement benefits, workers' compensation benefits, or other benefits the City provides to City employees.

- 19.2 Compliance with Law. The Contractor must at all times comply with all applicable laws of the United States, the State of California, the City of Escondido, and any other agency, state, county, or city which has jurisdiction over any service provided in this Agreement. The Contractor must also comply with all applicable regulations promulgated by any federal, state, regional or local administrative and regulatory agency, now in force or as they may be enacted, issued or amended during the term of this Agreement.
- 19.3 Promise Not to Acquire Conflicting Interests. Regardless of whether the Contractor is required to disclose its financial interests by the City or the state, the Contractor further warrants and represents that the Contractor will not acquire, obtain, or assume an economic interest during the term of this Agreement which would constitute a conflict of interest as prohibited by the Political Reform Act.
- 19.4 Duty to Advise of Conflicting Interests. Regardless of whether the Contractor is required to disclose its financial interests by the City or the state, the Contractor further warrants and represents that the Contractor will immediately advise the City Attorney if the Contractor learns of an economic interest of the Contractor's which may result in a conflict of interest for the purpose of the Political Reform Act, and regulations promulgated thereunder. If necessary, the City Attorney will provide a referral to the Fair Political Practices Commission who can assist the Contractor with determinations regarding possible conflicts of interest.
- 19.5 Additional Contract Terms. Both Parties agree that this Agreement and its attachments:
  - A. Are the entire understanding of the Parties, and that there are no oral terms.
  - B. Must be interpreted to give priority to the Agreement if conflicts with any provision of its Attachment(s) previously.
  - C. Will not be waived by the City because the City has waived any provision.
  - D. Will remain effective in its remainder if any court declares any portion of this Agreement invalid.
  - E. Are governed by California law, in the state and federal courts of San Diego County.
  - F. May be executed in any number of counterparts or by facsimile transmission.

- G. Contain article headings and section headings which are for convenience or reference only, and which are not intended to be used in the construction of this Agreement, nor to alter or affect any of its provisions.
- H. May not be modified or amended except by written amendment duly approved and signed by both Parties.
- 19.6 Anti-Assignment. The services of the Contractor are personal to the City, and the Contractor may not assign, delegate, or subcontract any interest in this Agreement. A controlling interest in the Contractor may not be sold to, merged with, or dissolved into another company or legal entity without the advance written approval of the City, which shall not be unreasonably withheld. Both parties agree that if the assignee is not qualified to perform its obligations as required by this Agreement and any implementing City ordinance, the City may disapprove of the assignment or other transfer of the Franchise. Notwithstanding any term contained herein to the contrary, a sale or other transfer of the Contractor will not be deemed to have occurred in the event that (a) operational control is passed to or assumed by Edward G. Burr or Sandra L. Burr, one of their immediate family members, or thereafter to a member of such transferee's immediate family; (b) a transfer of stock occurs between or among Edward G. Burr, Sandra L. Burr, members of their immediate families, or members of their immediate families' families; or (c) any transfer of stock or assets primarily for estate planning or asset protection purposes which does not materially affect the day to day operations of the Contractor as the case may be.
- 19.7 Binding on Successors. The provisions of this Agreement shall inure to the benefit of and be binding on the successors and permitted assigns of the parties.
- 19.8 Parties in Interest. Nothing in this Agreement, whether express or implied, is intended to confer any rights on any person other than the parties to it and their representatives, successors and permitted assigns.
- 19.9 Contractor's Investigation. The Contractor has made an independent investigation of the conditions and circumstances surrounding the Agreement and the work to be performed by it.
- 19.10 Notices. Any notices between the parties must be sent to the address and name indicated below. Each party agrees to promptly notify the other of any changes of this information.

If to the City:

Attn: City Manager 201 N. Broadway  
Escondido, CA 92025

If to the Contractor:

Attn: President/CEO  
1021 W. Mission Ave.  
Escondido, CA 92025

The address to which communications may be delivered may be changed from time to time by a notice given in accordance with this Section.

- 19.11 Reference to Laws. All references in this Agreement to laws shall be understood to include such laws as they may be subsequently amended or recodified, unless otherwise specifically provided.
- 19.12 Entire Agreement. This Agreement, including the Exhibits, represents the full and entire Agreement between the parties with respect to the matters covered herein.
- 19.13 Interpretation. This Agreement shall be interpreted and construed reasonably and neither for nor against either party, regardless of the degree to which either party participated in its drafting.

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IN WITNESS WHEREOF, the parties below are authorized to act on behalf of their organizations, and have executed this Agreement as of the date set forth below.

Date: 8/9/2019

CITY OF ESCONDIDO

Paul McNamara  
Paul McNamara  
Mayor

Date: 8/12/19

Zack Beck  
Zack Beck  
City Clerk

Date: \_\_\_\_\_

EDCO Refuse Services, Inc.

Steve South  
Signature

Steve South - President  
Name & Title (please print)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY  
MICHAEL R. MCGUINNESS, City Attorney

BY: [Signature]

THE CITY OF ESCONDIDO DOES NOT DISCRIMINATE AGAINST QUALIFIED  
PERSONS WITH DISABILITIES.

**Solid Waste Disposal, Recycling and Commingled Recycling Franchise Agreement  
Exhibit A - Residential Rates**

**BASIC RESIDENTIAL RATE**

	<u>Per Month</u>
Base Rate	\$ 17.62
Franchise Fee	\$ 1.96
AB939	\$ 0.21
HHW	\$ 0.52
<b>Total Rate - Residential Service</b>	<b><u>\$ 20.31</u></b>

**Residential Rate with Anaerobic Digestion of Commingled Organics**

	<u>Per Month</u>
Base Rate	\$ 3.00
Franchise Fee	\$ 0.33
<b>Total Rate - Anaerobic Digestion</b>	<b><u>\$ 3.33</u></b>

**MISCELLANEOUS**

Bulk item	\$ 12.04 per item
Tires (under 17") Rim Diam.	\$ 3.60 /each
(17" - 23") Rim Diam.	\$ 14.45 /each
(Over 23") Rim Diam.	\$ 240.62 /each
Refrigerator, freezer, air conditioner	\$ 48.14 /each
Bags (under 25 lbs.)	\$ 1.21 /each

**MOBILE HOME CURB SERVICE RATE**

Service	20.31 Per month
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**ADDITIONAL CART**

Trash	\$ 4.21 Per additional cart (3 month minimum)
Recycling	\$ - Per additional cart

**AUTOMATED OVERAGE CHARGES**

\$ 12.04	Trip charge
\$ 1.22	Per bag

**GREEN WASTE CART RENTAL**

\$ 3.27	additional 4th cart and above
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**Solid Waste Disposal, Recycling and Commingled Recycling Franchise Agreement  
Exhibit B - Commercial Rates**

**BASIC COMMERCIAL RATE**

	<u>Rate</u>
3 Cubic Yard Bin 1/week	\$ 94.13
Franchise Fee	10.46
AB939	0.21
HHW	0.52
Total	<u>\$ 105.32</u>

**PERMANENT BINS**

<u>BIN SIZE</u>	<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>
1 1/2 YARD	\$ 70.79	\$ 118.85	\$ 166.97	\$ 215.09	\$ 263.18	\$ 311.29
3 YARD	\$ 105.32	\$ 184.27	\$ 263.25	\$ 342.16	\$ 421.13	\$ 500.04
4 YARD	\$ 137.86	\$ 245.03	\$ 352.25	\$ 459.45	\$ 566.63	\$ 673.82

**EXTRA DUMP CHARGES FOR PERMANENT BINS**

	<u>1 1/2 YARD</u>	<u>3 YARD</u>	<u>4 YARD</u>
Per Bin Dump	\$ 20.82	\$ 30.78	\$ 38.53

**T-BINS** \$ 94.42 \$ 113.28

Customer is allowed to keep bin for 1 week

**GREENS T-BIN** \$ 84.21 \$ 104.22

**CONSTRUCTION BINS**

<u>BIN SIZE</u>	<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>
1 1/2 YARD	\$ 104.10	\$ 164.19	\$ 224.30	\$ 284.40	\$ 344.49
3 YARD	\$ 147.49	\$ 267.69	\$ 387.95	\$ 508.14	\$ 628.38
4 YARD	\$ 168.72	\$ 329.06	\$ 489.31	\$ 649.64	\$ 809.94

**NOTE: ALL CONSTRUCTION BINS HAVE A ONE TIME DELIVERY FEE OF: \$ 35.19**

**EXTRA DUMP CHARGES FOR CONSTRUCTION BINS**

	<u>1 1/2 YARD</u>	<u>3 YARD</u>	<u>4 YARD</u>
Per Bin Dump	\$ 27.15	\$ 36.94	\$ 44.90

**Solid Waste Disposal, Recycling and Commingled Recycling Franchise Agreement  
Exhibit B - Commercial Rates**

**OFF-ROAD BINS**

<u>BIN SIZE</u>	<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>
1 1/2 YARD	\$ 126.53	\$ 242.27	\$ 357.98	\$ 473.73	\$ 589.46
3 YARD	\$ 145.84	\$ 280.84	\$ 415.85	\$ 550.88	\$ 685.89
4 YARD	\$ 158.69	\$ 306.60	\$ 454.50	\$ 602.43	\$ 750.33

**NOTE: ALL OFF ROAD BINS HAVE A ONE TIME DELIVERY FEE OF: \$ 35.19**

**EXTRA DUMP CHARGES FOR OFF ROAD BINS**

	<u>1 1/2 YARD</u>	<u>3 YARD</u>	<u>4 YARD</u>
Per Bin Dump	\$ 27.15	\$ 36.94	\$ 44.91

**Multi- Family Recycling Fee: \$1.00 per month per dwelling unit**

**COMPACTOR / DOB RATES**

**COMPACTORS:**

	<u>Haul</u>	<u>Disposal</u>
"C"	220.38	\$ 48.59
"D"	224.96	\$ 48.59
"F"	235.65	\$ 48.59
"P"	198.92	\$ 48.59

<u>DOB'S - Trash</u>	<u>Haul</u>	<u>Disposal (6 tons)</u>	<u>Sub-total</u>	<u>Del Charge</u>	<u>Total</u>
14 YARD (8' X 16' X 3')	\$ 228.61	\$ 291.54	\$ 520.15	\$ 53.96	\$ 574.11
25 YARD (8' X 18' X 5')	\$ 228.61	\$ 291.54	\$ 520.15	\$ 53.96	\$ 574.11
38 YARD (8' X 22' X 6')	\$ 228.61	\$ 291.54	\$ 520.15	\$ 53.96	\$ 574.11

<u>DOB's - C&amp;D</u>	<u>Haul</u>	<u>Per Ton</u>	<u>Del Charge</u>
38 YARD (8' X 22' X 6')	\$ 228.61	\$ 80.00	\$ 53.96

**GREENS DOB:** \$ 245.66 \$ 214.12 \$ 459.78 \$ 59.95 \$ 519.73

**SCRAP METAL DOB** \$ 245.66 \$ 137.31 \$ 382.97 \$ 59.95 \$ 442.92

**CARDBOARD DOB** \$ 245.66 \$ - \$ 245.66 \$ 59.95 \$ 305.61



**Solid Waste Disposal, Recycling and Commingled Recycling Franchise Agreement  
Exhibit B - Commercial Rates**

**MISCELLANEOUS DOB Rates**

STEAM CLEAN:	\$	34.68	Per hour
UNABLE TO SERVICE:	\$	82.22	
STANDBY TIME:	\$	3.22	Per minute
DOB DEL. CHARGE:	\$	53.96	(One time charge)
Container Rental	\$	3.85	Per day starting with the 8th day (temporary boxes)
	\$	3.85	Per day starting with the 13th day (permanent boxes 3 months or more)

<u>DOB - MANIFESTED WASTE:</u>	<u>Haul</u>	<u>Disposal (6 tons)</u>	<u>Sub-total</u>	<u>Del Charge</u>	<u>Total</u>
14 YARD (8' X 16' X 3')	\$ 228.61	\$ 396.42	\$ 625.03	\$ 53.96	\$ 678.99
25 YARD (8' X 18' X 5')	\$ 228.61	\$ 396.42	\$ 625.03	\$ 53.96	\$ 678.99
38 YARD (8' X 22' X 6')	\$ 228.61	\$ 396.42	\$ 625.03	\$ 53.96	\$ 678.99
MANIFEST FEE:	\$ 61.79				
SPECIAL HANDLING:	\$ 61.79				
PORTAL TO PORTAL CHARGE:	\$ 120.06	Per hour			

**RECYCLE BIN RATES**

	<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>
1 1/2 YARD	\$ 44.23	\$ 91.62	\$ 138.99	\$ 186.39	\$ 233.76
3 YARD	\$ 55.29	\$ 102.67	\$ 150.04	\$ 197.46	\$ 244.84
4 YARD	\$ 71.07	\$ 118.47	\$ 165.85	\$ 213.24	\$ 260.63

**EXTRA DUMP CHARGES FOR OFF-ROAD RECYCLING BINS**

	<u>1 1/2 YARD</u>	<u>3 YARD</u>	<u>4 YARD</u>
Per Dump	\$ 22.11	\$ 32.74	\$ 40.94

**95 GALS Commercial Recycling Carts**

	<u>SERVICE</u>	<u>RATE/MO OR FEE</u>
950T Extra Dump		\$ 8.68 Fee
950N Newspaper	1 X WK	\$ 19.76 Per month
950G Glass	1 X WK	\$ 19.76 Per month
950P Plastic & Aluminum	1 X WK	\$ 19.76 Per month
950GR Green Waste	1 X WK	\$ 3.35 Per month Per Cart

**Solid Waste Disposal, Recycling and Commingled Recycling Franchise Agreement  
Exhibit B - Commercial Rates**

**COMPACTOR BIN FORMULA**

Less bin rental	514.38 - \$18 =	\$	496.38
Divide by 4.333 weeks	\$ 496.38 / 4.333 =	\$	114.56
Divide by # of days pick up	\$ 114.56 / 6 =	\$	19.09
Multiply by 3 to 1 ratio	\$ 19.09 x 3 =	\$	57.27
Multiply by # of days pick up	\$ 57.27 x 6 =	\$	343.62
Multiply by 52 weeks	\$ 343.62 x 52 =	\$	17,868.24
Divide by 12 months	17,868.24 / 12 =	\$	1,489.02

**COMPACTOR PER DUMP FORMULA**

**FOR EXTRA DUMPS**

Rate less bin rental	108.88 - \$18 =	\$	90.88
Divide by 4.333	\$ 90.88 / 4.333 =	\$	20.97
Multiply by 3 to 1 ratio	\$ 20.97 x 3 =	\$	62.91
Add'l overhead labor cost		\$	23.56
Total per dump		<u>\$</u>	<u>86.47</u>

**COMPACTOR BOX RENTAL**

Large Compactors \$ 143.99 Per month

**ROLL OUT FEE SCHEDULE:**

ANYTHING UNDER 25 FEET IS FREE; OVER IS \$.057 PER FOOT

i.e. Roll out 100 ft @/Week is figured as follows:

Per Foot Charge		\$	0.058698
Days Dumped Per Week (2)	100 ft - 25 ft = 75 ft x 2		150 feet
Weekly Charge	Weekly Charge	\$	8.80
Annual Charge	\$ 8.80 x 52 =	\$	457.60
Monthly Charge for Roll-Out 2X week	\$ 457.60 / 12 =	\$	38.13
Minimum charge /Month		\$	1.06

**Solid Waste Disposal, Recycling and Commingled Recycling Franchise Agreement  
Exhibit B - Commercial Rates**

**MISCELLANEOUS COMMERCIAL FEES**

Locking Lids	\$	6.27	Per Month
Balanced Lids	\$	7.53	Per Month
Enclosure Cleaning	\$	56.53	Minimum-subject to estimate
Brakes	\$	62.80	1 time charge
Bar Locks	\$	38.12	1 time charge
Extra Keys	\$	1.88	each
Locks	\$	19.46	each
Lock & Unlock Charge (Barlock Bins)	\$	1.26	for each lock/unlock (x per wk service)

**Commercial Commingled Organics**

**Bins & Carts**

<b>1st Bin Size</b>	<b>Frequency</b>			<b>Extra Pickup</b>
	<b><u>1</u></b>	<b><u>2</u></b>	<b><u>3</u></b>	
Cart (65 gl)	\$ 87.02	\$ 174.03	\$ 261.05	\$ 34.81
Cart (96 gl)	\$ 98.14	\$ 196.28	\$ 294.43	\$ 39.26
2 CY	\$ 159.17	\$ 318.34	\$ 477.50	\$ 63.67

**Each Additional Bin**

<b><u>Size</u></b>	<b><u>1</u></b>	<b><u>2</u></b>	<b><u>3</u></b>
Cart (65 gl)	\$ 82.67	\$ 165.33	\$ 248.00
Cart (96 gl)	\$ 93.23	\$ 186.47	\$ 279.70
2 CY	\$ 151.21	\$ 302.42	\$ 453.63

**Solid Waste Disposal, Recycling and Commingled Recycling Franchise Agreement  
Exhibit C- Host Fees**

**Effective 7.1.19**

1. \$2.50 per ton of Solid Waste, and C&D, excluding Recyclables and Green Waste, delivered by Franchised Haulers
2. \$2.50 per ton of Solid Waste, C&D and Green Waste excluding Recyclables, delivered by Self-Haulers.

**Effective upon the Commissioning of Anaerobic Digester**

\$2.50 per ton of Commingled Organics, delivered by Franchised Haulers from all Generators, excluding Contractor..

BUILDING	OWNER	STREET NO	STREET DIRECTION	STREET	STREET SUFFIX	CITY	STREET ZIP	UNITS	RULES	Comments
102274	ESCONDIDO AMERICAN	1535	N	BROADWAY		ESCONDIDO			1 M F	BINS
102681	CENTER CITY GARDEN	ON		CENTRE CITY PKWY		ESCONDIDO	92029		3 T T	BINS
102708	BEAR VALLEY POWER PLANT	25130		LAKE WOHLFORD	RD	ESCONDIDO	92025		1	BIN ON CALL
102719	JESMOND DENE BALL PARK	2401		NORTH BROADWAY		ESCONDIDO	NCE		3 M W F S	BINS
102721	KIT CARSON PARK	ON	S	BEAR VALLEY PKWY		ESCONDIDO	92025		1 M W F	BINS
102722	KIT CARSON PARK	ON	S	BEAR VALLEY PKWY		ESCONDIDO	92025		1 M W F	BINS
102723	KIT CARSON PARK	ON	S	BEAR VALLEY PKWY		ESCONDIDO	92025		1 M W F	BINS
102724	CITY OF ESCONDIDO	25453		LAKE WOHLFORD	RD	ESCONDIDO	92025		2 W	BINS
102726	MCLEOD PARK	NORTH		IRIS LANE		ESCONDIDO			1 M T	BINS
102728	PUBLIC WORKS	475	N	SPRUCE	ST	ESCONDIDO	92025		2 M W F	BINS
102729	PALOMAR YMCA	1050	N	BROADWAY		ESCONDIDO			2 M W F	BINS
102732	WASHINGTON PARK	NORTH		ROSE AT WASHINGT		ESCONDIDO			1 M W F S	BINS
102738	FARMERS MARKET	100	W	BLOCK GRAND		ESCONDIDO	92025		1 T T S	BINS
103019	KIT CARSON PARK	3315		BEAR VALLEY PKWY		ESCONDIDO	92025		2	ROLL OFF
103828	CITY OF ESCONDIDO	3680		SUNSET	DR	ESCONDIDO	92025		1 T	BINS
106203	SENIOR COMM GARDEN	@		CENTRE CITY PKWY		ESCONDIDO	92025		1 T	BINS
107242	CITY RECORDS	1045	W	MISSION	AV	ESCONDIDO			1 T	BINS
107701	CALIF CENTER FOR THE ART	340	N	ESCONDIDO BL		ESCONDIDO			3 M W F	BINS
108499	ESCONDIDO PUBLIC LIBRARY	220	S	BROADWAY		ESCONDIDO	92025		1 T	BINS
111647	CITY OF ESCONDIDO	2300	N	BROADWAY		ESCONDIDO			1 T	BINS
116495	CITY OF ESCONDIDO	450		HIDDEN TRAILS	RD	ESCONDIDO	92027		1 T	BINS
120577	KIT CARSON PARK-TURNAMEN	ON		BEARVALLEY PKWY		ESCONDIDO	92025		1 M F	BINS
147887	CAL FIRE DEL DIOS	2323		FELICITA	AV	ESCONDIDO	92025		1 W	BINS
105478	MOUNTAIN VIEW PARK	GLENR		& CITRUS		ESCONDIDO			1 M W F S	BINS
155735	FIRE STATION #3	1808	N	NUTMEG	ST	ESCONDIDO			3 T	BINS
156482	FIRE STATION #7	1220	N	ASH	ST	ESCONDIDO, CA			1 T	BINS
156483	FIRE STATION #6	1735		DEL DIOS	RD	ESCONDIDO, CA			1	T BIN ON CALL
159410	COUNTY OF SAN DIEGO	463	N	MIDWAY	DR	ESCONDIDO	92027		1 T	BINS
175262	CITY OF ESCONDIDO	120		WOODWARD	AV	ESCONDIDO			1 T T	BINS
176011	POLICE & FIRE STATION	1163		CENTER CITY	PK	ESCONDIDO	ORS-A		1 T F	BINS
102715	FIRE DEPARTMENT #2	421	N	MIDWAY	DR	ESCONDIDO			1 T	BINS
102716	FIRE DEPARTMENT #4	3301	S	BEAR VALLEY PKWY		ESCONDIDO			3 T	BINS
102745	CITY OF ESCONDIDO	201	N	BROADWAY		ESCONDIDO	92025		1 MTWTF S	BINS
106073	FIRE STATION #5	2319		FELICITA	RD	ESCONDIDO			1 T	BINS
121298	FIRE DEPT #1-TEMP STN	905	W	WASHINGTON	AV	ESCONDIDO			2 T T	BINS
158986	FIRE STATION #1	310	N	QUINCE	ST	ESCONDIDO			1 T	BINS
101257	SHARING BIN #7	200		BLOCK OF E.GRAND		ESCONDIDO	BIN-		1 MTWTF S	BINS
101263	SHARING BIN #1	100	W	GRAND	AV	ESCONDIDO			1 MTWTF S	BINS
101271	BIN LOT #3	100	E	GRAND	AV	ESCONDIDO			2 MTWT S	BINS
101276	BIN LOT #5	200	E	GRAND	AV	ESCONDIDO			1 MTWTF S	BINS
101277	SHARING BIN #4	300		BLOCK OF E.GRAND		ESCONDIDO	92025		1 M W F	BINS
101279	SHARING BIN #5	100	W	GARND		ESCONDIDO			1 MTWTF S	BINS
101280	SHARING BIN #6	100	E	BLOCK GRAND AVE-		ESCONDIDO			1 S	BINS
101281	BIN LOT #6	300		BLOCK OF E GRAND		ESCONDIDO			1 MTWTF	BINS
102033	ESCO CHAMBER OF COMMERCE	720	N	BROADWAY		ESCONDIDO	92025		1 T	BINS
102725	ESCONDIDO PUBLIC LIBRARY	239	S	KALMIA		ESCONDIDO			1 MTWTF S	BINS
102735	SHARING BIN	334		IDAHO	AV	ESCONDIDO	92025		1 T F	BINS
102737	SHARING BIN #9	1430	S	JUNIPER		ESCONDIDO	EXC-		1 M W F	BINS
106125	EAST VALLEY COMM CENTER	2245	E	VALLEY PKWY		ESCONDIDO			1 T	BINS
102730	SENIOR CITIZENS CENTER	210		PARK	AV	ESCONDIDO	NCE		1 T	CARTS
102720	KIT CARSON PARK	ON		BEAR VALLEY PKWY		ESCONDIDO	92025		1 MWF	BINS
180843	CITY OF ESCONDIDO	3024		LA HONDA	DR	ESCONDIDO			1	T BIN ON CALL