

**FIRST AMENDMENT TO THE  
PERMIT FOR THE COLLECTION, TRANSPORTATION AND  
DISPOSAL OF SOLID WASTE, INCLUDING THE COLLECTION OF  
RECYCLABLE MATERIAL AND ORGANIC WASTE BETWEEN  
WEST VALLEY DISPOSAL AND RECYCLING SERVICES AND  
MOUNTAIN HOUSE COMMUNITY SERVICES DISTRICT**

This First Amendment (“**Amendment**”) to the Permit for the Collection, Transportation and Disposal of Solid Waste Between Tracy Delta Solid Waste Management, Inc. dba West Valley Disposal and Recycling Services (“**Permittee**”) and Mountain House Community Services District, dated May 28, 2002 (“**Permit**”), is made and entered into this 12 day of December, 2022 (“**Effective Date**”), by and between the Mountain House Community Services District, a public agency (“**District**”) and Permittee (individually “**Party**” and collectively “**Parties**”), and is effective as of the commencement date of this Amendment.

**RECITALS**

A. The Permit was issued to Permittee by District pursuant to the provisions of a Public Service Allocation Agreement between District and the County of San Joaquin (“**County**”) dated May 28, 1996 and as amended January 26, 1999, and the provisions of California Government Code Section 61600 (“**Allocation Agreement**”); and

B. The Allocation Agreement designated the District as the agency responsible to provide for solid waste collection services within its boundaries and the Permit granted Permittee with the exclusive right to collect and transport such solid waste; and

C. The original term of the Permit was for seven (7) years commencing on July 1, 2002 subject to two additional seven (7) year renewals to be granted at the sole option of District pursuant to an application by Permittee (“**Original Renewals**”); and

D. Upon application by the Permittee, the District granted the Renewals, the last of which was approved by the District Board of Directors (“**Board**”) on August 27, 2014, allowing the Permit term to extend to June 30, 2023; and

E. Senate Bill 1383, the Short-lived Climate Pollutant Reduction Act (which added sections 39730.5, 39730.6, and 39730.8 to the Health and Safety Code, and added Chapter 13.1 (commencing with Section 42652) to Part 3 of Division 30 of the Public Resources Code, as amended, supplemented, superseded, and replaced from time to time) (“**SB 1383**”), sets statewide organic waste disposal reduction targets of 50 percent by 2020 and 75 percent by 2025, based on the 2014 organics waste disposal baseline, set forth in Section 39730.6 of the Health and Safety Code, and requires California Department of Resources Recycling and Recovery (“**CalRecycle**”) to develop regulations to reduce organics in landfills as a source of methane; and

F. CalRecycle adopted the SB 1383 Regulations at new Chapter 12 (Short-lived Climate Pollutants) of Division 7 of Title 14 of the California Code of Regulations and amended portions of regulations of Title 14 CCR and Title 27 CCR (“**SB 1383 Regulations**”). The SB 1383 Regulations impose requirements on jurisdictions, residential households, commercial businesses (including multi-family residential dwellings), commercial edible food generators, haulers, self-

haulers, food recovery organizations, and food recovery services to support achievement of statewide organic waste disposal reduction targets; and

G. The SB 1383 Regulations require jurisdictions to adopt and enforce a mechanism to implement relevant provisions of the SB 1383 Regulations concerning regulation of organic waste collection services, generators of organic waste, waste haulers, and generators, and Processors of edible food, together with enforcement mechanisms for violations of local regulations; and

H. The SB 1383 Regulations also require jurisdictions to implement programs requiring organic waste generators and waste haulers to meet minimum standards for organic waste collection services, inspect waste containers for prohibited contamination of materials, provide education and outreach information to organic waste generators, report to CalRecycle on compliance with SB 1383 Regulations, and maintain records of compliance with SB 1383 Regulations; and

I. Permittee has developed programs for Organics Waste collection as required by SB 1383 Regulations. Pursuant to 14 CCR 18981.2(b), jurisdictions may designate a private entity to fulfill their SB 1383 obligations. However, 14 CCR 18981.2(c) specifies that jurisdictions shall remain ultimately responsible for compliance with SB 1383 Regulations; and

J. The Parties wish to enter into this Amendment to designate certain roles and responsibilities that Permittee shall perform on behalf of the District to implement the SB 1383 Regulations that took effect on January 1, 2022 under the terms and conditions as set forth herein; and

K. The Parties further wish to extend the term of the Permit from June 30, 2023 to June 30, 2030 and allow for two additional seven (7) year renewals to be granted at the sole option of District pursuant to an application by Permittee (“**Amendment Renewals**”) and to set forth other terms reflecting the change in conditions that have occurred since they entered into the Permit in 2002.

NOW, THEREFORE, the District and Permittee agree as follows:

#### AMENDMENT TO PERMIT

1. **Recitals.** The foregoing recitals are true and correct and hereby incorporated herein.
2. **Term**
  - 2.01. **Amendment.** This Amendment shall take effect on the Effective Date.
  - 2.02. **Permit.** The Permit, as amended by this Amended, shall remain in full force and effect until June 30, 2030.
  - 2.03. **Extension.** District, at its sole option, may renew this Permit for up to two additional seven (7) year terms, providing Permittee has applied for such renewal no sooner than

24 months, and no later than 18 months, prior to the expiration of the then current term of the Permit.

### 3. **Definitions**

3.01. All capitalized terms not defined herein shall have the meanings ascribed to them in the Permit.

3.02. Unless otherwise defined herein, the following terms shall have the meaning as set forth below:

**“Affiliate”** means all businesses (including corporations, limited and general partnerships, and sole proprietorships) that are directly or indirectly related to Permittee by virtue of direct or indirect ownership interest or common management and shall be deemed to be “Affiliated with” Permittee and included within the term “Affiliates” as used herein. An Affiliate shall include a business in which Permittee owns a direct or indirect ownership interest, a business that has a direct or indirect ownership interest in Permittee, and/or a business that is also owned, controlled, or managed by any business or individual that has a direct or indirect ownership interest in Permittee. For purposes of determining whether an indirect ownership interest exists, the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date of this Agreement, shall apply; provided, however, that: (i) “ten percent (10%)” shall be substituted for “fifty percent (50%)” in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof; and (ii) Section 318(a)(5)(C) shall be disregarded. For purposes of determining ownership under this paragraph and constructive or indirect ownership under Section 318(a), ownership interest of less than ten percent (10%) shall be disregarded and percentage interests shall be determined on the basis of the percentage of voting interest or value which the ownership interest represents, whichever is greater.

**“Alternate Approved Facility”** means the following approved alternative facilities that can provide services similar to the Approved Facility in the event that the Approved Facility is unavailable to accept material from the District collected by the Permittee:

- A. Lovelace Materials Recovery Facility and Transfer Station  
2323 Lovelace Road  
Manteca, CA 95336
  
- B. Cal-Waste Recovery Systems  
175 Enterprise Court  
Galt, CA 95632

**“Approved Facility”** means Tracy Material Recovery and Transfer Station, located at 30703 S. MacArthur Drive, Tracy, California, which is owned and operated by Tracy Material Recovery and Solid Waste Transfer, Inc., an Affiliate of the Permittee and a Source Separated Recyclable Materials Processing facility, and a Transfer facility as defined herein, or such other Processing and Transfer facility as may be approved by the District in compliance with SB 1383. For the purposes of interpretation of this Permit as to delivery requirements of Permittee, the term “Approved Facility” shall be applied to an Alternate Approved Facility as the context requires.

“**Blue Container**” shall have the same meaning as in 14 CCR 18982(a)(5) and shall have a ninety (90) gallon capacity volume.

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

“**Commercial Business**” means a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, industrial facility, or a multi-family residential dwelling, or as otherwise defined in 14 CCR Section 18982(a)(6). A multi-family residential dwelling that consists of fewer than five (5) units is not a Commercial Business for purposes of this Amendment.

“**Commercial Edible Food Generator**” includes a Tier One or a Tier Two Commercial Edible Food as defined in 14 CCR 18982(a)(73) and (a)(74). For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not Commercial Edible Food Generators pursuant to 14 CCR Section 18982(a)(7).

“**Compliance Review**” means a review of records by an Enforcement Agency to determine compliance with SB 1383 Regulations.

“**Container Contamination**” or “**Contaminated Container**” means a container, regardless of type, that contains Prohibited Container Contaminants, or as otherwise defined in 14 CCR Section 18982(a)(55).

“**Discarded Materials**” means a form of Solid Waste, and shall be regulated as such. For purposes of this Amendment, material is deemed to have been discarded, without regard to whether it is destined for Recycling or disposal, and whether or not it has been separated from other Solid Wastes, in all cases where a fee or other compensation, in any form or amount, is directly or indirectly solicited from, or levied, charged, or otherwise imposed on, or paid by, the Generator in exchange for handling services. As used herein, handling services include, without limitation, the collection, removal, transportation, delivery, and Processing and/or disposal of the material. Discarded Materials do not include Edible Food that is recovered for human consumption and is not discarded. For the purposes of this Amendment, Discarded Materials include Green Waste, Recyclable Materials, Organic Waste and Gray Container Waste once the materials have been placed in containers for collection.

“**Edible Food**” means food intended for human consumption, or as otherwise defined in 14 CCR Section 18982(a)(18). For the purposes of this Amendment or as otherwise defined in 14 CCR Section 18982(a)(18), Edible Food is not Solid Waste if it is recovered and not discarded. Nothing herein requires or authorizes the recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code, as codified in the Health and Safety Code Section 113700, *et seq.*

“**Enforcement Action**” means an action of the relevant Enforcement Agency to address non-compliance with SB 1383 Regulations including, but not limited to, issuing administrative citations, fines, penalties, or other remedies.

**“Enforcement Agency”** means an entity with the authority to enforce part or all of SB 1383 Regulations as specified herein. The District and Permittee are each an Enforcement Agency.

**“Excluded Waste”** means waste that is not Solid Waste and that Permittee reasonably believe(s) would, as a result of or upon acceptance, transfer, Processing, or disposal, be a violation of local, State, or Federal law, regulation, or ordinance, including: land use restrictions or conditions, waste that cannot be disposed of in Class III Landfills or accepted at disposal facility by permit conditions, waste that in Permittee’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Permittee or District to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in single-family or multi-family residential dwelling Solid Waste after implementation of programs for the safe collection, Processing, recycling, treatment, and disposal of batteries and paint in compliance with sections 41500 and 41802 of the California Public Resources Code. Excluded Waste does not include used motor oil and filters, household batteries, and/or latex paint when such materials are defined as allowable materials for collection through this Amendment or Permit and the Generator has properly placed the materials for collection pursuant to instructions provided by District or Permittee as set forth in this Amendment or the Permit.

**“Food Recovery Organization”** means an entity that engages in the collection or receipt of edible food from Commercial Edible Food Generators and distributes that edible food to the public for food recovery either directly or through other entities or as otherwise defined in 14 CCR Section 18982(a)(25).

**“Food Recovery Services”** means a person or entity that collects and transports edible food from a Commercial Edible Food Generator to a Food Recovery Organization or other entities for food recovery or as otherwise defined in 14 CCR Section 18982(a)(26).

**“Food Waste”** means Source Separated food scraps, and food-soiled paper. Food Waste is a subset of Organic Waste. Edible Food separated for Food Recovery shall not be considered Food Waste.

**“Generator”** means a person or entity whose act first causes Discarded Materials to become subject to regulation under federal, State, or District regulations.

**“Green Container”** shall have the same meaning as defined in 14 CCR Section 18982(a)(29), shall be used for the purpose of storage and collection of Organic Waste and shall have a ninety (90) gallon capacity volume.

**“Green Waste”** means waste derived from plant material, including but not limited to, leaves, grass clippings, weeds, trimmings, untreated wood waste or shrubbery cuttings.

**“Gray Container”** shall have the same meaning as defined in 14 CCR Section 18982(a)(28) and shall have a sixty (60) or ninety (90) gallon capacity volume.

**“Gray Container Waste”** means Solid Waste that is collected in a Gray Container that is part of a three-container collection service that prohibits the placement of Organic Waste in the Gray Container as specified in 14 CCR Sections 18984.1(a) and (b) or as otherwise defined in 14 CCR

Section 17402(a)(6.5). For the purposes of this Amendment, Gray Container Waste includes carpet and textile.

“**Hauler**” means a person or entity who collects Organic Waste from a Generator and delivers it to a reporting entity, end user, or a destination outside of the state. “Hauler” includes public contract haulers, private contract haulers, and Self-Haulers. A person who transports material from a reporting entity to another person is a transporter, not a hauler.

“**Hauler Route**” means the designated itinerary or sequence of stops for each segment of District’s collection service area, or as otherwise defined in 14 CCR Section 18982(a)(31.5).

“**Implementation Record**” means all records, physical or electronic, that must be stored in one central location and are required by the SB 1383 Regulations.

“**Inspection**” means an Enforcement Agency’s electronic or on-site review of records, containers, and an entity’s collection, handling, recycling, or landfill disposal of Organic Waste or Edible Food handling to determine if the entity is complying with requirements set forth in the SB 1383 Regulations, or as otherwise defined in 14 CCR Section 18982(a)(35).

“**Organics,**” or “**Organic Waste**” means Solid Waste containing material originated from living organisms and their metabolic waste products, including without limitation food, Food Waste, Green Waste, organic textiles and carpets, lumber, wood, Paper Products, Printing and Writing Paper, or as otherwise defined in 14 CCR Section 18982(a)(46).

“**Paper Products**” include, but are not limited to, paper janitorial supplies, cartons, wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling, or as otherwise defined in 14 CCR Section 18982(a)(51).

“**Printing and Writing Paper**” include, but are not limited to, copy, xerographic, watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes, manila envelopes, book paper, note pads, writing tablets, newsprint, and other writing papers, posters, index cards, calendars, brochures, reports, magazines, and publications, or as otherwise defined in 14 CCR Section 18982(a)(54).

“**Processing**” means the controlled separation, recovery, volume reduction, conversion, or Recycling of Solid Waste including, but not limited to, organized, manual, automated, or mechanical sorting, the use of vehicles for spreading of waste for the purpose of recovery, and/or includes the use of conveyor belts, sorting lines, or volume reduction equipment, or as otherwise defined in 14 CCR Section 17402(a)(20).

“**Prohibited Container Contaminants**” means the following: (i) discarded materials placed in the Blue Container that are not identified as acceptable Source Separated Recyclable Materials for the Blue Container; (ii) discarded materials placed in the Green Container that are not identified as acceptable Source Separated Organic Waste for the Green Container; (iii) discarded materials placed in the Gray Container that are acceptable Source Separated Recyclable Materials and/or Organic Waste to be placed in Green Container and/or Blue Container; and, (iv) Excluded Waste placed in any container.

**“Recyclable Materials”** means domestic, commercial or industrial byproducts which may have an economic value if Recycled, which may be Source Separated, set aside, handled, packaged or offered for collection by a Generator. Recyclable Materials include without limitation glass bottles and jars; aluminum and steel cans; paper, including mail, paper mailing pouches, craft bags, magazines, newspaper, OCC, home office paper, paper board boxes (non-coated), and plastics, including #1 PET bottles, #2 HDPE bottle natural and #2 HDPE bottles color. Upon mutual agreement, the Parties may add or delete items from the foregoing Recyclable Materials definition without a formal amendment to this Agreement, which may be approved by the General Manager.

**“Recycle”** or **“Recycling”** means the Process of collecting, sorting, cleansing, treating, and reconfiguring materials for the purpose of returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products that meet the quality standards necessary to be used in the marketplace. Recycling includes Processes deemed to constitute a reduction of landfill disposal pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include gasification or transformation as defined in Public Resources Code Section 40201.

**“Route Review”** means a visual Inspection of containers along a Hauler Route for the purpose of determining Container Contamination, and may include mechanical or electronic Inspection methods such as the use of cameras, or as otherwise defined in 14 CCR Section 18982(a)(65).

**“SB 1383 Regulations,”** means Chapter 12 (Short-lived Climate Pollutants) of Division 7 of Title 14 of the California Code of Regulations and amended portions of regulations of Title 14 CCR and Title 27 CCR.

**“Self-Hauler”** means a person, who hauls Solid Waste, Organic Waste or Recyclable Materials he or she has generated to another person. Self-Hauler also includes a person who back-hauls waste, or as otherwise defined in 14 CCR Section 18982(a)(66). Back-haul means generating and transporting Organic Waste to a destination owned and operated by the generator using the generator’s own employees and equipment, or as otherwise defined in 14 CCR Section 18982(a)(66)(A).

**“Solid Waste”** has the same meaning as defined in Public Resources Code Section 40191, which defines Solid Waste as all putrescible and non-putrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned vehicles and parts thereof, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste, manure, vegetable or animal solid and semi-solid wastes, and other discarded solid and semisolid wastes, with the exception that Solid Waste does not include any of the following wastes:

- (1) Hazardous waste, as defined in the Public Resources Code Section 40141.
- (2) Radioactive waste regulated pursuant to the State Radiation Control Law (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 State Medical Waste Management Act (Part 14 (commencing with Section 117600) of Division 104 of the Health and Safety Code). Untreated medical waste shall not be disposed of in a Solid Waste landfill, as defined in

Public Resources Code Section 40195.1. Medical waste that has been treated and deemed to be Solid Waste shall be regulated pursuant to Division 30 of the Public Resources Code.

**“Source Separated”** means materials, including commingled Recyclable Materials, that have been separated or kept separate from the Solid Waste stream, at the point of generation, for the purpose of additional sorting or Processing those materials for recycling or reuse in order to return them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace, or as otherwise defined in 14 CCR 17402.5(b)(4). For the purposes of the Amendment, Source Separated shall include separation of Discarded Materials by the Generator, property owner, property owner’s employee, property manager, or property manager’s employee into different containers for the purpose of collection such that Source Separated materials are separated from Gray Container Waste and other Solid Waste for the purposes of collection and Processing.

**“Transfer”** means the act of transferring Discarded Materials collected by Permittee from Permittee’s collection vehicles into larger vehicles at a facility for transport to other facilities for Processing or disposing of such materials. Transfer allows for removal of materials excluded or prohibited from handling at the Transfer facility.

3.03. To the extent the definitions herein are inconsistent with definitions provided in the Permit, the definitions herein shall prevail.

#### 4. **Additional Services**

##### 4.01. **Overall Performance Obligations**

(a) The services to be performed by Permittee pursuant to this Amendment shall include the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform all requirements of the Amendment. The enumeration of, and specification of requirements for, particular items of labor or equipment shall not relieve the Permittee of the duty to furnish all others, as may be required, whether enumerated or not.

(b) The services to be performed by Permittee pursuant to this Amendment shall be accomplished in a manner so that Generators are provided reliable, courteous, and high-quality services described in this Amendment at all times. The enumeration of, and specification of requirements for, particular aspects of service quality shall not relieve Permittee of the duty of accomplishing all other aspects in the manner generally provided in this Amendment for the delivery of services, whether such other aspects are enumerated elsewhere in the Amendment or not.

(c) Permittee shall not knowingly collect Blue, Green, or Gray Containers that include Prohibited Container Contaminants.

4.02. **Ownership of Discarded Materials.** By operation of this Amendment, ownership and the right to possession of all Discarded Materials shall be transferred to Permittee from the Generator once such materials are placed in containers and properly placed for collection. If Prohibited Container Contaminants are found in containers set out for collection, the materials shall be considered not properly placed for collection, and Permittee shall have the right to reject



collection of the Contaminated Containers and the ownership of materials shall remain with the Generator discarding the materials. Except as required in the District's sole discretion for law enforcement purposes, at no time shall the District obtain any right of ownership or possession of Discarded Materials placed for collection and nothing in this Amendment shall be construed as giving rise to any inference that District has such rights.

4.03. Three-Container Collection. As soon as practicable, but no later than January 1, 2023, Permittee shall provide a weekly three-container collection service for the separate collection of Source Separated Recyclable Materials, Organic Waste, and Gray Container Waste in compliance with SB 1383 and as specified herein.

(a) *Provision of Containers by Permittee and Color Standards.* Permittee shall use the Permittee-provided collection containers that are currently located at customers' premises or provide customers with collection containers from Permittee's current inventory. No later than January 1, 2023, Permittee shall provide all customers with collection containers that comply with the container color requirements specified in this Section or as otherwise specified in 14 CCR Section 18982; 14 CCR, Division 7, Chapter 12, Article 3; or other applicable law.

(b) *Labeling Requirements.* Permittee shall provide labels for the containers provided to Generators as set forth herein. All labels provided shall clearly indicate items that are Prohibited Container Contaminants for each container type. Labels existing as of the execution of this Permit shall not be required to be replaced other than for changes in the acceptable items that may be placed in each type of containers. New containers shall contain the approved labels pursuant to this subsection.

(c) *District Approval.* At least fifteen (15) days in advance of Permittee initial container purchases or repainting of metal containers, or the initial printing of labels described in subsection (b), above, Permittee shall present proposed colors and labels in compliance with this Amendment and SB 1383 to the District for review and approval, which approval shall not be unreasonably withheld. In the event that the District requires colors or label designs or such changes are required by a change in law or regulation that result in additional costs above that of the proposed colors and labels, Permittee shall be entitled to recovery of any such costs subject to a rate adjustment if necessary. After approval of the District, no further reasonable approval shall be necessary unless a material change in either color or the content of the labels is proposed, requested, or required by a change in applicable law. Any additional regulatory requirements or applicable law shall be met by the Permittee, subject to reimbursement through the rates as described in this Section 4.03(c).

(d) *Replacement.* If an existing container breaks or is otherwise rendered non-functional on or after January 1, 2023, the Permittee shall replace the non-functional container with a container that complies with the color requirements of this Section.

(e) *Blue Container Service.* Permittee shall continue to collect Source Separated Recyclable Materials placed in the Blue Container by Generators and transport such to the Approved Facility for Processing bi-weekly.

(f) *Green Container Service.* As soon as practicable, but no later than January 1, 2023, Permittee shall provide Green Containers to Generators for collection of Source Separated Organic Waste. Permittee shall collect the Source Separated Organic Waste placed in the Green Container by Generators and transport such to the Approved Facility for Processing one (1) time per week. Prior to the time when Permittee provides such Green Container service, it shall continue to collect Source Separated Green Waste placed in existing brown containers by Generators and transport such to the Approved Facility for Processing one (1) time per week.

(g) *Gray Container Service.* As soon as practicable, but no later than January 1, 2023, Permittee shall provide Gray Containers to Generators for collection of Source Separated Gray Container Waste. Permittee shall collect the Gray Container Waste placed in the Gray Container by Generators and transport such to the Approved Facility for Processing one (1) time per week. Permittee may allow carpets and textiles to be placed in the Gray Containers by Generators. Prior to the time when Permittee provides such Gray Container service, it shall continue to collect Solid Waste placed by Generators in existing green containers and transport such to the Approved Facility for Processing one (1) time per week.

4.04. District Facilities. Permittee shall continue to provide weekly collection services to District's facilities at appropriate levels taking all generated waste which shall include Solid Waste and Green Waste collection generated from District facility use and District park and street landscaping activities and provide service and equipment to all District facilities as necessary for all waste.

4.05. Bulky Waste. Permittee shall provide one (1) on-call collection service per calendar year consisting of one large furniture item per residence and up to ten (10) 32 gallon bags, or equivalent, per customer, that would not normally be deposited in the Gray or Blue Containers, such as furniture, appliances, etc. (collectively "Bulky Waste"), except that such collection responsibility does not apply to agricultural, commercial or industrial wastes or waste generated by Commercial Business activities or by a residential customer's contractor's/vendor's work at a residence, or to hazardous waste or items such as appliances, computers or televisions containing hazardous waste for which a special handling fee is charged by the Approved Facility. Except in cases of the one large furniture item per residence, Bulky Waste shall be boxed, bundled, bagged, or otherwise contained by the residential customer prior to collection. Permittee shall route collection vehicles such that the Bulky Waste is collected prior to all other materials placed for collection, in a non-compacting vehicle, and in such a manner so as to preserve the materials for reuse. Permittee shall transport such Bulky Waste to the Approved Facility for Processing.

4.06. Special Event Collection. Permittee shall, without compensation from the District, provide Source Separated Recyclable Materials, Organic Waste, and Gray Container Waste services of up to twenty (20) cubic yards per event at up to ten (10) special events per calendar year.

(a) *Event Collection Stations.* Permittee shall provide and set-up event collection stations for collection of Source Separated Recyclable Materials, Organic Waste, and Gray Container Waste at the special events. Each event collection station shall include a separate cart for each of Source Separated Recyclable Materials, Organic Waste, and Gray Container Waste, as appropriate. Permittee shall provide a sufficient number of event collection stations of sufficient

capacity to meet the needs of the event as determined by Permittee in cooperation with the District. Collection stations shall utilize the same carts used to provide services to residential Generators, unless alternative containers are approved by the District. Collection stations shall include adequate signs and labeling.

(b) *Collection Station Monitors.* Upon request, Permittee shall set up an educational booth staffed by Permittee staff near the collection stations to monitor event collection stations and educate event attendees and vendors about what materials are acceptable in each collection station cart.

(c) *Consolidation Containers.* Upon request, Permittee shall provide containers for the aggregation of material removed from event collection stations during the course of the event. Permittee shall provide containers in sufficient number of appropriate type(s) for the needs of the event as determined by Permittee in cooperation with the District. Permittee shall service containers, as agreed-upon with the event District, and deliver collected materials to the Approved Facility for Processing and/or disposal.

(d) *Public Education Booth.* Upon request of the District, Permittee shall staff a booth or exhibit at the event for the purpose of educating the public about the services and programs provided by Permittee under this Amendment and the benefits of source reduction, reuse, recycling, and composting.

(e) *Reporting.* Within fourteen (14) calendar days of the end of the event, Permittee shall submit a report to the District. The report should include, at a minimum: the number of event collection stations deployed at the event, the tonnage of each material type (i.e., Source Separated Recyclable Materials, Organic Waste, and Gray Container Waste) collected, and a description of the public education provided at the event.

(f) *Coordination with Others.* Permittee may, at its sole discretion and expense, coordinate with local youth, community, or charitable organizations to provide some or all of the required services. Regardless of Permittee's use of such an organization, Permittee shall be responsible for ensuring that service is provided to the District in a professional and timely manner.

(g) *Service to Additional Special Events.* For special events that are not District events, Permittee shall provide the above-described special event services at the request of the event organizer and may negotiate the charges for such services with the event organizer based on the specific needs of the event.

4.07. Transfer, Processing and Disposal. Permittee shall transport all Discarded Materials to the Approved Facility and shall transfer, Process, and dispose of Discarded Materials in accordance with this Section. The Approved Facility shall comply with the following requirements.

(a) *Approved Transfer Facility.* The Approved Facility shall transfer Source Separated Recyclable Materials, Organic Waste, and Gray Container Waste collected in accordance with this Amendment.

(b) *Source Separated Recyclable Materials Processing Facility (Blue Containers).* The Approved Facility shall Process Source Separated Recyclable Materials to recover materials designated for Collection in the Blue Container.

(c) *Organic Waste Processing Facility (Green Containers).* The Approved Facility shall Process Organic Waste to recover Source Separated Organic Waste.

(d) *Disposal Facility (Gray Containers).* The Approved Facility shall accept Gray Container Waste collected in accordance with this Amendment for disposal. No Organic Waste shall be collected in the Gray Container.

#### 4.08. Guaranteed Capacity and Facility Standards.

Permittee shall guarantee transfer, Processing, and disposal capacity at the Approved Facility to receive all Discarded Materials collected by the Permittee throughout the Term.

(a) *Transportation and Facility Costs.* Permittee shall pay all costs for the transport, transfer, Processing, and/or disposal of Discarded Materials collected in accordance with this Amendment. Permittee's compensation for such services is included in the Rates charged to Generators.

(b) *Transportation to Non-Approved Facilities Prohibited.* Permittee shall transport Discarded Materials to the Approved Facility or, in the event of the temporary inability of the Approved Facility to accept such material, it shall transport the material to an Alternate Approved Facility. If none of those Facilities is available to accept Discarded Materials, the Permittee shall deliver the material to any facility that is legally able to accept it consistent with its permits. If Permittee transports Discarded Materials to a facility other than the Approved Facility or Alternate Facility despite the availability of the Approved Facility without prior District written approval, Permittee's failure to comply may result in assessment of Liquidated Damages. Nothing in this subsection shall require the Approved Facility to accept Discarded Materials in violation of any law or permit requirement.

#### 4.09. Contamination Monitoring.

(a) *Visual Inspections.* The Permittee's Hauler Route personnel shall observe the contents of the containers as the Discarded Materials are emptied into the vehicle. Upon observing Prohibited Container Contaminants in a container, the next day on which the Generator is to receive service, the Permittee's Hauler Route personnel shall dismount the collection vehicle, lift the lid of the container, and visually inspect the contents of the container. If the Permittee's Hauler Route personnel determines that the container again contains Prohibited Container Contaminants, Permittee shall follow the contamination noticing procedures and contaminated Container handling protocols set forth herein.

#### (b) *Actions upon Identification of Prohibited Container Contaminants.*

(i) *Record Keeping.* The driver or other Permittee representative shall record each event of identification of Prohibited Container Contaminants in a written log or in the on-board computer system including date, time, Generator's address, type of Container (Blue, Green,

or Gray Container); and maintain photographic evidence, if required. Permittee shall submit this record to the Permittee's customer service department, and Permittee's customer service department shall update the Generator's account record to note the event, if the on-board computer system did not automatically update the Generator's account record.

(ii) *Identification of Excluded Waste.* If Permittee's personnel observe Excluded Waste in an uncollected container, then Permittee's personnel shall issue a non-collection notice for this container and shall not collect the Discarded Materials that contain Excluded Waste. Permittee's personnel shall record that observation and immediately inform their route supervisor. The route supervisor shall investigate and initiate applicable action within one (1) business day or sooner if the Excluded Waste may cause immediate danger.

(iii) *Courtesy Pick-Up Notices.* Upon identification of Prohibited Container Contaminants in a Generator's container, Permittee shall provide the Generator a courtesy pick-up notice. The courtesy pick-up notification shall: (i) inform the Generator of the observed presence of Prohibited Container Contaminants; (ii) include the date and time the Prohibited Container Contaminants were observed; (iii) include information on the Generator's requirement to properly separate materials into the appropriate containers, and the accepted and prohibited materials for collection in the Blue Container, Green Container, and/or Gray Container; (iv) inform the Generator of the courtesy pick-up of the Prohibited Container Contaminants on that occasion with information that, following three (3) instances, Permittee may assess contamination Processing fees or issue a non-collection notice; and, (v) if photographic evidence exists, shall include photographic evidence. Permittee shall leave the courtesy pick-up notice attached to or adhered to the Generators' contaminated containers; at the premises' door or gate; or, subject to District's approval, may deliver the notice by mail, e-mail, text message, or other electronic message. Permittee shall collect the contaminated Source Separated Recyclable Materials or Organic Waste and transport the material to Approved Facility for Processing; or, Permittee may collect the contaminated materials with Gray Container Waste and transport the contaminated materials to the Approved Facility for disposal.

(iv) *Non-Collection Notices.*

- (1) Upon identification of Prohibited Container Contaminants in a container or Excluded Waste, Permittee shall provide a non-collection notice to the Generator. The non-collection notice shall, at a minimum: (i) inform the Generator of the reason(s) for non-collection; (ii) include the date and time the notice was left or issued; (iii) describe the premium charge to Generator for Permittee to return and collect the container after Generator removes the Contamination; and, (iv) provide a warning statement that a contamination Processing fee may be assessed if Prohibited Container Contaminants are observed on more than three (3) consecutive occasions. The non-collection notice may include photographic evidence of the violation(s).
- (2) The Permittee's notice of non-collection may be left attached to or adhered to the Generator's container, or at the premises' door or gate

at the time the violation occurs, or subject to District's approval, may be delivered by mail, e-mail, text message, or other electronic message.

- (3) Permittee shall submit a sample of its non-collection notice to the District General Manager for approval prior to implementing use of it with Generators.

(v) *Communications with Generator.* Whenever a container at the premises of a Commercial or a Multi-Family Generator is not collected, Permittee shall contact the Generator on the scheduled collection day or within twenty-four (24) hours of the scheduled collection day by telephone, email, text message, or other verbal or electronic message to explain why the container was not collected. Whenever a container is not collected because of Prohibited Container Contaminants, a customer service representative shall contact the Generator to discuss, and encourage the Generator to adopt proper Discarded Materials preparation and separation procedures.

(vi) *Permittee Return for Collection.* Upon request from a Generator, Permittee shall collect containers that received non-collection notices within one (1) business day of Generator's request. Permittee shall bill Generator for the return pick-up collection service ("return pick-up") at the applicable District-approved rates. Permittee shall notify Generator of the premium rate for the return pick-up service at the time the request is made by Generator. Otherwise, Permittee shall collect such containers at the next scheduled pick-up.

(c) *Disposal of Contaminated Materials.* If Permittee observes Prohibited Container Contaminants in a Generator's container(s), Permittee may dispose of the container's contents, provided Permittee complies with the noticing requirements above.

(d) *Hauler Route Review.*

(i) As soon as practicable, but no later than January 1, 2023, Permittee shall conduct Hauler Route reviews for Prohibited Container Contaminants in collection containers in a manner that is deemed safe by the Permittee; is approved by the District; and, is conducted in a manner that results in all Hauler Routes being reviewed annually.

(ii) Permittee shall conduct Hauler Route reviews that include inspection of the contents of Generators' containers for Prohibited Container Contaminants as follows:

- (1) For Hauler Routes with less than 1,500 Generators, Permittee shall inspect a minimum of 25 Generators' containers.
- (2) For Hauler Routes with 1,500-3,999 Generators, Permittee shall inspect a minimum of 30 Generators' containers.
- (3) For Hauler Routes with 4,000-6,999 Generators, Permittee shall inspect a minimum of 35 Generators' containers.

- (4) For Hauler Routes with 7,000 or more Generators, Permittee shall inspect a minimum of 40 Generators' containers.

(iii) Permittee shall develop a Hauler Route review methodology to accomplish the above container inspection requirements and such methodology shall comply with the requirements of 14 CCR 18984.5(b). Permittee shall submit its proposed Hauler Route review methodology for the coming year to the District no later than January 15 of each year describing its proposed methodology for the calendar year and schedule for performance of each Hauler Route's annual review. District will review and approve the proposed methodology. Permittee may commence with the proposed methodology upon approval.

(iv) If the District and/or CalRecycle notifies the Permittee that the methodology is inadequate to meet the requirements of 14 CCR 18984.5(b), Permittee shall revise the methodology and, after obtaining District or CalRecycle approval, implement the revised procedure. If the Permittee's proposed methodology meets the requirements of 14 CCR 18984.5(b), but has been deemed inadequate by the District, the Permittee shall, at the expense of the District, revise the methodology and implement the necessary changes using the revised procedure. Notwithstanding the foregoing, the District may request minor modifications to the methodology at no additional cost to the District, if such modifications do not result in additional significant costs to Permittee and the methodology complies with the requirements of 14 CCR 18984.5(b).

(v) The District's General Manager may request, and Permittee shall accept, modifications to the schedule to permit observation of the Hauler Route reviews by the District. In addition, Permittee shall provide an email notice to the District's General Manager no less than ten (10) business days prior to each scheduled Hauler Route review that includes the specific time(s), which shall be within the District's normal business hours, and location(s).

(vi) Upon finding Prohibited Container Contaminants in a container pursuant to a Hauler Route review, Permittee shall follow the contamination noticing procedures and contaminated container handling protocols set forth in this Section.

(e) *Monthly Reporting Requirements.* Permittee shall maintain records and report to the District monthly on contamination monitoring activities and actions taken.

4.10. Education and Outreach. In order to promote public education, Permittee shall create all public education materials and conduct education programs and activities described in this Section.

(a) *Program Objectives.* Permittee's public education and outreach strategy shall focus on improving Generators' understanding of the benefits of and opportunities for source reduction, reuse, and landfill disposal reduction. In general, Permittee-provided public education and outreach, which shall include all content required by this Section, should: (i) inform Generators about the services that are provided under this Amendment with specific focus on describing the methods and benefits of source reduction, reuse, and reduction of Solid Waste disposal; (ii) instruct Generators on the proper method for placing materials in containers for collection and setting containers out for collection with specific focus on minimizing

contamination of Source Separated Recyclable Materials and Organic Waste; (iii) clearly define Excluded Waste and educate Generators about the hazards of such materials and their opportunities for proper handling; (iv) discourage Generators from buying products if the product and its packaging are not readily reusable, recyclable, or compostable; (v) encourage the use of compost; and, (vii) encourage Generators to purchase products/packaging made with Recycled-content materials. The cumulative intended effect of these efforts is to reduce each Generator's reliance on Permittee-provided Gray Container Waste service and, ultimately, disposal, and Permittee agrees to support and not undermine or interfere with such efforts.

(b) *Permittee Cooperation and/or Support for District Educational Efforts.*

(i) Permittee acknowledges that it is part of a multi-party effort to operate and educate the public about the integrated waste management system. Permittee shall cooperate and coordinate with the District General Manager on public education activities to minimize duplicative, inconsistent, or inappropriately timed education campaigns.

(ii) Permittee shall obtain approval from the General Manager on all Permittee-provided public education materials including, but not limited to: print, radio, television, or internet media before publication, distribution, and/or release. District shall have the right to request that Permittee include District identification and contact information on public education materials and approval of such requests shall not be unreasonably withheld. The District reserves the right to direct the Permittee to modify the education and outreach program at any time.

(c) *Annual Education Plan.*

(i) Annually, Permittee shall develop and submit an annual public education plan to promote the programs performed by Permittee under this Amendment. The annual public education plan shall present the education activities for the upcoming calendar year and shall be submitted with the Permittee's annual report. Each public education plan shall specify the target audience for services provided, include upcoming promotions for ongoing and known special events related to Permittee's service, identify program objectives, public education materials to be developed or updated, and a timeline for implementation.

(ii) The District General Manager shall be permitted to provide input on each annual public education plan, and the plan shall not be finalized or implemented without approval of the District General Manager. Each plan's implementation success shall be measured according to the deadlines identified and public education materials developed. District General Manager shall be allowed up to fifteen (15) days after receipt to review and request modifications. The District General Manager may request, and Permittee shall not unreasonably deny, modifications to be completed prior to approving the plan. Permittee shall have up to fifteen (15) business days to revise the plan in response to any requested changes by the District General Manager. Permittee will communicate any further delays to District General Manager.

(d) *Annual Budget.* In addition to staffing expenses, Permittee shall spend, for the public education and outreach services described in this Section, no less than ten thousand dollars (\$10,000.00) in the first calendar year after the Effective Date. The budget may be adjusted annually thereafter by the same percentage used to adjust rates. In addition, to the extent necessary



to comply with state law governing education and outreach, the District may increase the spending requirement, and, if it does so, the increased spending amount shall be included in next rate adjustment. Annually, Permittee shall provide to the District General Manager a detailed description of how such budget will be spent as part of the annual public education plan. Permittee shall be prohibited from expending such funds without the prior written approval of the District General Manager.

(e) *Annual and/or Ongoing Education Requirements.*

(i) *Annual Mailer.* Not less than once per year during each calendar year, Permittee shall prepare and distribute to each Generator in the District a mailer that includes information specified in 14 CCR Section 18985.1(a). Such mailer shall be distributed by Permittee to all Residential and Commercial mailing addresses including individual Multi-Family Dwelling Units. Permittee shall also make this notice available in an electronic format through the Permittee's website.

(ii) *Billing Inserts.* Upon District request, Permittee agrees to insert and distribute brochures, newsletters, or other information developed by the District as inserts in Permittee's customer invoices, which is limited to commercial and multifamily accounts. Upon District request, Permittee shall be responsible for printing the bill inserts. For customers receiving electronic bills, Permittee agrees to distribute brochures, newsletters, or other information developed by the District as attachments to customer invoices at no additional charge to the District. Permittee shall provide electronic bill inserts (or separate email attachments) to customers who are billed electronically, and paper bill inserts to customers who receive paper bills. Electronic bill inserts/attachments must be readily available for the customer to view upon receipt of the invoice (attachments shall not be provided as links). Upon District request for such inserts, Permittee shall comply with such request during its next billing cycle for the targeted customer group. Permittee shall perform this service with no additional requirement for compensation.

(iii) *Multi-Family and Commercial Customer Signage.* Permittee shall provide all Multi-Family and Commercial Customers with Source Separated Recyclable Materials, Organic Waste, and Gray Container Waste program guidelines, including posters to be placed in collection areas and enclosures and other community areas at each premises or building where Discarded Materials are stored, which may be downloadable digital standard posters prepared by third parties. Permittee shall provide copies of such materials to the District as requested.

(iv) *Minimum Website Requirements.* Permittee shall develop and maintain a website (with a unique URL specific to the District) that is specifically dedicated to the District to provide Generators with detailed service information including date, time and frequency of pick-up services. The website or webpage shall be accessible by the public, and shall include all education and outreach materials being provided, without requirement for login. Permittee shall update the website regularly so that information provided is current.

(v) *Instructional Service Guide.* On or before January 1, 2023, Permittee shall prepare a service guide that describes available services, including how to place containers for collection, which materials should be placed in each container and prohibited materials, and provides collection holidays and a customer service phone number. On or before

January 1, 2023, the service guide shall be printed and delivered with each set of containers distributed to a Generator and shall be delivered annually to all Generators. Permittee shall prepare different service guides for Single-Family, Multi-Family, and Commercial Generators. Permittee shall revise, re-print, and redistribute service guides once every two (2) years or at least thirty (30) days prior to a change in the accepted or prohibited materials for any program. Permittee shall make the service guide available in an electronic format through the Permittee's website. Permittee may provide an electronic version of the instructional service guide rather than a printed version, if requested by the Generator.

(vi) *Annual Multi-Family Dwelling Unit Notices.* On the Effective Date of this Amendment, Permittee shall obtain and track in its customer information system(s) the number and addresses of dwelling units at each Multi-Family premises serviced by Permittee. Permittee shall maintain this database by auditing the data at least once every two (2) years. At least annually, commencing no later than January 1, 2023, Permittee shall prepare and distribute notices to each Multi-Family Dwelling Unit at Multi-Family Premises serviced by Permittee. The annual notices shall include information on regulations governing Discarded Materials, Hazardous Waste, and toxic waste; District and State requirements to properly separate Discarded Materials (such as requirements of the District Code and of State statutes and corresponding regulations, including, but not limited to, AB 341, AB 1826, and SB 1383); instructions on properly separating materials; waste prevention; services available; and any other information required by the District or by State regulations (including SB 1383 Regulatory requirements for education, pursuant to 14 CCR, Division 7, Chapter 12, Article 4). As an alternative, Permittee may comply with these requirements through preparation and distribution of an annual newsletter distributed to each Multi-Family Dwelling Unit that provides the same information. Permittee shall make notices and newsletters available in an electronic format through the Permittee's website. Permittee may provide an electronic version of the notices rather than a printed version, if requested by the Customer.

(f) *Provision of Educational Materials to Non-Compliant Entities.* Permittee shall provide educational materials to non-compliant entities under this Amendment, as further described herein.

(g) *Education Materials for Property and Business Owners and Tenants.* Permittee shall annually provide property owners and Commercial Business owners with public education materials (which may be downloadable digital standard materials prepared by third parties) for their distribution to all employees, Permittees, tenants, and customers of the properties and businesses. The Permittee's public education materials shall include, at a minimum, information about Organic Waste recovery requirements and proper sorting of Discarded Materials, and shall reflect content requirements described in below. Permittee shall provide the following materials for this purpose: insert materials (such as, but not limited to, welcome packets and flyers). A Commercial Business or Multi-Family property owner may request these materials more frequently than the standard annual provision if needed to comply with the requirement of 14 CCR 18984.10 for Commercial Businesses and Multi-Family property owners to provide educational information to new tenants and employees before or within fourteen (14) days of occupation of the premises. In this case, the Commercial Business or Multi-Family property owner may request delivery of materials by contacting the Permittee's customer service department not later than two (2) weeks in advance of the date that the materials are needed.

(h) *Minimum Content Requirements.* Prior to February 1, 2023; and annually thereafter, the Permittee shall include in public education and outreach services and materials:

(i) Generator's requirements to properly separate Source Separated Recyclable Materials, Organic Waste and Gray Container Waste and place such materials in appropriate containers pursuant to this Amendment, SB 1383 Regulations, and all other Applicable Law into the public education materials.

(ii) Information on methods for the prevention of Source Separated Recyclable Materials and Organic Waste generation; managing Organic Waste on Generator's premises through composting or other landfill disposal reduction activities allowed under 14 CCR 18983.1 and 18983.2; sending Organic Waste to community composting operations; and any other local requirements regarding Discarded Materials.

(iii) Information regarding the methane reduction benefits of reducing the disposal of Source Separated Organic Waste, and the method(s) that the Permittee uses to recover Source Separated Organic Waste.

(iv) Information regarding how to recover Source Separated Recyclable Materials and Organic Waste, and a list of haulers approved by the District.

(v) Information related to the public health and safety and environmental impacts associated with the disposal of Source Separated Organic Waste.

(vi) Information regarding Self-Hauling requirements.

(vii) Any other federal, State, or local requirements to properly separate Discarded Materials or other necessary actions by Generators, including applicable requirements of the District Code, AB 341, AB 1826, and SB 1383 and corresponding regulations.

(i) *Material Distribution Methods.* Permittee shall use the following methods to provide education information to Generators. All materials are to be approved by the District prior to distribution.

(i) *Printed materials.* Permittee shall provide printed education materials. The Permittee shall be responsible for the design, printing, and distribution of these materials. All Permittee-printed public education materials shall, at a minimum, use Recycled paper and/or be made of Recycled material. The Permittee will use 100% post-consumer paper.

(ii) *Electronic materials and website content.* Permittee shall provide electronic and website content for education and outreach materials, which may include, but are not limited to: digital graphics, digital versions of print materials, social media posts, and blog posts. The Permittee shall be responsible for the design, posting, and electronic distribution of these materials.

(j) *Record Keeping and Reporting Requirements.* Permittee shall comply with the public education and outreach record keeping and reporting requirements of this Amendment.

(k) *Personnel Training.*

(i) Annually, and upon hiring of new staff, the Permittee is required to conduct thorough training of all customer service representatives who may respond to Generator calls regarding Permittee's collection services and SB 1383 Regulatory requirements. Customer service representatives shall accurately communicate program requirements and the accepted and prohibited materials for each material stream for each Generator type. New customer service representatives shall not be assigned to the District prior to completing SB 1383 Regulations training. The District reserves the right to require changes to the call routing Process and the training and qualifications for customer service representatives assigned to the District if a pattern of inaccurate information provision is observed.

(i) Annually, and upon hiring of new staff, Permittee shall conduct thorough training of all Hauler Route personnel that come into contact with Generators on the collection program requirements and the accepted and prohibited materials for each material stream for each Generator type.

4.11. Waivers. District may grant waivers described in this Section to Generators that impact the scope of Permittee's provision of service for those Customers. Waivers issued shall be subject to compliance with SB 1383 Regulatory requirements, pursuant to 14 CCR 18984.11, or other requirements specified by the District.

(a) *De Minimis Waivers.* The District may waive a Commercial Business', or its property owner's obligation to comply with some or all of the Source Separated Organic Waste requirements set forth in this Amendment, SB 1383 Regulations, and Section MH-5-2111 of the District Code if the Commercial Business, or its property owner provides documentation or the District has evidence demonstrating one of the following de minimis conditions:

(i) The Commercial Business' total Solid Waste Collection service is two (2) cubic yards or more per week, and Source Separated Organic Waste or Recyclable Materials subject to Collection in a Blue Container or Green Container comprises less than twenty (20) gallons per week, per applicable container, of the Commercial Business' total waste; or,

(ii) The Commercial Business' total Solid Waste collection service is less than two (2) cubic yards per week, and Source Separated Organic Waste or Recyclable Materials subject to collection in a Blue Container or Green Container comprises less than ten (10) gallons per week, per applicable container, of the Commercial Business' total waste.

(b) *Physical Space Waivers.* The District may waive an existing Commercial Business', or its property owner's obligation to comply with some or all of the Source Separated Recyclable Materials or Organic Waste collection service requirements set forth in this Amendment, SB 1383 Regulations, and District Code Section MH-5-2111 if the existing Commercial Business, or its property owner provides documentation, or the District has evidence from its staff, the Permittee, licensed architect, or licensed engineer demonstrating that the premises lacks adequate space for Blue Containers and/or Green Containers.

(c) *Collection Frequency Waivers.* A District may allow the Permittee to provide collection of Blue Containers, Gray Containers, or both once every fourteen (14) days, rather than

once per week, for Generators that have been granted a collection frequency waiver from the District.

(d) *Permittee Waiver Request on Behalf of Generator.* Where a Generator seeks a waiver from the District pursuant to this Section, Permittee shall process and investigate such request pursuant to this Section. If after such investigation, Permittee maintains a reasonable belief that a Generator may qualify for a de minimis, physical space, or collection frequency waiver, the Permittee shall submit a request to the District to grant a waiver to the Generator, provided that adequate evidence of the de minimis, physical space, or collection frequency waiver requirements specified in 14 CCR 18984.11 is included with the request. District shall review and approve or deny the waiver request. Permittee's request for consideration of a waiver shall include the Generator's name and address, type of Commercial Business or number of multi-family units if the Generator is a multi-family residential dwelling which is included in the definition of a Commercial Business, reasons Generator may be eligible for the waiver, and evidence such as, but not limited to: service level data, photo documentation, weight records, and technical assistance assessment results.

(e) *Permittee Review of Generator Waiver Requests.* Generators may submit requests for de minimis waivers, physical space waivers, and collection frequency waivers to the Permittee. Permittee shall within thirty (30) days review the Generator's waiver application and inspect the Generator's premises to verify the accuracy of the application. Permittee shall provide documentation of the inspection, including the Permittee's recommendation to approve or deny the waiver request, and send this information to the District within forty-five (45) days of receipt of the Generator's waiver application for the District's review and approval. The District ultimately retains the right to approve or deny any application, regardless of the Permittee's recommendation. Permittee shall report information regarding waivers reviewed on a monthly basis.

(f) *Permittee Change in Customers' Service Levels.* When the District grants a waiver to a Generator, the District shall notify the Permittee within thirty (30) days of the waiver approval with information on the Generator and any changes to the service level or collection service requirements for the Generator. Permittee shall have ten (10) days to modify the Generator's service level and billing statement, as needed.

(g) *Waiver Reverification.* Permittee shall verify that the Generators with de minimis, physical space constraint, or collection frequency waivers continue to meet the waiver requirements set forth in this Section. Permittee shall conduct such reverifications of waivers through inspection of each Generator's premises and review of applicable records at least once every five (5) years for de minimis and physical space constraint waivers, and once every two (2) years for collection frequency waivers. Permittee shall maintain a record of each waiver verification and provide a monthly report to the District documenting the waiver reverifications performed and recommendations to the District on those waivers that Permittee concludes are no longer warranted. The District shall make a final determination of the waiver eligibility of Generators.

(h) *Permittee Recordkeeping of Generators Granted Waivers.* Upon Permittee request, no more than two (2) times per year, the District shall provide Permittee an updated listing of

waivers approved by the District, including the Generators' names, mailing address, service address, and type of waiver. Permittee shall maintain waiver-related records and report on waiver verifications.

4.12. Processing Facility Temporary Equipment or Operational Failure Waiver.

(a) *Notification to the District.* The Permittee shall notify the District of any unforeseen operational restrictions that have been imposed upon the Approved Facility by a regulatory agency or any unforeseen equipment or operational failure that will temporarily prevent the Approved Facility from Processing and recovering Source Separated Recyclable Materials or Organic Waste. The Permittee shall notify the District as soon as possible and no later than twenty-four (24) hours from the time of the incident. The notification shall include the following: (i) the Recycling and Disposal Reporting System Number of the Approved Facility; (ii) date the Approved Facility became unable to Process Source Separated Recyclable Materials or Organic Waste; (iii) description of the operational restrictions that have been imposed upon the Approved Facility by a regulatory agency or unforeseen equipment failure or operational restriction that occurred; (iv) the period of time the Permittee anticipates the temporary inability of the Approved Facility to Process Source Separated Recyclable Materials or Organic Waste; (v) Permittee's proposed action plan to deliver materials to an Alternate Approved Facility for Processing or Permittee's request for waiver to deliver Source Separated Recyclable Materials or Organic Waste other than to the Approved Facility or Alternate Approved Facility.

(b) *Use of Alternative Approved Facility or Waiver for Disposal of Materials.* Upon notification to District by Permittee of Approved Facility's inability to Process materials, the Permittee shall begin deliveries to an Alternate Approved Facility. District shall evaluate the notification and determine if it shall require Permittee to use a different Alternate Approved Facility. In the case of unavailability of any Alternate Approved Facility, Permittee may propose another facility on a temporary basis for a time period specified by the District. Upon District's decision, the District shall notify the Permittee of its requirement to use a different Alternate Approved Facility or another facility for disposal, and the period of time that the District will allow the Source Separated Recyclable Materials, or Organic Waste to be redirected to the Alternative Facility or Approved Alternative Facility. Pursuant to 14 CCR 18984.13, the approved disposal period shall not exceed ninety (90) days from the date the Approved Facility's Processing restriction or failure commenced. In such case, the Permittee must receive written permission from the District General Manager prior to depositing any Discarded Material in a landfill unless no appropriate facility is available for acceptance of Source Separated Recyclable Material is available .

(c) *Record Keeping and Reporting.* Permittee shall maintain a record of any Approved Facility incidents and report this information to the District.

(d) *Disaster Waivers.* In the event of a disaster, the District may grant Permittee a waiver of some or all Discarded Materials collection requirements under consistent with Section 4.25 of this Amendment in the disaster-affected areas for the duration of the waiver, and shall seek a a waiver for such waived requirements from CalRecycle to the extent such waiver shall be required by 14 CCR 18984.13.

#### 4.13. Inspection and Enforcement.

(a) *Annual Compliance Review.* Permittee shall perform compliance reviews described in this Section commencing January 1, 2023, and at least annually thereafter, unless otherwise noted.

(b) *Commercial Generator Compliance Reviews.* Permittee shall complete a compliance review of all Multi-Family and Commercial Generators that generate two (2) cubic yards or more per week of Solid Waste, including Organic Waste, to determine their compliance with: (i) Generator requirements under the District's Discarded Materials collection program; and, (ii) if applicable for the Generator, Self-Hauling requirements pursuant to 14 CCR 18988.3 and Section MH-5-2112 of the District Code, including whether a Multi-Family or Commercial Business is complying through Back-Hauling Source Separated Organic Waste and/or Recyclable Materials. The compliance review shall mean a "desk" review of records to determine Generators' compliance with the above requirements and does not necessarily require on-site observation of service. If a compliance discrepancy is discovered during this review, Permittee shall perform an on-site observation of service to determine compliance.

(c) *Annual Hauler Route Review.* Beginning January 1, 2023 and annually thereafter, the Permittee shall conduct annual Hauler Route reviews of Generators for compliance with the District's Discarded Materials collection program consistent with the requirements of 14 CCR 18984.9(a). These Hauler Route reviews may be performed concurrently with the contamination monitoring Hauler Route reviews pursuant to Section 4.09(d), provided that Permittee documents a reasonable sampling of Generators for which compliance with the District's Discarded Materials Collection program during the Hauler Route review was assessed.

#### (d) *Compliance Review Process.*

(i) *Number of Reviews.* The Permittee shall conduct a sufficient number of compliance reviews, Hauler Route reviews, and inspections of Generators, to adequately determine the Generators' overall compliance with SB 1383 Regulations, AB 1826, AB 341, and Chapter 5-2100 of the District Code. The number of reviews shall be a number reasonably necessary to determine such compliance. District reserves the right to require additional inspections, if the District determines that the amount of inspections conducted by the Permittee is insufficient. District may require the Permittee to prioritize inspections of entities that the District determines are more likely to be out of compliance.

(ii) *Non-Compliant Entities.* From January 1, 2023 through December 31, 2023, when compliance reviews are performed by Permittee, Permittee shall provide educational materials in response to violations. Permittee shall provide these educational materials to the non-compliant Generators within ten (10) days of determination of non-compliance or immediately upon determination of non-compliance if such non-compliance is determined during an inspection or Hauler Route review. Permittee shall document the non-compliant Generators and the date and type of education materials provided, and shall report such information to the District. Beginning January 1, 2024, the Permittee shall, in addition to providing the education materials described in this subsection, document non-compliant Generators determined through Permittee's compliance

reviews, and shall report all Generators with violations of SB 1383 Regulations to the District. The District shall be responsible for subsequent enforcement action against the Generators.

(iii) *Documentation of Inspection Actions.* The Permittee shall generate a written and/or electronic record and maintain documentation for each inspection, Hauler Route review, and compliance review conducted.

#### 4.14. Complaints.

(a) *Documentation of Complaints.* The Permittee agrees to maintain a computer database log of all oral and written complaints received by Permittee from customers or other persons. Permittee shall be responsible for the prompt and courteous attention to, and prompt and reasonable resolution of, all complaints. Permittee agrees to document and maintain for a period of at least twelve (12) months on a form or log all complaints registered by customers and other persons, in accordance with this Section. Permittee shall record complaints received related to SB 1383 Regulatory non-compliance (“**Complaints**”) in its log in a manner further described below.

(b) *SB 1383 Regulatory Non-Compliance Complaints.* For Complaints received in which the person alleges that an entity is in violation of SB 1383 Regulations, Permittee shall document the information listed in Section 4.20(e). Permittee shall provide this information in a brief report (“**Complaint Report**”) to the District for Complaint within ten (10) days of receipt of such Complaint and in a monthly report pursuant to Section 4.20(e).

(c) *Investigation of SB 1383 Regulatory Non-Compliance Complaints.* Permittee shall commence an investigation, within ninety (90) days of receiving a Complaint in the following circumstances: (i) upon Permittee receipt of a Complaint that an entity may not be compliant with SB 1383 Regulations and if District determines that the allegations against the entity, if true, would constitute a violation of SB 1383 Regulations; and, (ii) upon District request to investigate a Complaint received by District, in which District determines that the allegations against the entity, if true, would constitute a violation of SB 1383 Regulations. Permittee is required to investigate complaints against customers and Generators, but not against Food Recovery Organizations, Food Recovery Services, and other entities regulated by SB 1383 Regulations. Such investigation shall be reasonably thorough and complete.

Permittee shall investigate the Complaint using one or more of the methods:

(i) Reviewing the service level of the entity that may not be compliant with SB 1383 Regulations;

(ii) Reviewing the waiver list to determine if the entity has a valid de minimis, physical space constraint, or collection frequency waiver;

(iii) Reviewing the Self-Haul registration list to determine if the entity has registered and reviewing the entity’s reported Self-Haul information;

(iv) Inspecting Premises if the entity identified by the complainant, if warranted to the extent a visual inspection may be lawfully performed by vehicle; and/or,



(v) Contacting the entity to gather more information, if warranted.

(d) *Reporting.* Within ten (10) days of completing an investigation of a Complaint, Permittee shall submit an Complaint investigation report that documents the investigation performed and provides its findings and observations as to possible acts or omissions of a Generator which may not be consistent with the requirements of SB 1383 Regulations. Because of its familiarity with the solid waste industry and regulations, Permittee shall be responsible for identifying all provisions of the SB 1383 Regulations that are applicable or potentially applicable to the specific Complaint. The District shall make a final determination of the allegations against the entity.

4.15. Street Sweeping. Permittee shall conduct bi-weekly sweeping of all existing District streets and alleys, all existing private streets that are open to the public, new streets and alleys accepted by the District in the future, and new private streets and alleys that provide for public access. Permittees' obligation to sweep private streets and alleys shall arise only after at least one structure such street or alley segment is authorized for occupancy. In addition, Permittee shall perform street sweeping on special occasions as requested by the District. Nothing herein shall prohibit Permittee from entering into agreements with individuals or entities for street sweeping services that go beyond that required under this Section 4.15.

4.16. New Services. Permittee shall offer Generators new services mandated by federal, state or local requirements and as requested by District. The rates for such services shall be proposed by Permittee and approved by the District Board of Directors.

4.17. Record Keeping. Permittee shall maintain such accounting, statistical, and other records related to its performance under this Amendment as shall be necessary to develop the reports required by this Amendment or District Code. Permittee agrees to conduct data collection, information and record keeping, and reporting activities needed to comply with applicable laws and regulations and to meet the reporting and Discarded Materials collection, Processing, and disposal program management needs of the District. At the written direction or approval of District, the records and reports to be maintained and provided by Permittee may be adjusted in number, format, and frequency, if required to comply with State or federal regulatory or reporting requirements. Permittee shall inform the District of any new or changes to existing local, state or federal laws that may impact the District.

(a) *Use of Information.* Information from Permittee's records and reports can be used to, among other things: 1) determine and set rates and evaluate the financial efficacy of operations; 2) evaluate past and expected progress toward achieving the Permittee's landfill disposal reduction or diversion goals and objectives; 3) provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under applicable law; 4) determine needs for adjustment to programs; 5) evaluate customer service and complaints; and 6) determine Generator compliance with AB 341, AB 1826, and SB 1383 statutes and corresponding regulations; and, any subsequent State-mandated landfill disposal reduction, Recycling, recovery, or diversion statutes, regulations, or other requirements.

(b) *Records.* Permittee shall maintain Generator contact data, customer service, accounting, statistical, operational, and other records related to its performance as shall be

necessary to provide reporting required by this Amendment and applicable law and to demonstrate compliance with this Amendment and applicable law (such as, but not limited to, AB 939, AB 341, AB 1826, AB 876, AB 901, and SB 1383 statutes and corresponding regulations). Record keeping and reporting requirements specified in this Amendment shall not be considered a comprehensive list of reporting requirements. In particular, this Section is intended to highlight the general nature of records and reports and their minimum content and is not meant to comprehensively define the scope and content of the records and reports that Permittee is required to maintain and report by applicable law or this Amendment. Upon written direction or approval of District, the records and reports required by Permittee in accordance with this Amendment shall be adjusted in number, format, or frequency.

(c) *Maintenance and Availability of Records.* Permittee shall maintain adequate records, and corresponding documentation, of information required by this Amendment, such that the Permittee is able to produce accurate monthly and annual reports, and is able to provide records to verify such reports. Permittee will make these records available and provide to the District any record or documentation necessary for the District to fulfill obligations under applicable law including, but not limited to, AB 939, AB 341, AB 1826, AB 876, AB 901, and SB 1383 statutes and corresponding regulations; and, other current or future federal, State, or local statutes and regulations, as amended. Upon request by the District, Permittee shall provide access to Permittee's requested records in a timely manner, not to exceed ten (10) business days from the time of District's request to Permittee.

(d) *Record Retention and Security.* Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed, pursuant to this Section. Permittee's records shall be stored in one central location, physical or electronic, that can be readily accessed by Permittee. District reserves the right to require the Permittee to maintain the records required herein through the use of a District-selected web-based software platform, at Permittee's expense. Unless otherwise required in this Section, Permittee shall retain all records and data required to be maintained by this Amendment for the Term of this Amendment plus five (5) years after its expiration or earlier termination.

Records and data shall be in chronological and organized form and readily and easily interpreted. Permittee shall maintain adequate record security to preserve records from events that can be reasonably anticipated such as a fire, theft, and an earthquake. Electronically-maintained data and records shall be protected and backed-up. To the extent that Permittee utilizes its computer systems to comply with record keeping and reporting requirements under this Amendment, Permittee shall, on a monthly basis, save all system-generated reports supporting those record keeping and reporting requirements in a static format in order to provide an audit trail for all data required.

4.18. Compilation of Information for State Law Purposes. Permittee shall maintain accurate records for its operation, including, but not limited to, Discarded Materials quantities collected and quantities transported to or transferred to each facility, listed separately by material type, customer type, and facility. Records shall be maintained in such form by methods that facilitate the use of data for the production of reports as needed. Permittee will make these records available and provide to the District any record or documentation necessary for the District to fulfill obligations under applicable law, including, but not limited to, AB 939, AB 341, AB 1826,

AB 876, AB 901, AB 1595, and SB 1383 statutes and corresponding regulations; and, other current or future local, federal or State statutes and regulations, as amended.

4.19. Audits and Inspection by District. At a mutually agreed upon time during normal business hours, but within five (5) business days of a written request, Permittee shall make available to the District for examination at reasonable locations within the District the Permittee's data and records with respect to the matters covered by this Agreement and the District Code. Permittee shall permit the District, or its designee, to audit, examine, and make excerpts or transcripts from such data and records, and make audits of all data relating to all matters covered by this Amendment and the District Code. Permittee shall maintain such data and records in an accessible location and condition for a period of not less than three (3) years following the District's receipt of final payment under this Amendment unless the District agrees in writing to an earlier disposition. The District, or its designee, shall maintain the confidentiality of the Permittee's customer list and other proprietary information, to the extent allowed by law.

4.20. Reports. Reports are intended to compile recorded data into useful forms of information that can be used by the District. All reports shall be adequate to meet District's current and future reporting requirements to CalRecycle, including AB 939, AB 341, AB 1826, and SB 1383 statutes and corresponding regulations, or any other State or federal agency statutes and regulations throughout the Term of this Amendment. Failure of Permittee to comply with the reporting requirements as set forth in this Section may result in an assessment of Liquidated Damages. Permittee's repeated failure to submit reports, and/or failure to submit reports on time, may be deemed an event of default and may result in the termination of the Permit at the discretion of the District General Manager.

(a) *Report Format.* Permittee may use a Permittee-selected format for the monthly and annual reports, if approved by the District. Permittee shall submit proposed or example report formats to the District for approval no later than forty-five (45) days prior to the due date for a monthly report and forty-five (45) days prior to the due date for an annual report. The District reserves the right to request modification to the report format(s) or deny this format request and provide the Permittee with a District-approved format.

(b) *Submittal Process.* Reports shall be submitted electronically via email or uploaded to a document sharing platform agreed upon by the Parties. District reserves the right to require the Permittee to maintain records and submit the reports required herein through use of a District-selected web-based software platform, at the Permittee's expense. Monthly reports shall be submitted within forty five (45) days after the end of the reporting month; and annual reports shall be submitted within ninety (90) days after the end of the reporting year.

(c) *Monthly Reports.* Monthly reports shall be submitted by Permittee to District and shall include the following information pertaining to the most recently-completed calendar month. In addition, each monthly report shall include a year-to-date summary page that includes the data submitted from the prior monthly report(s) submitted during the same calendar year. Permittee shall report the information included in the following subsections.

(i) *Tonnage Report.* Permittee shall report, the total quantities in tons of Discarded Materials collected, and transferred, to the Approved Facility and shall provide reports

of the Approved Facility of tonnage Processed, and disposed by the Permittee and/or the Approved Facility, all of which shall be based on actual certified scale weights for each load, if available, or similarly accurate methodology pursuant to weighing protocols. Tonnage shall be reported separately by: 1) Material type, which shall include, at a minimum, separate reporting of Source Separated Recyclable Materials, Organic Waste, Gray Container Waste, and any other type of Discarded Material separately collected by Permittee (other than Bulky Waste and used oil) including, without limitation mixed construction and demolition debris, dirt, rock, metals, cardboard, wood waste, etc.; 2) Generator/sector type (*e.g.* single-family residential dwellings, commercial businesses, construction and demolition debris); and 3) approved facility and facility type.

(ii) *Exported Materials.* Documentation of all Discarded Materials exported out of State, as provided in 14 CCR 18800-18813.

(iii) *Commercial and Multi-Family Generators.* List of all Commercial and Multi-Family Generators with a Gray Container Waste service level of two (2) cubic yards of service capacity per week or more. Such list shall include each such Generator's service address and Gray Container Waste, Source Separated Recyclable Materials, and Organic Waste service levels.

(iv) *Waivers.*

- (1) The total number of de minimis waivers, physical space constraint waivers, and collection frequency waivers sent to District in the month, including the Generator name and address for each waiver.
- (2) The number of waiver reverifications performed by the Permittee in the month, if any, including a copy of documentation for each reverification inspection, which shall include, at a minimum: the Generator's name, address, and Generator type; the type of waiver being verified; any photographic or other evidence collected during the inspection; and the resulting recommended conclusion by the Permittee regarding the validity of the waiver. The Permittee shall provide a summary of recommendations to the District of all waivers which the Permittee concludes to no longer be warranted.

(d) *Contamination Monitoring Report.* Every other month, and in no case more than sixty (60) days after completion of a contamination-monitoring Hauler Route review, Permittee shall provide a report of the following information:

- (i) The number of Hauler Route reviews conducted;
- (ii) Description of the Permittee's process for determining the level of contamination;
- (iii) Summary report of non-collection notices, courtesy collection notices, and/or contamination notices issued, which for each notice shall include the date of issuance, customer name, and service address.

(iv) A record of each inspection and contamination incident, which shall include, at a minimum:

- (1) Name of the Generator
- (2) Address of the Generator
- (3) The date the contaminated container was observed
- (4) The staff who conducted the inspection
- (5) The total number of violations found and a description of what action was taken for each
- (6) Copies of all notices issued to Generators with Prohibited Container Contaminants
- (7) Any photographic documentation or supporting evidence

(v) Documentation of the total number of containers disposed of due to observation of Prohibited Container Contaminants;

(vi) Any other information reasonably requested by the District or specified in contamination monitoring provisions of this Agreement.

(e) *Customer Service Reports.* Every other month, and in no case more than sixty (60) days after each occurrence, Permittee shall provide a report of the following information:

(i) Number of customer calls listed separately by complaints, list the number of calls separately by category (e.g., missed scheduled Bulky Waste pickups, scheduled cleanups, billing concerns, damage claims). These complaints and inquiries shall be documented and reported separately from SB 1383 Regulatory non-compliance Complaints or other regulatory non-compliance complaints.

(ii) Number of missed or incomplete collections reported in total, and per one thousand (1,000) service opportunities in the District, presented in a graph format, which compares total missed collections in the District during the current report period to total missed collections in the District in past reporting periods.

(iii) Number of new permanent service requests for each Generator type and requested service(s).

(iv) Permittee shall maintain a record of all SB 1383 Regulatory non-compliance Complaints and responses and submit the following information:

- (1) Total number of Complaints received and total number of Complaints investigated
- (2) Copies of documentation recorded for each Complaint received, which shall at a minimum include the following information:

(A) The Complaint as received;

- (B) The name and contact information of the complainant, if the Complaint is not submitted anonymously;
  - (C) The identity of the alleged violator, if known;
  - (D) A description of the alleged violation; including location(s) and all other relevant facts known to the complainant;
  - (E) Any relevant photographic or documentary evidence submitted to support the allegations in the Complaint; and,
  - (F) The identity of any witnesses, if known.
- (3) Copies of all Complaint Reports submitted to the District.
  - (4) Copies of all investigation reports submitted to the District which shall include at a minimum:
    - (A) The Complaint as received;
    - (B) The date the Permittee investigated the Complaint;
    - (C) Documentation of the findings of the investigation;
    - (D) Any photographic or other evidence collected during the investigation; and,
    - (E) Permittee's recommendation to the District on whether or not the entity investigated is in violation of SB 1383 Regulations based on the Permittee's investigation.

(f) *Generator Waiver Report.* Every other month, and in no case more than sixty (60) days after each waiver request review, Permittee shall provide a report that documents each Generator waiver request reviewed by Permittee pursuant to District Code Section 5-2111 and shall identify in the report the Generator name and service address, the type of waiver requested, Permittee's findings and observations under section 4.14(d), and other information reasonably requested by the District.

(g) *Education Program Report.* At least quarterly, but in no case more than sixty (60) days after creation of a record listed below, Permittee shall provide a report that documents the status of activities identified in the annual public education plan and the following:

(i) Copies of all education and outreach materials provided to Generators or used for education and outreach efforts, including copies of information distributed electronically, during the reporting period. Such materials may include: flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.

(ii) The date, and to whom each material provided pursuant to subsection (i), above, was disseminated and, if the material was distributed by mail or as a bill inserts, the date and type and number of accounts receiving the information

(h) *Discarded Materials Evaluation Report.* On a quarterly basis, Permittee shall provide reports of evaluations of Discarded Materials conducted at approved facilities, to the extent such information is available.

(i) *Annual Report.* In addition to the monthly reporting requirements, Permittee shall provide an annual report, covering the most recently-completed calendar year, in accordance with the format and submittal requirements of this Section (“**Annual Report**”). The Annual Report shall include the information in the following subsections.

(i) *Collection and Subscription Report.*

- (1) A summary of all data provided in the tonnage report.
- (2) The type(s) of collection service(s) provided and a list of all Hauler Routes serviced. In addition to the foregoing and upon request by the District, Permittee shall provide a record of the addresses served on each Hauler Route with the Annual Report or at such other time as may be requested.
- (3) A summary of Generator subscription data, including the number of accounts; the total number of Generators enrolled with Permittee for service, listed separately by service level and container type (Cart, Bin, and Roll-Off service), separately by single-family residential, multi-family residential, and Commercial Business Generators, and separately for each type of Discarded Material; and the number of Bulky Waste collections performed.
- (4) Upon request, a detailed list of single-family residential, multi-family residential, and Commercial Business Generator information, including Gray Container Waste, Source Separated Recyclable Materials, and Organic Waste service levels, Generator type, and Generator service addresses reflecting Generator service levels as of December 1 (for the year in which the report is submitted) or as otherwise requested.

(ii) *Public Education and Outreach Report.*

- (1) A copy of all education and outreach materials provided to Generators, or otherwise used for education and outreach efforts, including, but not limited to: flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.
- (2) A record of the date and to whom the information was disseminated or direct contact made, in the form of a list that includes: the Generator’s name or account name, the type of education or outreach received; the distribution date, and the method of distribution.

- (3) The number of Organic Waste Generators that received information and the type of education and outreach used.
- (4) For any mass distribution through mailings or bill inserts, the Permittee shall maintain a record of the date, a copy of the information distributed, and the type and number of accounts that received the information.
- (5) A copy of electronic media, including the dates posted of: social media posts, e-mail communications, or other electronic messages.
- (6) A summary of the status of the annual education plan of the reporting year.
- (7) The annual public education plan for the upcoming then-current calendar year. For example, Permittee submittal of a 2022 annual report in February 2023 shall include Permittee submittal of the annual public education plan for calendar year 2023.

(iii) *Compliance Monitoring and Enforcement Report.*

- (1) A summary of the total number of SB 1383 regulatory non-compliance Complaints that were received and investigated, and the number of Notices of Violation issued based on investigation of those Complaints.
- (2) The total number of Hauler Route reviews.
- (3) The number of inspections conducted of Commercial Businesses.
- (4) A copy of written and/or electronic records and documentation for all audits, studies, compliance reviews, and all other inspections.
- (5) The number of Commercial Businesses that were included in a compliance review performed by the Permittee, and the number of violations found and corrected through compliance reviews, if different from the number reported in this Section; including a list with each Generator's name or account name, address, and Generator type.
- (6) The total number of Notices of Violation issued, categorized by type of Generator.
- (7) The number of violations that were resolved, categorized by type of Generator.
- (8) Copies of all Notices of Violation and educational materials issued to non-compliant Generators.



4.21. Additional Indemnification. In addition to the indemnification obligations set forth in the Permit, Permittee shall indemnify District against any enforcement actions to the extent the violation asserted by such enforcement action results from Permittee's default in an obligation under this Amendment, including without limitation, a delay or failure to provide information that prevents Permittee or District from submitting reports required by AB 939, AB 341, AB 1826, and/or SB 1383 and corresponding regulations in a timely manner, or a failure to perform its service obligations hereunder with respect to the Discarded Materials collected under this Amendment to the extent such failure may result in a monetary penalty imposed upon the District for failure to meet its obligations under such statutes. The indemnification obligation established by this Section shall be excused from performance by the provisions of Section 4.25 hereof. The indemnification obligation established by this Section includes payment of District costs reasonably incurred responding to such enforcement action in addition to all fines and/or penalties imposed on it subject to the restrictions set forth in Public Resources Code Section 40059.1. The provisions of this Section shall survive the termination or expiration of this Amendment.

4.22. Performance Bond.

Upon the Effective Date and for the duration of the Term, Permittee shall post with District annually a bond or an irrevocable letter of credit acceptable to the District General Manager equal to \$750,000 for the faithful performance on the part of Permittee of all the provisions terms and conditions of the Permit and Amendment ("Performance Bond"). At the commencement of each Amendment Renewal term, Permittee shall increase the Performance Bond amount by an additional \$250,000 per Amendment Renewal.

4.23. Events of Default.

(a) *Failure to Implement Collection Program.* Permittee fails to implement a collection program that complies with the Amendment terms.

(b) *Failure to provide Processing Capacity.* Permittee fails to provide adequate Processing capacity in accordance with the Amendment terms.

(c) *Failure to Comply with Other Requirements of SB 1383 Regulations.* Permittee fails to comply with other requirements of the Amendment including public education, reporting, contamination monitoring, recordkeeping, or other obligations of this Amendment that delegate District's responsibility and/or authority under SB 1383 Regulations to Permittee.

4.24. Liquidated Damages. The Parties find that as of the time of the execution of this Amendment, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by District as a result of a breach by Permittee of its obligations under this Amendment. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to members of the public who are denied services or denied quality or reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Amendment to individual members of the general public for whose benefit this Amendment exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms; (iii) that exclusive services might be available at substantially lower costs than alternative services and the monetary

loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and, (iv) the termination of this Amendment for such breaches, and other remedies are, at best, a means of future correction and not remedies which make the public whole for past breaches.

(a) *Service Performance Standards; Liquidated Damages for Failure to Meet Standards.* The Parties further acknowledge that consistent, reliable collection services are of utmost importance to District and that District has considered and relied on Permittee's representations as to its quality of service commitment in awarding the Amendment to it. The Parties recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance and to support District's compliance with various State statutes and corresponding regulations including, but not limited to, AB 939, AB 341, AB 1826, and SB 1383. The Parties further recognize that if Permittee fails to achieve the performance standards, or fails to submit required documents in a timely manner, District and its residents and businesses will suffer damages, and that it is, and will be, impractical and extremely difficult to ascertain and determine the exact amount of damages which District will suffer. Therefore, without prejudice to District's right to treat such non-performance as an event of default under this Section, the Parties agree that the liquidated damages amounts established herein ("**Liquidated Damages**") represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the Effective Date of this Amendment, including the relationship of the sums to the range of harm to District that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical.

(b) *Liquidated Damages Amounts.* Permittee agrees to pay (as Liquidated Damages and not as a penalty) the following amounts:

	<b>Event of Non-Performance</b>	<b>Liquidated Damage</b>
1	<b>Use of Unauthorized Facilities.</b> For each individual occurrence of delivering Discarded Materials to a facility other than Approved Facility for each Discarded Material type without prior written authorization from the District except as otherwise provided herein.	\$100 per ton or fraction thereof
2	<b>Failure to Implement Container System.</b> For each occurrence of failing to provide Generators the three-container system required by Section 4.03(a) and excluding Generators granted waivers, and excluding Generators that demonstrate compliance with Recycling and Organic Waste Self-Hauling requirements pursuant to District Code Section MH-5-2112 and 14 CCR Division 7, Article 12, Article 7.	\$250 per occurrence per day until compliance achieved
3	<b>Failure to Perform Contamination Monitoring Requirements.</b> For each failure to conduct Permittee Route contamination monitoring as required by Section 4.09 herein.	\$250 / Hauler Route

	<b>Event of Non-Performance</b>	<b>Liquidated Damage</b>
4	<b>Failure to Perform Public Education and Outreach.</b> For each failure to perform any individual education and outreach activity as required by Section 4.10 herein and within in the timeframe established by the Annual Education Plan.	\$500 per occurrence per day
5	<b>Failure to Submit Reports or Allow Access to Records.</b> For each failure to submit any individual report or provide access to records as required by this Amendment. Incomplete and/or inaccurate reports shall be considered a failure to submit until such time as all information in the report has been provided in a complete and accurate form. In the event District determines an errant or incomplete report more than ten (10) business days after submittal by Permittee, Permittee shall be given ten (10) business days to complete and correct and any pending Liquidated Damages shall be tolled during that period.	For Annual Report required by Section 4.20(i) herein, \$250 per day  For any other report, \$100 per occurrence per day
6	<b>Failure to Conduct Compliance Tasks.</b> For each failure to conduct any compliance review, Discarded Materials evaluations, and/or other inspection required by sections 4.13 and/or 4.14(c) herein.	\$100 per occurrence
7	<b>Failure to Issue Contamination Notices.</b> For each failure of collection personnel to issue contamination notices and maintain documentation of issuance.	\$100 per route per day
8	<b>Failure to Conduct Follow-Up Inspections.</b> For each failure to conduct a follow-up inspection.	\$100 per occurrence per day

(c) *Process for Assessing Liquidated Damages.* Before assessing Liquidated Damages, District shall give Permittee notice of its intention to do so. The notice will include a brief description of the incident(s) and non-performance. District may review (and make copies at its own expense) all information in the possession of Permittee relating to incident(s) and/or non-performance. District may, within ten (10) business days after issuing the notice, request a meeting with Permittee. District may present evidence of non-performance in writing and through testimony of its employees and others relevant to the incident(s) and non-performance. District General Manager will provide Permittee with a written explanation of their determination on each incident(s) and non-performance prior to authorizing the assessment of Liquidated Damages under this Section. Within ten (10) business days of receipt of such notice of intention to assess Liquidated Damages, Permittee may request that no Liquidated Damages may be imposed on Permittee until Permittee has been given a reasonable opportunity to respond to allegations and to meet and confer with the District General Manager.

(d) *Time Period of Assessment.* District may assess Liquidated Damages for each calendar day or event, as appropriate, that Permittee is determined to be liable in accordance with this Amendment in the amounts specified above, subject to annual adjustment described below.

(e) *Timing of Payment.* Permittee shall pay any Liquidated Damages assessed by District within ten (10) business days of the date the Liquidated Damages are assessed. If they are not paid within the ten (10) business day period, District may proceed against the performance bond required by the Amendment, order the termination of the Permit, or all of the above.

#### 4.25. Excuse from Performance

(a) Each Party shall be excused from performing its respective obligations hereunder to the extent all or part of such obligations become impossible to perform by reason of floods, earthquakes, other acts of nature, pandemic, war, civil insurrection, riots, acts of any government (including judicial action), and/or other similar events which are beyond the control of and not the fault of the Party claiming excuse from performance hereunder. In such event, the Parties shall perform such part of their obligations that are not made impossible.

(i) The Parties acknowledge that the possibility that an event described in Subsection 4.25(a) may create a circumstance in which Permittee's performance would be possible at a substantially increased cost. In such circumstances, the Parties agree that Permittee shall be required to perform the obligations and that the District shall consider a Special Rate Review under Exhibit C.

(b) Performance shall not be excused based upon events which merely increase Permittee's cost of performance or based upon events, the effects of which could have been prevented by the exercise of the Party's reasonable precautions, including compliance with agreements and applicable laws.

(c) In the case of labor unrest or job action directed at a third party over whom Permittee has no control, the inability of Permittee to provide services in accordance with this Permit due to the unwillingness or failure of the third party to: (i) provide reasonable assurance of the safety of Permittee's employees while providing such services; or, (ii) make reasonable accommodations with respect to container placement and point of delivery, time of collection, or other operating circumstances to minimize any confrontation with pickets or the number of persons necessary to make collections shall, to that limited extent, excuse Permittee's performance. The foregoing limited excuse shall be conditioned on Permittee's cooperation in performing collection services at different times and in different locations. Further, in the event of labor unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other concerted job action conducted by the Permittee's employees or directed at the Permittee, or a subsidiary, Affiliate or subcontractor, the Permittee shall not be excused from performance. Any labor action initiated by Permittee, including but not limited to a lock-out, shall not be grounds for any excuse from performance and Permittee shall perform all obligations under this Agreement during the pendency of such Permittee-initiated labor action.

(d) The Party claiming excuse from performance shall, within two (2) calendar days 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.

4.26. Adjustment of Rates. Exhibit A of the Permit is hereby replaced with Exhibit A, attached hereto and incorporated herein. Effective each January 1 beginning in 2024, the then-current rates shall be adjusted pursuant to the Index-Based Rate Adjustment Methodology procedures described in Exhibit B. In addition, either Party may initiate a Special Rate Review pursuant to the procedures set out in Exhibit C, which any adjustment made pursuant to the Specific Rate Review becoming effective no sooner than the following January 1, unless the Board of Directors determines that special circumstances require an earlier adjustment.

4.27. Effect of Amendment. Except as expressly modified by this First Amendment, the Permit shall continue in full force and effect according to its terms, and the Parties hereby ratify and affirm all their respective rights and obligations under the Permit. In the event of any conflict between this Amendment or the Permit, the provisions of this Amendment shall govern.

4.28. District Incorporation. The District has initiated the Process of incorporation and it may become incorporated during the Term. Given the Parties intent to perform the obligations as set forth herein throughout the Term, the District shall take available measures to continue to adhere to the obligations if incorporation is achieved.

4.29. Binding Agreement. This Amendment shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest, and assigns of each of the Parties hereto. Any reference in this Amendment to a specifically named Party shall be deemed to apply to any successor, administrator, executor, or assign of such party who has acquired an interest in compliance with the terms of this Amendment or under law.

4.30. Counterparts. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute the same document.

4.31. California Law. This Amendment shall be governed by and interpreted in accordance with the laws of the State of California.

4.32. Invalidity. Any provision of this Amendment that is determined by a court of competent District to be invalid or unenforceable shall be deemed severed from this Amendment, and the remaining provisions shall remain in full force and effect as if the invalid or unenforceable provision had not been a part hereof.

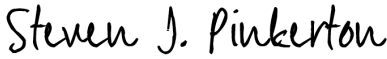
4.33. Headings. The headings used in this Amendment are for convenience only and shall be disregarded in interpreting the substantive provisions of this Amendment.

IN WITNESS WHEREOF, this Amendment has been entered into by and between District and Permittee as of the date and year first above written.

[Signatures on following page]

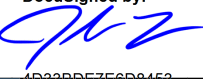
MOUNTAIN HOUSE COMMUNITY  
SERVICES DISTRICT

TRACY DELTA SOLID WASTE  
MANAGEMENT, INC. dba WEST VALLEY  
DISPOSAL and RECYCLING SERVICES

DocuSigned by:  
  
By: \_\_\_\_\_  
4DAD8C075F124D8...  
Steve Pinkerton  
General Manager

DocuSigned by:  
  
By: \_\_\_\_\_  
3E154672A5204F4...  
Mike Repetto  
President

Approved as to Form:

DocuSigned by:  
  
By: \_\_\_\_\_  
4D33BDE7E6D0453...  
John D. Bakker  
General Counsel

**EXHIBIT A**

[Insert updated rates]



# Mountain House Community Services District

## West Valley Disposal and Recycling Services

### Residential Cart Rates

#### RESIDENTIAL CART RATES - CURRENT AND JANUARY 1, 2023

Single Family Rates - Current		
Frequency	60	90
wkly waste, bi-wkly org and bi-wkly rec	\$ 40.23	\$ 46.19
wkly waste, wkly org and bi-wkly rec	n/a	n/a
wkly waste, wkly org and wkly rec	\$ 46.23	\$ 52.14

Single Family Rates - January 1, 2023		
Frequency	60	90
wkly waste, bi-wkly org and bi-wkly rec	n/a	n/a
wkly waste, wkly org and bi-wkly rec	\$ 57.76	\$ 62.53
wkly waste, wkly org and wkly rec	n/a	n/a

Senior Rates - Current		
Frequency	60	90
wkly waste, bi-wkly org and bi-wkly rec	\$ 32.25	\$ 36.95
wkly waste, wkly org and bi-wkly rec	n/a	n/a
wkly waste, wkly org and wkly rec	\$ 36.99	\$ 41.70

Senior Rates - January 1, 2023		
Frequency	60	90
wkly waste, bi-wkly org and bi-wkly rec	n/a	n/a
wkly waste, wkly org and bi-wkly rec	\$ 46.20	\$ 50.01
wkly waste, wkly org and wkly rec	n/a	n/a

Manual Rates - Current		
Frequency	60	90
wkly waste, bi-wkly org and bi-wkly rec	\$ 77.74	\$ 83.70
wkly waste, wkly org and bi-wkly rec	n/a	n/a

Manual Rates - January 1, 2023		
Frequency	60	90
wkly waste, bi-wkly org and bi-wkly rec	n/a	n/a
wkly waste, wkly org and bi-wkly rec	\$ 82.08	\$ 86.84

# Mountain House Community Services District

## West Valley Disposal and Recycling Services

### Residential Cart Rates

#### ADDITIONAL CART RESIDENTIAL RATES - CURRENT AND JANUARY 1, 2023

Single Family Rates - Current		
Material/Frequency	60	90
Waste weekly	\$ 22.96	\$ 28.57
Recycle bi-weekly	\$ -	\$ -
Recycle weekly	\$ -	\$ -
Organics bi-weekly	n/a	\$ 9.62
Organics weekly	n/a	\$ 19.24

Single Family Rates - January 1, 2023		
Material/Frequency	60	90
Waste weekly	\$ 27.93	\$ 32.45
Recycle bi-weekly	n/a	\$ 7.65
Recycle weekly	n/a	n/a
Organics bi-weekly	n/a	n/a
Organics weekly	n/a	\$ 19.24

Senior Rates- Current		
Material/Frequency	60	90
Waste weekly	\$ 18.36	\$ 22.80
Recycle bi-weekly	\$ -	\$ -
Recycle weekly	\$ -	\$ -
Organics bi-weekly	n/a	\$ 7.69
Organics weekly	n/a	\$ 15.39

Senior Rates - January 1, 2023		
Material/Frequency	60	90
Waste weekly	\$ 22.34	\$ 25.91
Recycle bi-weekly	n/a	\$ 6.12
Recycle weekly	n/a	n/a
Organics bi-weekly	n/a	n/a
Organics weekly	n/a	\$ 15.39

# Mountain House Community Services District

## West Valley Disposal and Recycling Services

### Residential Cart Rates

#### EXTRA PICK UP RESIDENTIAL RATES - CURRENT AND JANUARY 1, 2023

Extra Pickup Rates - Current		
Material/Frequency	60	90
Waste	\$ 11.61	\$ 13.33
Recycle	n/a	\$ -
Organics	n/a	\$ 13.33

Extra Pickup Rates - January 1, 2023		
Material/Frequency	60	90
Waste	\$ 25.87	\$ 30.59
Recycle	n/a	\$ 30.59
Organics	n/a	\$ 30.59

**Notes:**

**\*Senior rates - 20% discount on base rate, must be 65, show Driver's License**

**\*Manual Collection Senior/disabled - no additional charge**

**\*Bulky Item Pickup - one on-call collection service per calendar year consisting of one large furniture item per residence and up to ten 32 gallon bags or equivalent, per customer, that would not normally be deposited in the Gary or Blue containers.**

**\*Christmas Trees - collection of christmas trees discarded by residential customers during the first two regular scheduled collection days after New Year's Day for each collection route.**

**\*Cambridge Place - use 60 gallon rate - community is services with an automated side loader**

**\*Street sweeping bi-weekly**

**\*Extra Pick Up - Rates to return on another day to pick up a second time or to return due to the customer not putting out their cart on their scheduled day of service.**

## Mountain House Community Services District West Valley Disposal and Recycling Services

### Commercial Cart and Bin Rates

#### COMMERCIAL CART AND BIN RATES - CURRENT AND JANUARY 1, 2023

Commercial MSW Rates - Current							
	60	90	1.5	2	3	4	6
Monthly	\$ 34.40	\$ 46.04	\$ 158.35	\$ 213.35	\$ 322.20	\$ 431.00	\$ 648.10
Temporary**	n/a	n/a	\$ 41.49	\$ 57.71	\$ 89.87	\$ 122.11	\$ 186.62
Additional Cart	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Extra Pickup	\$ 9.93	\$ 13.29	\$ 41.49	\$ 57.71	\$ 89.87	\$ 122.11	\$ 186.62

Commercial MSW Rates - January 1, 2023							
	60	90	1.5	2	3	4	6
Monthly-wkly	\$ 46.08	\$ 55.45	\$ 248.18	\$ 296.79	\$ 397.00	\$ 497.22	\$ 715.82
Temporary**	n/a	n/a	\$ 125.76	\$ 136.99	\$ 160.13	\$ 183.26	\$ 233.74
Additional Cart/Bin	\$ 38.54	\$ 47.92	\$ 211.05	\$ 256.49	\$ 349.56	\$ 442.64	\$ 642.05
Extra Pickup	\$ 25.87	\$ 30.58	\$ 125.76	\$ 136.99	\$ 160.13	\$ 183.26	\$ 233.74

Commercial Recycling Rates - Current*							
	60	90	1.5	2	3	4	6
Monthly-wkly	n/a	\$ 45.43	\$ 136.41	\$ 176.85	\$ 235.53	\$ 292.22	\$ 393.05
Monthly-biweekly	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Temporary	n/a	n/a	\$ 37.05	\$ 50.54	\$ 71.60	\$ 92.17	\$ 129.80
Additional Cart	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Extra Pickup	n/a	\$ 13.12	\$ 37.05	\$ 50.54	\$ 71.60	\$ 92.17	\$ 129.80

Commercial Recycling Rates - January 1, 2023*							
	60	90	1.5	2	3	4	6
Monthly-wkly	n/a	\$ 27.91	\$ 137.53	\$ 149.25	\$ 175.69	\$ 202.14	\$ 273.20
Monthly-biweekly	n/a	\$ 13.97	n/a	n/a	n/a	n/a	n/a
Temporary	n/a	n/a	\$ 100.21	\$ 102.91	\$ 109.02	\$ 115.11	\$ 131.52
Additional Cart/Bin	n/a	\$ 21.50	\$ 100.40	\$ 108.95	\$ 128.25	\$ 147.56	\$ 199.44
Extra Pickup	n/a	\$ 30.58	\$ 100.21	\$ 102.91	\$ 109.02	\$ 115.11	\$ 131.52

Commercial Green Waste Rates - Current							
	60	90	1.5	2	3	4	6
Monthly	n/a	\$ 45.96	\$ 158.35	\$ 213.35	\$ 322.20	\$ 431.00	\$ 648.10
Temporary	n/a	n/a	\$ 41.49	\$ 57.71	\$ 89.87	\$ 122.11	\$ 186.62
Additional Cart	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Extra Pickup	n/a	\$ 13.27	\$ 41.49	\$ 57.71	\$ 89.87	\$ 122.11	\$ 186.62

Commercial Green Waste Rates - January 1, 2023							
	60	90	1.5	2	3	4	6
Monthly-wkly	n/a	\$ 55.45	\$ 258.14	\$ 310.07	\$ 416.92	\$ 523.78	n/a
Temporary	n/a	n/a	\$ 128.06	\$ 140.06	\$ 164.73	\$ 189.40	n/a
Additional Cart/Bin	n/a	\$ 49.04	\$ 221.01	\$ 269.78	\$ 369.49	\$ 469.21	n/a
Extra Pickup	n/a	\$ 30.58	\$ 128.06	\$ 140.06	\$ 164.73	\$ 189.40	n/a

Commercial Food Waste Rates - Current							
	60	90	1.5	2	3	4	6
Monthly	n/a	\$ 46.04	\$ 158.35	\$ 213.35	\$ 322.20	n/a	n/a
Temporary	n/a	n/a	\$ 41.49	\$ 57.71	\$ 89.87	n/a	n/a
Additional Cart	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Extra Pickup	n/a	\$ 13.29	n/a	n/a	n/a	n/a	n/a

Commercial Food Waste Rates - January 1, 2023							
	60	90	1.5	2	3	4	6
Monthly-wkly	n/a	\$ 55.45	\$ 284.62	\$ 345.37	\$ 469.87	\$ 594.39	n/a
Temporary	n/a	n/a	\$ 134.18	\$ 148.21	\$ 176.96	\$ 205.70	n/a
Additional Cart/Bin	n/a	\$ 49.04	\$ 247.49	\$ 305.08	\$ 422.44	\$ 539.81	n/a
Extra Pickup	n/a	\$ 30.58	\$ 134.18	\$ 148.21	\$ 176.96	\$ 205.70	n/a

**Notes:**

\*Load contamination levels exceeding 10% by weight or volume will be charged as MSW (waste)

\*\*On Call Bin Rental - Rates stated are per dump and the minimum service level is one dump per week (seven day period)

**Mountain House Community Services District  
West Valley Disposal and Recycling Services**

**Roll Off Per Pull Rates - Loose Material**

**ROLL OFF PER PULL RATE - LOOSE MATERIAL - CURRENT AND JANUARY 1, 2023**

MSW Roll Off Rates - Current				
	10	20	30	40
Base Tons	2.2	4.05	5.95	7.8
Per Pull***	\$ 334.59	\$ 508.03	\$ 681.58	\$ 854.96
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71

MSW Roll Off Rates - January 1, 2023				
	10	20	30	40
Base Tons	1	1.2	2.2	2.8
Per Pull***	\$ 657.47	\$ 689.17	\$ 847.66	\$ 942.74
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71

Recycling Roll Off Rates - Current**				
	10	20	30	40
Base Tons	2.2	4.05	5.95	7.8
Per Pull***	n/a	\$ 355.84	\$ 457.51	\$ 556.66
Excess Charge				

Recycling Roll Off Rates - January 1, 2023**				
	10	20	30	40
Base Tons	n/a	n/a	n/a	n/a
Per Pull***	\$ 498.99	\$ 498.99	\$ 498.99	\$ 498.99
Excess Charge				

Green Waste Roll Off Rates - Current				
	10	20	30	40
Base Tons	2.2	4.05	5.95	7.8
Per Pull***	\$ 334.59	\$ 508.03	\$ 681.58	\$ 854.96
Excess Charge*	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00

Green Waste Roll Off Rates - January 1, 2023				
	10	20	30	40
Base Tons	1	1.2	2.2	2.8
Per Pull***	\$ 589.58	\$ 607.70	\$ 698.28	\$ 752.64
Excess Charge*	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00

**Notes:**

- \*Excess Charge - weight in excess of base tons times the rate per ton charged by Tracy Material Recovery (Max load weight 10 tons)/ Rate adjusts annually on January 1/a 15% permit fee will be added to the excess weight charge/the January 1, 2023 rate is not available at this time
- \*\*Load contamination levels exceeding 10% by weight or volume will be charged as MSW (waste)
- \*\*\*On Call Bin Rental - Rates stated are per dump and the minimum service level is one dump per week (seven day period)

## Mountain House Community Services District West Valley Disposal and Recycling Services

### Roll Off Per Pull Rates - Loose Material

#### ROLL OFF PER PULL RATE - LOOSE MATERIAL - CURRENT AND JANUARY 1, 2023 (cont.)

Food Waste Roll Off Rates - Current				
	10	20	30	40
Base Tons	2.2	4.05	5.95	7.8
Per Pull***	\$ 334.59	\$ 508.03	\$ 681.58	\$ 854.96
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71

Food Waste Roll Off Rates - January 1, 2023				
	10	20	30	40
Base Tons	1	1.2	2.2	2.8
Per Pull***	\$ 657.47	\$ 689.17	\$ 847.66	\$ 942.74
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71

C & D Roll Off Rates - Current				
	10	20	30	40
Base Tons	8.2	n/a	n/a	n/a
Per Pull***	\$ 1,323.41	n/a	n/a	n/a
Excess Charge*	\$ 134.71	n/a	n/a	n/a

C & D Roll Off Rates - January 1, 2023				
	10	20	30	40
Base Tons	1	1.2	2.2	2.8
Per Pull***	\$ 657.47	\$ 689.17	\$ 847.66	\$ 942.74
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71

Wood Roll Off Rates - Current				
	10	20	30	40
Base Tons	n/a	4.05	5.95	7.8
Per Pull***	n/a	\$ 355.84	\$ 457.51	\$ 556.66
Excess Charge*	n/a	\$ 77.00	\$ 77.00	\$ 77.00

Wood Roll Off Rates - January 1, 2023				
	10	20	30	40
Base Tons	1	1.2	2.2	2.8
Per Pull***	\$ 589.58	\$ 607.70	\$ 698.28	\$ 752.64
Excess Charge*	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00

**Notes:**

\*Excess Charge - weight in excess of base tons times the rate per ton charged by Tracy Material Recovery (Max load weight 10 tons)/

Rate adjusts annually on January 1/a 15% permit fee will be added to the excess weight fee/the January 1, 2023 rate is not available at this time

\*\*Load contamination levels exceeding 10% by weight or volume will be charged as MSW (waste)

\*\*\*On Call Bin Rental - Rates stated are per dump and the minimum service level is one dump per week (seven day period)

**Mountain House Community Services District  
West Valley Disposal and Recycling Services**

**Compactor Front Loader Rates (2yd - 6yd) Weekly Service**

**COMPACTOR FRONT LOADER RATES - CURRENT AND JANUARY 1, 2023**

Compactor MSW Rates - Current				
	2	3	4	6
Base Tons	0.825	1.05	1.25	1.80
Per Pickup	\$ 225.49	\$ 246.28	\$ 264.77	\$ 314.11
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71

Compactor MSW Rates - January 1, 2023				
	2	3	4	6
Base Tons	0.47	0.71	0.95	1.42
Per Pickup	\$ 292.30	\$ 346.74	\$ 403.04	\$ 525.24
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71

Compactor Recycling Rates - Current**				
	2	3	4	6
Base Tons	0.825	1.05	1.25	1.80
Per Pickup	\$ 219.64	\$ 230.83	\$ 242.04	\$ 270.49
Excess Charge				

Compactor Recycling Rates - January 1, 2023**				
	2	3	4	6
Base Tons				
Per Pickup	\$ 217.81	\$ 234.22	\$ 252.48	\$ 300.19
Excess Charge				

Compactor Green Waste Rates - Current				
	2	3	4	6
Base Tons	0.825	1.05	1.25	1.80
Per Pickup	\$ 225.49	\$ 246.28	\$ 264.77	\$ 314.11
Excess Charge*	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00

Compactor Green Waste Rates - January 1, 2023				
	2	3	4	6
Base Tons	0.47	0.71	0.95	1.42
Per Pickup	\$ 260.39	\$ 298.54	\$ 338.54	\$ 428.83
Excess Charge*	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00

**Notes:**

\*Excess Charge - weight in excess of base tons times the rate per ton charged by Tracy Material Recovery (Max load weight 10 tons)/

Rate adjusts annually on January 1/a 15% permit fee will be added to the excess weight charge/the January 1, 2023 rate is not available at this time

\*\*Load contamination levels exceeding 10% by weight or volume will be charged as MSW (waste)

**Mountain House Community Services District  
West Valley Disposal and Recycling Services**

**Compactor Front Loader Rates (2yd - 6yd) Weekly Service**

**COMPACTOR FRONT LOADER RATES - CURRENT AND JANUARY 1, 2023**

Compactor Food Waste Rates - Current				
	2	3	4	6
Base Tons	0.825	1.05	n/a	n/a
Per Pickup	\$ 225.49	\$ 246.28		
Excess Charge*	\$ 134.71	\$ 134.71		

Compactor Food Waste Rates - January 1, 2023				
	2	3	4	6
Base Tons	0.47	0.71		
Per Pickup	\$ 292.30	\$ 346.74		
Excess Charge*	\$ 134.71	\$ 134.71		

**Notes:**

*\*Excess Charge - weight in excess of base tons times the rate per ton charged by Tracy Material Recovery (Max load weight 10 tons)/*

*Rate adjusts annually on January 1/a 15% permit fee will be added to the excess weight charge/the January 1, 2023 rate is not available at this time*

*\*\*Load contamination levels exceeding 10% by weight or volume will be charged as MSW (waste)*



**Mountain House Community Services District  
West Valley Disposal and Recycling Services**

**Compactor Roll Off Rates**

**COMPACTOR ROLL OFF RATES - CURRENT AND JANUARY 1, 2023**

Compactor MSW Rates - Current						
	10	20	25	30	35	40
Base Tons	2.65	5.15	6.40	7.65	8.90	10.15
Per Pull	\$ 395.04	\$ 626.30	\$ 741.96	\$ 857.57	\$ 973.27	\$ 1,088.84
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71

Compactor MSW Rates - January 1, 2023						
	10	20	25	30	35	40
Base Tons	1.65	2.8	3.70	4.6	5.6	6.5
Per Pull	\$ 1,259.47	\$ 1,441.73	\$ 1,584.36	\$ 1,727.00	\$ 1,885.48	\$ 2,028.11
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71

Compactor Recycling Rates - Current**						
	10	20	25	30	35	40
Base Tons						
Per Pull	\$ 296.02	\$ 429.57	\$ 496.58	\$ 563.44	\$ 630.20	\$ 697.04
Excess Charge						

Compactor Recycling Rates - January 1, 2023**						
	10	20	25	30	35	40
Base Tons	n/a	n/a	n/a	n/a	n/a	n/a
Per Pull	\$ 848.28	\$ 848.28	\$ 848.28	\$ 848.28	\$ 848.28	\$ 848.28
Excess Charge						

Compactor Green Waste Rates - Current						
	10	20	25	30	35	40
Base Tons	2.65	5.15	6.40	7.65	8.90	10.15
Per Pull	\$ 395.04	\$ 626.30	\$ 741.96	\$ 857.57	\$ 973.27	\$ 1,088.84
Excess Charge*	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00

Compactor Green Waste Rates - January 1, 2023						
	10	20	25	30	35	40
Base Tons	1.65	2.8	3.70	4.6	5.6	6.5
Per Pull	\$ 1,147.45	\$ 1,251.62	\$ 1,333.15	\$ 1,414.68	\$ 1,505.27	\$ 1,586.80
Excess Charge*	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00

Compactor Food Waste Rates - Current						
	10	20	25	30	35	40
Base Tons	2.65	5.15	\$ 6.40	7.65	n/a	n/a
Per Pull	\$ 395.04	\$ 626.30	\$ 741.96	\$ 857.57	n/a	n/a
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71	n/a	n/a

Compactor Food Waste Rates - January 1, 2023						
	10	20	25	30	35	40
Base Tons	1.65	2.8	3.70	4.6	n/a	n/a
Per Pull	\$ 1,259.47	\$ 1,441.73	\$ 1,584.36	\$ 1,727.00	n/a	n/a
Excess Charge*	\$ 134.71	\$ 134.71	\$ 134.71	\$ 134.71	n/a	n/a

**Notes:**

\*Excess Charge - weight in excess of base tons times the rate per ton charged by Tracy Material Recovery (Max load weight 10 tons)/

Rate adjusts annually on January 1/a 15% permit fee will be added to the excess weight fee/the January 1, 2023 rate is not available at this time

\*\*Load contamination levels exceeding 10% by weight or volume will be charged as MSW (waste)

**Mountain House Community Services District  
West Valley Disposal and Recycling Services**

**SPECIAL CHARGES**

**Residential Special Charges - Current and January 1, 2023**

Residential Special Charges - Current			
	32	60	90
Additional Bag of Trash*	\$ 5.21	n/a	n/a
Cart Steam Clean	n/a	\$ 36.76	\$ 36.76
Cart New/Replacement**	n/a		

Residential Special Charges - January 1, 2023			
	32	60	90
Additional Bag of Trash*	\$ 6.47	n/a	n/a
Cart Steam Clean	n/a	\$ 58.82	\$ 58.82
Cart New/Replacement**	n/a	\$ 117.65	\$ 117.65

Residential Bulky Goods - Current***	
Televisions < 45 inches	\$ 31.26
Televisions > 45 inches	\$ 52.11
Computer Monitors < 17"	\$ 37.28
Computer Monitors > 17"	\$ 52.26
Refrigerators, Freezers, Air Conditioners	\$ 52.11
Washers, Dryers, Water Heaters, Dish Washers, Stoves	\$ 31.26
Mattress, Box Spring	\$ 15.64

Residential Bulky Goods - January 1, 2023***	
Televisions < 45 inches	\$ 31.26
Televisions > 45 inches	\$ 52.11
Computer Monitors < 17"	\$ 37.28
Computer Monitors > 17"	\$ 52.26
Refrigerators, Freezers, Air Conditioners	\$ 52.11
Washers, Dryers, Water Heaters, Dish Washers, Stoves	\$ 31.26
Mattress, Box Spring	\$ 15.64

\*Additional Bag of Trash - Customer required to call in and schedule on customers scheduled garbage day

\*\*Cart New/Replacement - Includes delivery, removal of old cart, and updating customer information

\*\*\*Bulky Goods - Customer is required to call in and schedule on the customers scheduled garbage day

Note: All special charges include the 15% permit fee.

**Mountain House Community Services District  
West Valley Disposal and Recycling Services**

**SPECIAL CHARGES**

**Commercial Special Charges - Current and January 1, 2023**

Commercial Special Charges - Current				
	60/90	1.5 to 6	10 to 40	Comp.
Steam Clean	\$ 36.76	\$ 74.85	\$ 223.22	\$ 223.22
Steam Clean and Paint	n/a	\$ 149.67	\$ 372.91	\$ 894.18

Commercial Special Charges - January 1, 2023				
	60/90	1.5 to 6	10 to 40	Compactor
Steam Clean	\$ 58.82	\$ 147.06	\$ 294.12	\$ 294.12
Steam Clean and Paint	n/a	\$ 294.12	\$ 941.18	\$ 1,294.12

Commercial Miscellaneous Fees - Current	
Stand by Fee*	
Relocation Fee**	
Trip Fee***	
Certificate of Destruction	\$ 80.00

Commercial Miscellaneous Fees - January 1, 2023	
Stand by Fee*	\$ 206.48
Relocation Fee**	\$ 50.95
Trip Fee***	\$ 305.72
Certificate of Destruction	\$ 94.12

\*Stand by Fee - driver time waiting for access to the container or for the container to be loaded by the customer

\*\*Relocation Fee - customer requests the container to be relocated

\*\*\*Trip Fee - driver must return to customer location due to customer error: such as, failure to make the container accessible before collection time, overfilled container, incorrect container placement, or contaminated container requiring a return

Note: All special charges include the 15% permit fee.

## EXHIBIT B INDEX-BASED RATE ADJUSTMENT METHODOLOGY

### 1. PURPOSE

The purpose of this attachment is to describe and illustrate the method by which the District will calculate the annual adjustment to Rates based on the increase or decrease in indices reflecting annual changes in major categories of the Company's costs related to its service obligations hereunder.

The Rates described in Exhibit A will be modified annually by applying the weighted cost component and multiplying it by the increase or decrease in the applicable index, then adding the results of the weighted increase or decrease of all components.

Below is a chart showing the application of the methodology (*note that the percentage increase in indices is for example only*).

Cost Component	Weight	Index Increase	
		Annual Increase	Weighted Increase
Labor and Benefits	32%	3.507%	1.129%
Fuel	4%	20.000%	0.724%
Repairs & Maintenance	5%	3.500%	0.178%
General & Administrative	19%	3.500%	0.668%
Other	9%	3.500%	0.324%
<b>Passthrough Costs</b>			
Disposal (Actual Increase in TMRTF)	31%	3.000%	0.922%
Governmental Fees	0%	2.500%	0.000%
<b>ANNUAL PERCENTAGE CHANGE = sum of (weight X annual Increase for each category)</b>			<b>3.946%</b>

### 2. DEFINITIONS

In addition to the terms defined in Article 1, the following terms are defined for the purposes of Exhibit B and Exhibit C only.

- A. **"CPI-U"** means the Consumer Price Index, All Urban Consumers, all items, not seasonally adjusted San Francisco-Oakland-San Jose Metropolitan Area compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics. Series Index CUURS49BSA0.
- B. **"Labor & Benefits Index"** means the Average hourly earnings of all employees, waste management and remediation services, not seasonally adjusted, professional and business services, waste management and remediation services. Series Index CEU6056200003
- C. **"Fuel Index"** means the Producer Price Index, by Commodity: Fuels and Related Products and Power: No. 2 Diesel Fuel, Index 1982=100, Monthly, Not Seasonally Adjusted. Series Index WPU057303
- D. **"Repairs and Maintenance Index"** means the Consumer Price Index, All Urban Consumers, Motor Vehicle Maintenance and Repair, not seasonally adjusted U.S. District average, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics. Series Index CUUR0000SETD

- E. “**Other**” index means Consumer Price Index, All Urban Consumers, all items, not seasonally adjusted San Francisco-Oakland-San Jose Metropolitan Area compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics. Series Index CUURS49BSA0
- F. “**Disposal**” index means the actual percentage increase or decrease in tip fees at the Disposal Site from the prior contract year to the current.
- G. “**Governmental Fees**” index means the percentage increase in the projected level of fees to be charged by the District and other Governmental entities in the next year as compared the Governmental Fees for the current year.
- H. “**Annual Percentage Change**” means the annual percentage change in any of the indices defined above calculated as described in the following paragraph

The Annual Percentage Change in an index is calculated as the Average Index Value for the 12-month period ending in August of the then-current Rate Period minus the Average Index Value for the 12-month period ending in August of the most-recently completed Rate Period and dividing the result by the Average Index Value for the 12-month period ending August of the most recently completed Rate Period.

For example, if the District is calculating the weighted average for 2024 and subsequent rate periods January 1 through December 31, 2024 the Annual Percentage Change for the CPI-U would be calculated as follows:

(Average CPI-U for September 2022 through August 2023 minus Average CPI-U for September 2021 through August 2022 divided by Average CPI-U for September 2021 through August 2022)

The calculated Annual Percentage Change shall be carried to three places to the right of the decimal and rounded to the nearest thousandths.

- I. “**Average Index Value**” means the sum of the monthly index values during the 12-month period ending in August divided by 12 (in the case of indices published monthly) or the sum of the bi-monthly index values divided by 6 (in the case of indices published bi-monthly).

### **3. RATE ADJUSTMENT FACTOR**

The Rate Adjustment Factor shall equal the sum of the weighted percentage change in each of the Cost Components for the coming Rate Period shall be rounded to the nearest thousandth (0.000).

### **4. ADJUSTMENT OF RATES**

Each then-current Rate shall be multiplied by the Rate Adjustment Factor to calculate the effective Rate for the coming Rate Period. The adjustment to each fee shall be rounded to the nearest cent.

### **5. OTHER**

If an index described in Section 2 is discontinued, the successor index with which it is replaced will be used for subsequent calculations. If no successor index is identified by the Bureau of Labor Statistics, the index published by the Bureau which is most comparable will be used.

## EXHIBIT C SPECIAL RATE REVIEW

- A. Eligible Items.** Permittee is entitled to apply to the District for consideration of a Special Rate Review, or the District may initiate such a review, should one or more of the following events occur and should such occurrence(s) have a material effect the cost incurred by Permittee in performing service hereunder, whether it is an increase or decrease in costs.
1. Documented significant changes in the cost to provide services required in this Agreement as a result of an agreed-upon District-directed change in scope.
  2. Provision of emergency services upon request of the District.
  3. Flood, earthquake, other acts of nature, war, civil insurrection, riots, acts of any government agency (including judicial action), or any other event beyond the control of and not the fault of the Permittee.
  4. Change in Law, including, but not limited to, Changes in Law that result in regulatory, governmental, or other surcharge fees, after the Effective Date that: (1) were not reasonably known to the Permittee on or before the Effective Date, and (2) the Permittee substantiates in writing to the District.
  5. Per-Ton Disposal cost increases at the Approved Disposal Site above those reflected in the Disposal cost determined during the annual Rate adjustment process performed in accordance with Exhibit B.
- B. Ineligible Items.** A Special Rate Review may not be initiated for the following items and Permittee or shall not be compensated for such items over the Term of the Agreement unless the District and Permittee or agree to an adjustment.
1. Increases in the cost of collection or transportation of material required to be collected by Permittee in the District in excess of the increases provided through the annual adjustment mechanism described in Exhibit B unless cost increases are related to Eligible Items described in Subsection A above.
  2. Changes in the number of accounts related to Container sizes or frequency of Collection; however, the Permittee shall be entitled to bill all Customers at the District-approved Rates and retain all Gross Rate Revenues (net fees due to District) collected from Permittee's Customers for Collection services provided under this Permit.
- C. Review of Costs.** If the Permittee or the District requests a Special Rate Review, the District shall have the right to review any or all financial and operating records of Permittee.
- D. Submittal of Request.**
1. A request by Permittee for a Special Rate Review shall include relevant cost and operational data at least three (3) before the proposed effective date of any Rate adjustment.

2. If District is requesting a Special Rate Review, the District shall notify the Permittee at least three (3) months before the proposed effective date of any Rate adjustment. Upon such notification, Permittee shall, within thirty (30) calendar days, submit reasonable cost and operational data as requested by the District, in a form and manner specified by the District.
  3. A request for Special Rate Review shall include a proposal on whether the Rate adjustment resulting from the Special Rate Review shall be an adjustment in addition to or in lieu of the annual Rate adjustment to be performed in accordance with Exhibit B.
- E. **Grant of Request.** Based on evidence the Permittee or District submits, the District Council may reasonably grant some, all, or none of the requested increase and approve adjusted Rates.