

**AMENDMENT NO. 2 TO RESIDENTIAL AND COMMERCIAL SOLID WASTE  
FRANCHISE AGREEMENT**

This Amendment No. 2 (“Second Amendment”) to the July 1, 2016 Residential and Commercial Solid Waste Franchise Agreement executed by the City of Monrovia, a California municipal corporation (“City”) and Arakelian Enterprises, Inc., dba Athens Services, a California corporation (“Collector”), is dated January 1, 2023 (“Effective Date”), and is between City and Collector. City and Collector may hereinafter be individually referred to as “Party” or collectively as the “Parties.”

**RECITALS**

A. WHEREAS, City and Collector have previously entered into that certain Agreement, dated July 1, 2016, for solid waste, recyclable, and green waste materials collection, processing, and disposal, as amended by that certain amendment, dated May 1, 2018 (hereinafter, “Agreement”).

B. WHEREAS, the Legislature of the State of California, by enactment of California Public Resources Code § 40000 et seq., declares that it is within the public interest to authorize and require local agencies to make adequate provision for solid waste handling within their jurisdictions;

C. WHEREAS, the Legislature of the State of California has enacted certain new laws pertaining or relating to solid waste handling with which the City must comply, including AB 341, AB 901, AB 1594, AB 1826, and SB 1383, creating the need for the City to improve efforts to divert solid waste from landfills, including recyclable materials and organic waste;

D. WHEREAS, the foregoing changes in law necessitate certain modified or additional services in order to bring the City into compliance with applicable law; as a result, the cost of collecting, disposing of, and diverting solid waste, recyclables, and organic waste to Collector is anticipated to increase;

E. WHEREAS, the City and Collector have agreed to implement certain operational changes pertaining to the provision of services in the City in accordance with this Amendment to ensure integrated waste management and City beautification programs including but not limited to an organic waste collection program, waste container service collection in certain public spaces, and pressuring washing certain City-owned benches, sidewalks, and waste receptacles;

F. WHEREAS, the provision of solid waste collection services requires experience of an advanced type in order to comply with applicable state laws relating to the processing and diversion of municipal solid waste, and Collector has such experience, and it is in the City’s best interest for the Collector to collect solid waste; and

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the above recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree to amend the Agreement as follows:

1. **Definitions.** Unless otherwise specified, all capitalized terms in this Amendment shall refer to those defined terms specified in Title 8, Chapter 8.46 (Mandatory Organic Waste

Disposal Reduction) of the Monrovia Municipal Code and 14 California Code of Regulations Section 18982. In the event of a conflict between a definition in this Amendment and a definition in 14 California Code of Regulations Section 18982, the definition in Section 18982 shall control.

2. **Organic Waste.** Unless specified otherwise, the term “Green Waste” in the Agreement shall mean “Organic Waste” with respect to the definitions of “Commercial Premises,” “Green Waste Containers,” “Non-Standard Collection Services,” “Standard Collection Services,” and the following Sections of the Agreement, inclusive of each of their respective subparts: Section 5.01 (Grant and Acceptance of Franchise), Section 5.02 (Residential Solid Waste Services), Section 5.03 (Residential Brush Disposal Services), Section 9.02 (Monthly Reports), Section 12.01 (Material Breaches), Section 12.03 (Notice of Breach; Cure), and Section 13.07 (Title to Solid Waste, Green Waste and Recyclable Material).

3. **Term.** Section 3.02(B) of the Agreement is hereby deleted and replaced in its entirety with the following:

B. **Automatic Extensions.** Notwithstanding Section 3.02A, on each July 1 beginning July 1, 2017, the Term of this Agreement shall be extended one (1) year (each an “Automatic Extension”), so that the full Term of the Agreement shall remain eighteen (18) years. No earlier than July 1, 2026, either Party may terminate this Automatic Extension provision by giving the other Party both (i) written notice of intent to terminate further Automatic Extensions on or before any February 28, and (ii) written notice of termination of further Automatic Extensions on or before the next-succeeding April 30 (“Extension Termination Deadline”). During the two (2) month period following the notice of intent to terminate further Automatic Extensions, the parties shall meet and negotiate in good faith at the request of either Party. The City shall be represented by the City Manager. If the City issues timely written notices of intent to terminate further Automatic Extensions, the Automatic Extension provision described in Section 3.02(B) shall terminate and be of no further force or effect, the remaining Term shall be eighteen (18) years beginning July 1 of the year termination of the Automatic Extensions is effective, and all other provisions of this Agreement shall remain in full force and effect for the balance of the Term then outstanding.

4. **Residential Organic Waste Program.** Section 5.02(B) of the Agreement is hereby deleted and replaced in its entirety with the following:

B. **Residential Organic Waste.** Collector shall deliver to each occupied residence in the City that receives Standard Collection Service one (1) 90-gallon Organic Waste Container suitable for automated collection, with the option to downsize to a 30- or 60-gallon Container as determined by Collector, for the temporary accumulation and collection of Organic Waste, which, for the avoidance of doubt, may include Food Waste as deemed acceptable by Collector. Collector shall also offer the option of one (1) 60-gallon Organic Waste Container, suitable for automated collection, with the

option to upsize to a 90-gallon Container or downsize to a 60-gallon Container as determined by Collector, to senior citizens or physically challenged Residential Customers who so request. Collector shall collect all Organic Waste placed for collection in Organic Waste Containers on all regularly scheduled collection days. Collector shall provide additional Organic Waste Containers to each Residential Customer who sets Organic Waste Materials out for collection and who requests additional Organic Waste Containers. The first Organic Waste Container shall be provided by Collector at no additional charge to Residential Customers or City. Any additional Organic Waste Containers shall be provided by Collector for the additional charge specified in Exhibit A. Collector, at Collector's expense, shall repair or replace damaged Organic Waste Containers. Collector, at Collector's expense, shall replace Organic Waste Containers that a Residential Customer has reported to the police as having been stolen.

Collector shall also collect and recycle all Christmas trees that are free of flocking and other decorations, and that have been set out for collection during the period beginning on the first collection day after Christmas and ending on the third Saturday after Christmas.

5. **Residential Electronic Waste.** Section 5.02(K)(1) is hereby deleted and replaced in its entirety with the following:

K. **Collection of Electronic Waste.**

- (1) Collector shall deliver to City one (1) roll-off container for the collection of Electronic Waste at the City's Public Works corporate yard. Collector will service the foregoing on an as-needed basis. For the avoidance of doubt, the intent of this provision is to provide an Electronic Waste disposal option at no charge to Residential Customers.

6. **Commercial Recycling.** Section 6.02(N) shall be deleted in its entirety and replaced with the following:

- N. **Recycling.** Collector shall provide Recycling services to all of its Commercial Customers in the City, and shall furnish all labor, material and equipment necessary to collect, process, and market Recyclable Materials collected from those Commercial Customers that request Recycling services; provided, however, that Collector shall not be required to provide source-separated Recycling services to Commercial Customers, but may do so for the additional charge specified in Exhibit A. If Collector determines that the percentage of refuse to Recyclable Materials collected from a Commercial Customer exceeds twenty percent (20%), Collector may, in its sole discretion, provide a Recycling Container for source-separated Recycling Materials to the Commercial Customer for the additional charge specified in Exhibit A. If any of Collector's Commercial Customers that generate four (4) or more

cubic yards of Solid Waste and Recyclable Materials per week refuse or decline to participate in Collector's Recycling services, Collector shall not be liable for any obligations under this Agreement relating to such Customer noncompliance and shall notify City within thirty (30) days of the Commercial Customer's refusal to participate in Collector's Recycling services by providing City with the name of the Commercial Customer and the name and telephone number of the Commercial Customer's representative.

7. **Commercial Organic Waste.** Section 6.02(O) shall be deleted in its entirety and replaced with the following:

O. **Organic Waste.** Collector shall provide Recycling services specifically for Organic Waste to all of its Commercial Customers required to arrange for Recycling services specifically for Organic Waste pursuant to AB 1826 and SB 1383, and shall furnish all labor, material, and equipment, including Organic Waste Containers, necessary to collect, process, and market Organic Waste collected from all Commercial Customers that are required to accept such Recycling services for Organic Waste. Collector may, from time to time, audit Commercial Customers receiving Organic Waste services. Collector shall be entitled to charge any Commercial Customer determined to be misusing Organic Waste Containers an Organic Waste Container misuse charge in the amount set forth in Exhibit A. As used herein, the term "misuse" may include but is not limited to the placement of Prohibited Container Contaminants in Organic Waste Containers, as specified in Exhibit J. Collector may also offer Commercial Customers Bins for Organic Waste at the rate set forth in Exhibit A.

8. **SB 1383 Program.** A new Section 7.08 titled "SB 1383 Program" shall be added to the Agreement as follows:

7.08 **SB 1383 Program.** Collector shall provide staff, labor, and materials to assist City with its compliance with SB 1383, as specified in Exhibit J, attached hereto and incorporated by this reference.

9. **City Beautification Services.** Section 6.03 of the Agreement and Exhibit G of the Agreement shall be deleted in its entirety and replaced a new Section 7.09 titled "City Beautification Services" and new Exhibit G shall be added to the Agreement as specified herein.

7.09 **City Beautification Services.**

A. **Bus Stops.** At no additional charge, Collector will provide the following services at Monrovia Transit bus stop locations within the City, not to exceed fifty-one (51) bus stop locations listed in Exhibit G: (i) on a weekly basis, Collection Services from City-owned Containers, including "big belly" barrels, as needed up to six (6) days per week if located in the downtown area of the City or four (4) days per week in all other areas,

Monday through Saturday, excepting New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day; (ii) on a quarterly basis, deep cleaning, including the removal of stains and gum, washing under Containers to remove trash liquid deposits; and (iii) on a monthly basis, pressure washing trash enclosures and sidewalks at such bus stop locations. Should the number of bus stop locations exceed fifty-one (51), Collector and City shall negotiate in good faith an equitable adjustment to Collector's Service Rates for the excess bus stop services. Collector will remove and replace the plastic bag liners containing Solid Waste from the bus stop Containers and dispose of the Solid Waste. Collector shall not be obligated to collect Solid Waste not contained within the bus stop barrel liner or Bulky Items.

- B. Old Town. At no additional charge, Collector will provide weekly porter services in the Old Town area of the City, as depicted in Exhibit I. Porter services will include: (i) on a weekly basis, Collection Services from the City-owned Containers, including "big belly" barrels, as needed up to six (6) days per week, Monday through Saturday, excepting New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day; and (ii) on a monthly basis, pressure washing Old Town trash enclosures and sidewalks. Collector will remove and replace the plastic bag liners containing Solid Waste from the Old Town Containers and dispose of the Solid Waste. Collector will collect litter proximate to but not contained within the Old Town Container liners.
- C. Community Cleanup Events. Collector shall provide up to fifteen (15) roll-off containers per year, including one dump and return for each such roll-over container, to be used by City for community cleanup events. City may request additional roll-off containers to be provided at rates listed in Exhibit A.
- D. Hard to Reach Areas. Collector shall provide Non-Standard Collection services at four (4) locations in accordance with the terms set forth in Exhibit H. Residential Customers receiving such Non-Standard Collection Services shall receive such services at no additional cost.
- E. Cost waiver. All services provided by Collector hereunder shall be provided to City at no charge unless specified otherwise. Notwithstanding the foregoing, upon notice of termination of further Automatic Extensions as provided in Section 3.02(B) by either party, Collector will charge City the then-existing Collector rates for the services specified in Sections 7.09(A)-(B) for the remaining term of the Agreement, as adjusted annually each July 1 by the CPI Change.

10. Schedule of Rates. Notwithstanding any provision in the Agreement to the contrary, for the period beginning July 1, 2023, and ending June 30, 2026, in addition to any other Service Rate adjustment that is otherwise due to Collector (including, but not limited to, all

applicable CPI Changes), the then-existing rates provided in Exhibit A shall be adjusted on a net basis as specified below (each a “Supplemental Adjustment”). For the avoidance of doubt, further City approval is not required for any Supplemental Adjustment; and, in any year that Collector requests a Service Rate adjustment, the portion of such adjustment allocable to a Supplemental Adjustment is not subject to, and shall not be considered for the purposes of determining, applicable City approval requirements specified in Exhibit A, Section 7.

<b>Rate Period Beginning</b>	<b>Residential Supplemental Adjustment</b>	<b>Commercial Supplemental Adjustment</b>
July 1, 2023	+3%	+7%
July 1, 2024	+3%	+7%
July 1, 2025	+3%	+7%

11. **Due Execution.** The person(s) executing this Amendment on behalf of a Party hereto warrant(s) that (i) such Party is duly organized and existing; (ii) such person(s) are duly authorized to execute and deliver this Amendment on behalf of said Party; (iii) by so executing this Amendment, such Party is formally bound to the provisions of this Amendment; and (iv) entering into this Amendment does not violate any provision of any other agreement to which said Party is bound.

12. **Entire Amendment.** This Amendment contains the entire agreement and understanding between the Parties with respect to the subject matter of this Amendment, and supersedes any and all prior or contemporaneous oral and written representations, warranties, agreements, and understandings between the Parties concerning the subject matter of this Amendment.

13. **Full Force and Effect.** Other than as set forth in this Amendment, the terms of the Agreement shall remain unchanged and in full force and effect. In the event of any conflict between the Agreement and this Amendment, this Amendment shall apply.


14. **Counterparts.** This Amendment may be executed in counterparts, each of which shall be considered an original.

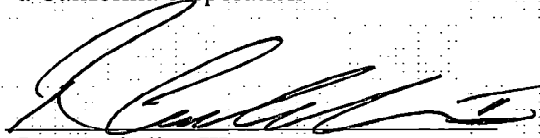
*[Signature page follows on next page]*

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date last set forth below.

CITY OF MONROVIA

ARAKELIAN ENTERPRISES, INC.,  
a California corporation

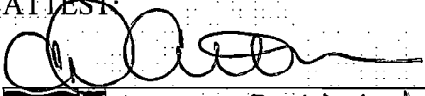
  
~~INSERT~~ DYLAN FEIK  
Mayor/City Manager

  
Ron Arakelian III  
Executive Officer

1/19/23  
Date

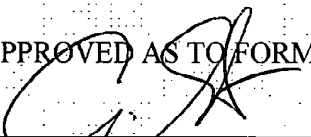
12/8/2022  
Date

ATTEST:

  
~~INSERT~~ DUANE D. ATKINS  
City Clerk

1.23.2023  
Date

APPROVED AS TO FORM

  
~~INSERT~~ CAMILA A. STEELE  
City Attorney

1/17/2023  
Date

## EXHIBIT G

### BUS STOP MAINTENANCE

<b>BUS STOP SERVICE LIST</b>			
STREET	GROSS STREET	CORNER POS.	ITEMS
HUNTINGTON	FIFTH	S/E CORNER	CAN/POST
HUNTINGTON	MONTEREY	S/E CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	MAYFLOWER	S/W CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	MAGNOLIA	S/W CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	MYRTLE	S/E CORNER	BENCH/CAN
HUNTINGTON	CALIFORNIA	S/W CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	SHAMROCK	S/E CORNER	BENCH/CAN
HUNTINGTON	MOUNTAIN	S/W CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	MOUNTAIN VISTA PL (DEL TACO)	N/E CORNER	SHELTER/BENCH/CAN
HUNTINGTON	MOUNTAIN	N/W CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	SHAMROCK	N/E CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	CANYON (MUSD)	N/E CORNER	SHELTER/BENCH/CAN
HUNTINGTON	MYRTLE	N/W CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	MAGNOLIA	N/W CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	MAYFLOWER	N/E CORNER	SHELTER/2 BENCHES/CAN
HUNTINGTON	MONTEREY	N/W CORNER	SHELTER/BENCH/CAN
HUNTINGTON	FIFTH	N/E CORNER	BENCH/CAN
FOOTHILL BLVD.	MYRTLE	S/E CORNER	BENCH
FOOTHILL BLVD.	GRAND AVE.	N/E CORNER	BENCH
PRIMROSE	FOOTHILL BLVD.	S/W CORNER	BENCH/CAN
PRIMROSE	LIME	S/W CORNER	BENCH/CAN
PRIMROSE	COLORADO	S/W CORNER	POST
PRIMROSE	WALNUT	S/W CORNER	POST
PRIMROSE	WALNUT	N/W CORNER	POST
PRIMROSE	COLORADO	S/E CORNER	SHELTER/BENCH/CAN
PRIMROSE	LIME	N/E CORNER	POST
DUARTE	ENCINO	S/W CORNER	POST
DUARTE	TENTH	S/W CORNER	SHELTER/2 BENCHES/CAN
DUARTE	MAYFLOWER	S/W CORNER	POST
DUARTE	MAGNOLIA	S/W CORNER	POST
DUARTE	MYRTLE	S/W CORNER	POST
DUARTE	CALIFORNIA	S/W CORNER	POST
DUARTE	SHAMROCK	S/E CORNER	POST
DUARTE	MOUNTAIN	N/W CORNER	BENCH/CAN
DUARTE	SHAMROCK	N/E CORNER	BENCH
DUARTE	CALIFORNIA	N/W CORNER	BENCH/CAN
DUARTE	MYRTLE	N/W CORNER	BENCH
DUARTE	MAGNOLIA	N/W CORNER	BENCH/CAN
DUARTE	ENCINO	N/E CORNER	POST
DUARTE	MAYFLOWER	N/E CORNER	POST
DUARTE	ALAMITAS	N/W CORNER	SHELTER/2 BENCHES/CAN
DUARTE	FIFTH	N/E CORNER	
MYRTLE	CYPRESS (TRAILER)	N/W	SHELTER/2 BENCHES/CAN
MYRTLE	DUARTE (JACK IN THE BOX)	S/W	BENCH/CAN
MYRTLE	(PUBLIC STORAGE)	W/S	POST
MYRTLE	POMONA (PARK & RIDE)	N/W	2 BENCHES/CAN
MYRTLE	EL NORTE	W/N	POST
MYRTLE	DUARTE (PROFIT COMP)	S/E	POST
MYRTLE	EL SUR	E/N	POST
MYRTLE	POMONA	E/S	POST
PRIMROSE	POMONA	W/S	2 SHELTERS/ 2 BENCHES/2 CANS
FOOTHILL BLVD.	CANYON	N/W CORNER	CAN
FOOTHILL BLVD.	MYRTLE	N/E CORNER	BENCH
PRIMROSE	HUNTINGTON	S/E CORNER	POST
PRIMROSE	WALNUT	N/W CORNER	POST
MYRTLE	CHERRY	E/S	POST
MYRTLE	EL NORTE	E/S	POST

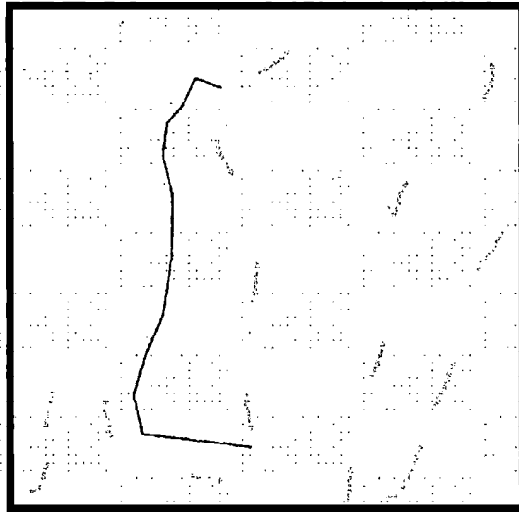


## EXHIBIT H

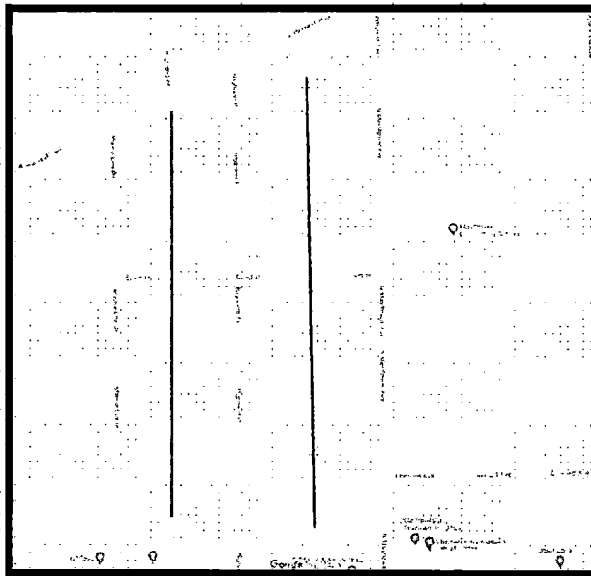
### NON-STANDARD SERVICE AREAS

The following hard to reach service areas will be collected via a Non-Standard Collection Service. Collector reserves the right to continuously monitor and evaluate the most efficient and safe collection method for these designated areas.

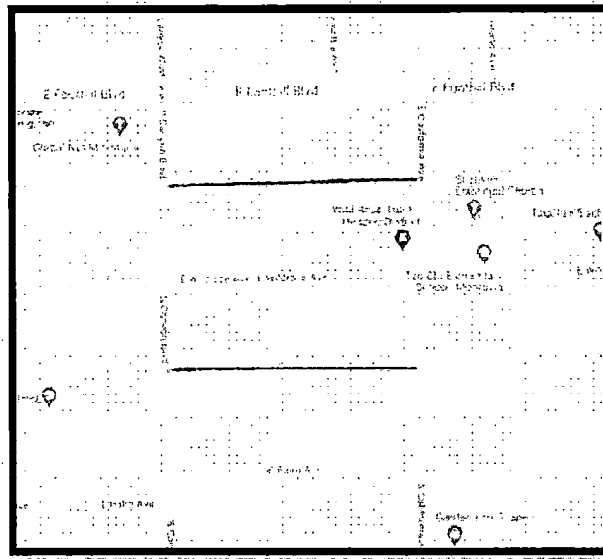
#### (1) Ridgeside Drive -



#### (2) Back Alleys -



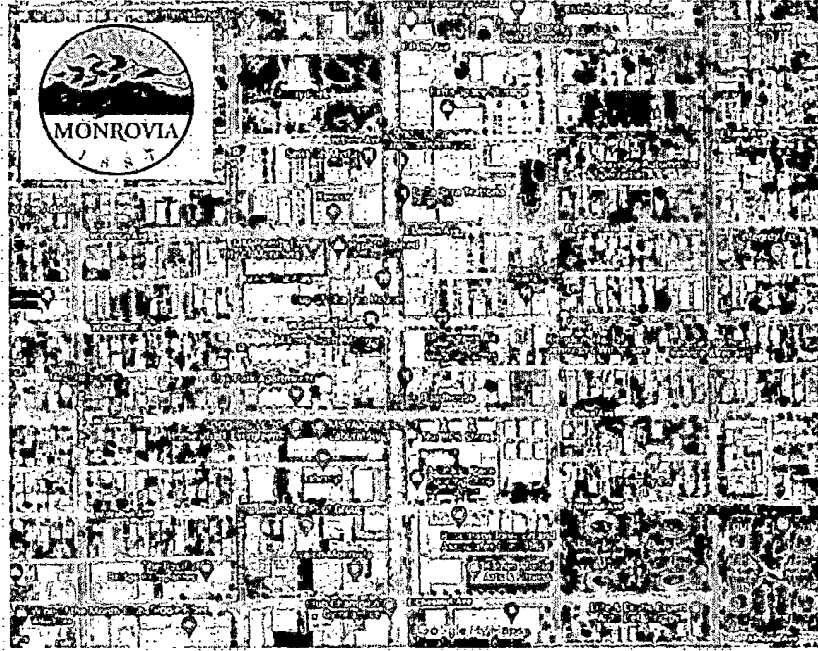
#### (3) Back Alley's Foothill



**(4) Hillside Area –**



**EXHIBIT I**  
**OLD TOWN**



<b>MYRTLE AVE</b>
Eastside of Myrtle start from 890 S Myrtle North to 230 S Myrtle Ave BofA
Westside of Myrtle start from 237 s Myrtle to 717 s Myrtle
<b>PALM AVE</b>
West Palm ave northside of street from 237 s Myrtle citi bank to driveway of 119 w Palm
West Palm ave southside of street from SW corner to Myrtle
<b>LIME AVE</b>
West Lime ave northside of street from Library driveway to SW corner of Myrtle ave.
West Lime ave South side of street from 134 w Lime Ave to 401 s Myrtle ave
East Lime ave northside of street from 139 e Lime ave to 342 s Myrtle ave
East Lime ave south side of street from 402 s myrtle to PD parking lot 140 e Lime ave
<b>LEMON AVE</b>
East Lemon ave northside of street from 139 E Lemon ave to 432 s Myrtle ave
West Lemon ave southside of street from 502 S Myrtle ave Crown Shoes to driveway of 120 e Lemon café
West Lemon ave northside of street from alleyway 109 w Lemon to 465 s Myrtle
West Lemon ave southside of street from alley way 100 w Lemon ave to 501 s Myrtle
<b>COLORADO BLVD</b>
West Colorado Ave northside of street from 147 E Colorado Ave to 534 s Colorado Ave the Monrovia
West Colorado Blvd southside of street from 600 s myrtle to parking entrance of 110 e Colorado 38 de
West Colorado Ave north side of street from 525 s Myrtle to 517 Falling leaf alley
West Colorado ave southside of street from Falling Leaf Alley to 44 w Colorado Ave

## EXHIBIT J

### SB 1383 PROGRAM

1. **Disposal and Processing.** No later than January 1, 2023, Collector shall submit a list of all facilities it intends to utilize in connection with the disposal and processing of Solid Waste, Recyclable Materials, and Organic Waste.

2. **Acceptable Organic Waste.** Notwithstanding any provision in the Agreement to the contrary, no later than January 1, 2023, and each January 1 thereafter upon City request, Collector shall provide the City a list of source separated Organic Waste that is to be accepted for collection in Containers designated for source-separated Organic Waste. Acceptable source-separated Organic Waste shall be advertised to Customers.

3. **Education and Outreach.** Collector and City have a shared responsibility to cooperatively provide education and outreach activities, and to create and disseminate educational materials that comply with 14 CCR Section 18985.1 to Residential Customers and Commercial Customers. In accordance with the foregoing, Collector will provide the education information required by this section by including it with regularly scheduled notices, education materials, billing inserts, or other information disseminated to Customers. Collector shall maintain records of its education and outreach activities and provide this information upon request to City.

4. **Route Reviews.** Collector shall on a quarterly basis, commencing January 1, 2023, conduct hauler route reviews for Prohibited Container Contaminants consistent with 14 CCR Section 18984.5(b) in a manner deemed safe by Collector. Containers may be randomly selected along hauler routes. Collector shall develop a hauler route review methodology in compliance with 14 CCR Section 18984.5(b) and submit it to City not more than annually upon the request of City.

5. **Facilities Waste Characterizations.** No more than twice per quarter, Collector shall conduct waste characterizations at facilities owned or operated by Collector, pursuant to 14 CCR Section 17409.5.1.

6. **Service Review.** Collector reserves the right to inspect, audit, and review the service level (size, quantity of container(s) and weekly frequency of pick-up) for all customers for the purposes of compliance with SB 1383 and related laws or regulations. Collector may reduce or increase the service level based on the inspection and audit. In the event of any dispute between a Generator and Collector regarding a reduction or increase in the service levels, the matter shall be resolved by the City Manager, whose decision shall be final.

7. **Collection Routes.** Collector may collect source-separated Organic Waste from multiple cities within one Organic Waste route and, if so, will report to the City source-separated Organic Waste tonnage among the cities by volume.

8. **Contamination Protocols; Monitoring.**

a. **First and Second Contamination Events.** Upon the first and second discoveries of Prohibited Container Contaminants in Containers within a given calendar year

starting January 1, Collector will collect the contaminated waste if safe to do so, and transport the contaminated waste to an appropriate facility and affix a "Contamination Violation Notice," using form(s) pre-approved by City, to any Container with Prohibited Container Contaminants and provide notice to City of the same. Collector must also contact the customer by phone, by U.S. mail, by email, in person, or by tag, to ensure that the Generator has the appropriate level of service for proper collection of discarded materials.

b. Third Contamination Event. Upon the third discovery of Prohibited Container Contaminants in Containers within a given calendar year starting January 1, the protocols specified in Section 8(a) of this Exhibit shall apply. Collector may also elect to charge the then-maximum "misuse" fee for the discovery hereunder. For any assessed misuse fee, Collector must record in the contamination event. All digital/visual documentation provided to City shall include date, time, address, and description of the contamination discovered. City also reserves the right to engage in any code enforcement action it deems appropriate. Collector will consult with City upon City's request.

c. Fourth Contamination Event. Upon the fourth discovery of Prohibited Container Contaminants in containers within a given calendar year starting January 1, the protocols specified in Section 8(b) of this Exhibit shall apply.

d. Fifth and Subsequent Contamination Events. Upon each of the fifth and any subsequent discoveries of Prohibited Container Contaminants in containers within a given calendar year starting January 1, the protocols specified in Section 8(b) of this Exhibit shall apply. Upon five (5) business days' notice to City and customer, Collector may also (i) increase the Container size, (ii) require additional Containers for excessive contamination or increase collection frequency, and/or (iii) if no prior code enforcement action has been taken, provide notice that Collector has recommended that City commence any applicable code enforcement action against Generator. City will consult with Collector and consider, as applicable, appropriate legal remedies against the offending Generator in order to secure discontinuance of the contamination. All City costs of such action shall be recovered from the offending Generator.

e. Disputes. In the event of any dispute between a Generator and Collector regarding an increase in the service levels relating to Prohibited Container Contamination, the matter shall be resolved by the City Manager or its designee, whose decision shall be final. If a customer disputes, in writing, an assessment of a misuse fee within thirty (30) days of the assessment, Collector will temporarily halt any such assessment and Collector may request a ruling by the City Manager or its designee to resolve the dispute. A request by Collector to the City Manager or its designee to rule on any such dispute must be filed within ten (10) business days of a customer's written dispute, and Collector must include written documentation and digital/visual evidence of ongoing overall problems. Upon receipt of such documentation, the City Manager or its designee will rule on the dispute within ten (10) business days, and the City Manager's decision resolving the dispute between customer and Collector will be final.

f. Legal Action. Upon any noticed occurrence of Prohibited Container Contaminants, the may consult with Collector and City may consider, and in its discretion pursue as applicable, appropriate legal remedies against offending Customer(s) if necessary to enforce

discontinuance of Prohibited Container Contaminants. Collector shall not be liable for any costs or attorney fees associated with any legal action taken by City in accordance with this subsection.

9. **Edible Food Recovery.**

a. Identification of Commercial Edible Food Generators. No later than January 1, 2023, and annually every January 1 thereafter, Collector shall assist City in identifying customers that meet the definition of Tier One or Tier Two Commercial Edible Food Generator and provide to City a list of such customers, which shall include the following information: customer name, service address, contact information, Tier One or Tier Two classification, and type of business.

b. Identification of Edible Food Recovery Organizations. To support City's efforts to promote Edible Food Recovery programs, Collector shall maintain, and update annually each January 1, a list of Food Recovery Organizations and Food Recovery Services and information about Edible Food Recovery on Collector's website, which is specific to City and shall provide a link to information about City's Edible Food Recovery programs on Collector's website.

c. Maintain and Promote Listings. Collector shall cooperate with and assist City with the distribution of information to Commercial Edible Food Generators regarding City's Edible Food Recovery programs.

10. **Container Color; Container Replacement.** Colors shall be colorfast and resistant to fading as a result of weathering or ultraviolet degradation, and the lids and bodies shall be uniform for each container type, as follows: (i) Black Container bodies and/or lids shall be black or gray; (ii) Gray Container bodies and/or lids shall be black or gray; (iii) Blue Container bodies and/or lids shall be blue; and (iii) Green Container bodies and/or lids shall be green. Hardware such as hinges and wheels on the containers may be a different color than specified herein. Notwithstanding any provision in the Agreement to the contrary, in accordance with 14 CCR Section 18984.7, Franchisee is not required to replace functional containers, including containers purchased prior to January 1, 2023, that do not comply with the color requirements of hereunder prior to the end of the useful life of those containers, or prior to January 1, 2036, whichever comes first.

11. **Container Labeling.** Beginning January 1, 2023, Collector shall imprint or place a label on the body or lid of each new container that has been provided to a Customer that includes language or graphic images, or both, indicating the primary materials accepted and the primary materials prohibited in that container. Imprints or labels shall clearly indicate items that are Prohibited Container Contaminants for each container.

12. **SB 1383 Procurement.** In support of City's annual recovered Organic Waste product procurement target, Collector shall procure and provide to City compost and/or mulch (up to a total maximum of 100 tons per year) to the City for its use. At City's request, no more than twice per year, the City and Collector shall meet and confer to mutually prepare a plan for the delivery location and amounts per delivery for compost and/or mulch to be provided to City. All costs of delivering compost and/or mulch to City shall be borne by Collector.

13. **Non-compliance Complaints; Code Enforcement.** Collector shall coordinate with City by, upon City's request, a report to City within seven (7) days of any and all persons refusing Organic Waste services or, if known, otherwise in violation of SB 1383-related requirements. City shall be responsible for all code enforcement actions to support compliance with SB 1383. Collector shall not be liable for any claims, actions, obligations, demands, damages, liabilities, costs, or expenses for any damages or injuries caused by or arising from (i) the failure of Customers to accept Organic Waste services, or (ii) the suspension or termination of services upon nonpayment in whole or in part by Customers, provided Collector reports such instances of noncompliance or nonpayment to City for code enforcement.

14. **Waivers.** Upon Collector request, City may provide Collector waivers as follows: (a) in the event of a disaster, City may grant Collector a waiver of some or all discarded materials collection requirements under this Agreement and 14 CCR, Division 7, Chapter 12, Article 3 in the disaster-affected areas for the duration of the waiver, provided that such waiver has been approved by CalRecycle; (b) Collector may, but is not required to, separate or recover Organic Waste that City removes from homeless encampments and illegal disposal sites as part of an abatement activity to protect public health and safety; (c) Collector may dispose of, rather than process, specific types of Organic Waste and/or Recyclable Materials that are subject to quarantine and meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by the City or until the City provides notice that the quarantine has been removed and directs Collector to transport the materials to facilities designated by Collector for such material.

15. **Reporting.** Notwithstanding any provision in this Agreement to the contrary, Collector will provide an annual report of the following: (i) the average daily gross tons of Organic Waste collected by route; (ii) the total number of Generators that receive each type of Organic Waste collection service provided by Collector; (iii) the number of Organic Waste collection Containers distributed by size and Customer type; (iv) annual totals of Organic Waste processed, including facility name and location; and (v) the number of route reviews conducted for prohibited contaminants and the number of non-collection notices provided to Customers due to Contamination. The Parties shall meet and confer if City elects to modify the records and reports required of Collector pursuant to this Exhibit with respect to type of report, number, content, format (including digital submission), or frequency. Collector shall provide records to City within ten (10) business days of a request. The Parties shall meet and confer if City elects to modify the records and reports required of Collector pursuant to this Exhibit with respect to type of report, number, content, format (including digital submission), or frequency. Collector shall provide records to City within ten (10) business days of a request.

16. **Program Changes.** In the event of any changes to applicable law that impact the duties and obligations of the City or Collector relating to Organic Waste collection, processing, disposal or transportation, Collector and City shall meet and confer in good faith to negotiate and implement any necessary programmatic compliance. Nothing in this Agreement shall be construed as obligating Collector to provide additional or modified services prior to City and Collector having first agreed in writing to any such change.