

**Franchise Agreement**

**for**

**SOLID WASTE, RECYCLABLE MATERIALS,  
AND GREEN WASTE COLLECTION**

**between**

**County of Napa**

**and**

**Napa County Recycling and Waste Services, LLC**

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2  
3 **AGREEMENT**

4 This AGREEMENT made and entered into this 3<sup>rd</sup> day of May, ~~2004~~<sup>2005</sup> between the County  
5 of Napa (hereinafter "County") a political subdivision of the State of California, and Napa County  
6 Recycling and Waste Services, LLC, a Limited Liability Company (hereinafter "Contractor").

7 **Recitals**

8  
9 This Agreement is entered into with reference to the following facts and circumstances:

- 10  
11 1. The Legislature of the State of California, by enactment of the California Integrated Waste  
12 Management Act of 1989 (AB 939), set forth in Public Resources Code Sections 40000 *et*  
13 *seq.*, declares that it is within the public interest to authorize and require local agencies to  
14 make adequate provision for Solid Waste handling within their jurisdiction.
- 15  
16 2. The Board of Supervisors of the County has determined that the public health, safety and  
17 well being of its residents require that certain Solid Waste Collection, transportation,  
18 processing, Recycling, Green Waste, and Disposal services, as specified in this  
19 Agreement, be provided by an exclusive franchise.

20  
21 **Agreement**

22  
23 NOW, THEREFORE, intending to be legally bound, the Parties agree as follows:  
24  
25

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## ARTICLE 1 DEFINITIONS

35 For purposes of this Agreement the following words or phrases shall have the following  
36 meanings unless any such word is otherwise specifically defined herein or unless it is obvious  
37 from the context hereof that another meaning is necessarily intended. To the extent that these  
38 definitions differ from those found in the County ordinances and codes, these definitions shall  
39 prevail.

40 **AB 939** "AB 939" means the California Integrated Waste Management Act of 1989 (Division 30,  
41 California Public Resources Code), as amended, supplemented, superseded, and replaced  
42 from time to time.

43 **Agreement** "Agreement" means this Franchise Agreement between the County and Contractor  
44 for the provision of the Collection Services as specified herein, including all exhibits and future  
45 amendments.

46 **Alternative Daily Cover** "Alternative Daily Cover" or "ADC" means cover materials used at a  
47 Disposal Facility. ADC includes at least six (6) inches of cover material other than earthen  
48 material, placed on the surface of the active face of the refuse fill area at the end of each  
49 operating day to control blowing litter, fires, odors, scavenging and vectors, as defined in  
50 Section 20164, Title 29 of the CCR. The Green Waste Processing may use up to a maximum of  
51 ten (10) percent of incoming Green Waste as ADC.

52 **Applicable Law** "Applicable Law" means all laws, regulations, rules, orders, judgments,  
53 decrees, permits, approvals, or other requirement of any governmental agency having  
54 jurisdiction over the collection and disposition of Solid Waste, Recyclable Materials and Green  
55 Waste that are in force on or promulgated or enacted after the Signature Date as they may be  
56 enacted, issued or amended during the Term of this Agreement.

57 **Base Term** "Base Term" means the initial ten (10) year portion of the Term of the Agreement,  
58 commencing on October 1, 2005 and ending on November 30, 2015.

59 **Best Efforts** "Best Efforts" as used in this Agreement with regard to performance of  
60 Contractor's obligations to Divert materials, shall mean at a minimum to competently undertake  
61 each of the programs for which materials Diversion is required hereunder and to perform  
62 materials Diversion activities for the program in a manner which is equal to or exceeds industry  
63 standards within California for communities which are in compliance with AB 939 diversion  
64 requirements.

65 **Bin** "Bin" means a receptacle for Solid Waste, Recyclable Materials, or Green Waste, provided  
66 by the Contractor unless owned by the Customer, having a capacity less than ten (10) cubic  
67 yards that generally has wheels, a handle for ease of movement and a tight-fitting, attached lid,  
68 and is designed to be dumped mechanically into a front loading Collection vehicle.

69 **Bin Service** "Bin Service" means the provision of Collection Services using Bins.

70  
71 **Board of Supervisors** "Board of Supervisors" means the legislative body of the County.

72  
73 **Bulky Items** "Bulky Items" means all discarded household waste matter that is too large to be  
74 placed in a Cart, including large household appliances, including appliances containing

77 chlorofluorocarbons (CFCs), furniture, tires, carpets, mattresses, and similar large items that  
78 require special handling due to their size.

79  
80 **Cart** "Cart" means wheeled Containers of approximately thirty-five (35), sixty-five (65) and  
81 ninety-six (96) gallon capacity provided by Contractor to Customers for Collection of Solid  
82 Waste, Recyclables, and Green Waste.

83  
84 **Cart Service** "Cart Service" means provision of Collection Services using Carts, and charged at  
85 a single Rate based on Solid Waste Cart size.

86  
87 **CERCLA** "CERCLA" means the Comprehensive Environmental Responsibility Compensation  
88 and Liability Act, 42 U.S.C.A. Section 9601 *et seq.* (West 1983 & Supp. 1989), as amended or  
89 superseded, and the regulations promulgated thereunder.

90  
91 **Change in Law** "Change in Law" means the following events or conditions which have a  
92 substantial, material and adverse effect on the performance by the Parties of their respective  
93 obligations under this Agreement (except for performance of Remittance obligations):

- 94
- 95 1. Enactment, adoption, promulgation, issuance, modification, or written change in  
96 administrative or judicial interpretation on or after the Signature Date of any Applicable  
97 Law; or
  - 98 2. Order or judgment of any governmental body, on or after the Signature Date, to the  
99 extent such order or judgment is not the result of willful or negligent action, error or  
100 omission or lack of reasonable diligence of County or of Contractor, whichever is  
101 asserting the occurrence of a Change in Law; provided, however, that the contesting in  
102 good faith or the failure in good faith to contest any such order or judgment shall not  
103 constitute or be construed as such a willful or negligent action, error, or omission or lack  
104 of reasonable diligence.

105  
106  
107 **Change in Scope** "Change in Scope" is a significant change in the type or level of Collection  
108 Services for which Contractor may be compensated as provided in Article 5.7.

109  
110 **Clear and Convincing Evidence** "Clear and Convincing Evidence" means evidence of such  
111 convincing force that demonstrates, in contrast to the opposing evidence, a high probability of  
112 truth of the facts for which it is offered as proof. Such evidence requires a higher standard of  
113 proof than proof by a preponderance of the evidence.

114  
115 **Collection** "Collection," "Collect," "Collected," "Collecting" means Collection by Contractor of  
116 Solid Waste, Recyclable Materials, Green Waste, or other material specified in this Agreement  
117 and its transportation to a Disposal or Transfer Facility, Green Waste Processing Facility or a  
118 Recycling Facility.

119  
120 **Collection Materials** "Collection Materials" means all Solid Waste, Recyclables, Green Waste  
121 generated in the unincorporated areas of the County and included within this Agreement as  
122 provided in Article 3.2.

123  
124 **Collection Services** "Collection Services" means all of the rights, duties and obligations of  
125 Contractor as specified in this Agreement, and associated with this Agreement.

126

127 **Collection Services Area** "Collection Services Area" means the territory identified within  
128 County unincorporated area, as described in Exhibit C as Zone 1 and as such territories may  
129 change from time to time due to deannexations or other means.  
130

131 **Compactor, Compactors, Compactor Service** "Compactor", "Compactors", "Compactor  
132 Service" means any Bin or other similar Container incorporating a built in mechanism to reduce  
133 waste volume by crushing action or other compacting method.  
134

135 **Construction and Demolition Debris** "Construction and Demolition Debris" means building  
136 materials and solid waste from construction, deconstruction, remodeling, repair, cleanup, or  
137 demolition operations that are not "hazardous" as defined in PRC Section 40141. C & D  
138 includes, but is not limited to: asphalt, concrete, Portland cement, brick, lumber, wallboard,  
139 roofing material, ceramic tile, plastic pipe, and associated packaging.  
140

141 **Construction and Demolition – Source Separated, C&D** "Construction and Demolition –  
142 Source Separated" and "C&D" means recycling materials from construction, deconstruction,  
143 remodeling, repair, cleanup, or demolition operations that are not "hazardous" as defined in  
144 PRC Section 40141 and that have been separated, kept separate, set aside, and handled  
145 separately from the solid waste stream at the point of generation, for the purpose of processing  
146 those materials for recycling or reuse.  
147

148 **Consumer Price Index, CPI** "Consumer Price Index" or "CPI" means the Consumer Price  
149 Index for San Francisco-Oakland-San Jose, CA, All Urban Consumers, and Standard  
150 Metropolitan Statistical Area as published bi-monthly by the United States Department of Labor,  
151 Bureau of Labor Statistics, or any successor index.  
152

153 **Containers** "Containers" means Bins, Carts, Compactors and Debris Boxes used to provide  
154 Solid Waste, Recyclables or Green Waste Services.  
155

156 **Contractor** "Contractor" means Napa County Recycling and Waste Services, LLC.  
157

158 **Contractor Compensation Fee** "Contractor Compensation Fee" means the portion of each  
159 Rate that compensates Contractor for provision of Collection services and that is subject to  
160 adjustment by a portion of CPI. The Contractor Compensation Fee includes all bank fees or  
161 service charges related to Contractor use of the Lock Box as specified in Exhibit J.  
162

163 **Contractor Compensation Fee Adjustment Factor** "Contractor Compensation Fee  
164 Adjustment Factor" means the variable expense portion of the Contractor Compensation Fee of  
165 each Rate, equal to seventy-five (75) percent of that Fee, that is subject to annual adjustment  
166 by the Consumer Price Index.  
167

168 **Contractor's Proposal** "Contractor's Proposal" means the proposal submitted by Contractor  
169 and accepted by the County in response to a Request for Proposals released by the County on  
170 September 3, 2004. Contractor's Proposal is included as Exhibit M to this Agreement. The  
171 Contractor's proposal cost forms 3 through 12, submitted as part of the Contractor's Proposal  
172 are separately contained in Exhibit N and are integral to the administration of this Agreement.  
173

174 **Cost Forms** "Cost Forms" means the cost and rate schedules provided by the Contractor as  
175 part of the Contractor's Proposal, as reflecting any final negotiations, and as contained in  
176 Exhibit N.  
177

178 **County** "County" means the County of Napa, California, as its boundaries exist now or in the  
179 future.

180  
181 **County Representative** "County Representative" means the County Executive Officer, or  
182 his/her designee authorized by written notice to Contractor to enforce the terms of this  
183 Agreement.

184  
185 **Customer** "Customer" means the person or entities receiving Collection Services.

186  
187 **Debris Box** "Debris Box" means an open-top Container with as capacity of six (6) to fifty (50)  
188 cubic yards that is serviced using a roll-off truck.

189  
190 **Delivery** "Delivery" of Solid Waste, Recyclables, or Green Waste has occurred once a  
191 Customer has deposited Solid Waste, Recyclables, or Green Waste in a receptacle or at a  
192 location that is designated for Collection pursuant to County's codes or ordinances, or is  
193 otherwise lawfully discarded.

194  
195 **Designated Disposal or Transfer Facility** "Designated Disposal or Transfer Facility" means  
196 the Napa-Vallejo Waste Management Authority's Devlin Road Transfer Station (DRTS), or such  
197 other transfer or Disposal facility(ies) designated by the County to which the Contractor will  
198 transport all Solid Waste Collected under this Agreement, as specified or as otherwise  
199 excepted in Article 4.

200  
201 **Designated Green Waste Processing Facility** "Designated Green Waste Processing Facility"  
202 means the facility(ies) selected by the Contractor and approved by the County for handling,  
203 processing, and preparing Green Waste for marketing through beneficial reuse such as  
204 mulching and composting.

205  
206 **Designated Recycling Facility** "Designated Recycling Facility" means the facility(ies) used by  
207 Contractor upon County approval or direction for handling, processing, and preparing  
208 Recyclable Materials for marketing.

209  
210 **Disposal** "Disposal," "Disposing," "Dispose," or "Disposed" means the final disposition of Solid  
211 Waste Collected by Contractor, at the Designated Disposal or Transfer Facility.

212  
213 **Disposal Facility** "Disposal Facility" means the Disposal Facility(ies) to which the Contractor  
214 will ensure that all Residues are transported that remain following Recycling and Green Waste  
215 Processing at any privately owned Recycling and/or Green Waste Processing facility

216  
217 **Diversion, Divert** "Diversion"," Divert" means the tonnage or percentage of Collected  
218 Collection Materials that are not Disposed.

219  
220 **Effective Date** "Effective Date" means October 1, 2005.

221  
222 **Extension** "Extension" means any of the Extensions that may be provided by the County as  
223 defined in Article 3.1B or 3.1C.

224  
225 **Food Waste** "Food Waste" means all source-separated originally acquired for animal or human  
226 consumption included but not limited to: vegetable waste, fruit waste, grain waste, dairy waste,  
227 meat waste, fish waste; and non-recyclable paper.

228

229 **Franchise Fee** "Franchise Fee" means the portion of Rate Revenues specified in Article 3.5  
230 and due to the County from Gross Rate Revenues in return for grant of the exclusive rights  
231 provided for in this Agreement.  
232  
233 **Green Waste** "Green Waste" means biodegradable materials such as leaves, grass, weeds,  
234 and wood materials from trees and shrubs, provided that larger items such as tree stumps and  
235 intact dead trees are Bulky Items.  
236  
237 **Green Waste Tip Fee** "Green Waste Tip Fee" means the tip fees at the Designated Green  
238 Waste Processing Facility as specified by the Contractor on cost form 12 of Contractor's  
239 Proposal, or as later negotiated by the parties.  
240  
241 **Green Waste Tip Fee Component** "Green Waste Tip Fee Component" means the portion of  
242 each Rate that is a pass-through expense reflecting the actual cost of Green Waste processing,  
243 or of Green Waste and Food Waste processing at the Designated Green Waste Processing  
244 Facility. This component of each Rate is adjusted annually based on Cost Form 12 contained in  
245 Exhibit N, and is not subject to CPI adjustment.  
246  
247 **Gross Rate Revenues** "Gross Rate Revenues" means all Rate Revenues collected by the  
248 Contractor from Customers.  
249  
250 **Hazardous Waste** "Hazardous Waste" shall have the meaning set forth in California Code of  
251 Regulations, Title 14, Division 7, Chapter 3, Article 4, Section 17225.32 and Health and Safety  
252 Code Section 25117, or in CERCLA, or in their successor laws and regulations as may be  
253 amended from time to time, whichever definition is in the opinion of the County more inclusive.  
254  
255 **Household Hazardous Waste** "Household Hazardous Waste" shall have the meaning set forth  
256 in California Code of Regulations, Title 14, Division 7, Chapter 7, Article 1.1, Section 18502 or  
257 successor laws and regulations as may be amended from time to time.  
258  
259 **Liquidated Damages** "Liquidated Damages" means the damages for specified violations of the  
260 terms of the Agreement as enumerated in Exhibit E and levied by County against Contractor.  
261  
262 **Lock Box Account** "Lock Box Account" means the account into which all Gross Rate  
263 Revenues are deposited by the Contractor, as specified in Exhibit J.  
264  
265 **Medical and Infectious Waste** "Medical and Infectious Waste" means biomedical waste  
266 generated at hospitals, public or private medical clinics, dental offices, research laboratories,  
267 pharmaceutical industries, blood banks, mortuaries, veterinary facilities, and other similar  
268 establishments.  
269  
270 **Minimum Diversion Rate (MDR)** "Minimum Diversion Rate" means the diversion rate for  
271 collected materials that the Contractor must maintain in order to avoid Liquidated Damages as  
272 defined in Exhibit E.  
273  
274 **Monthly Distribution** "Monthly Distribution(s)" means the monthly payments made by the bank  
275 from the Lock Box Account to the County and to other parties, based on Contractor instructions  
276 and as specified in Article 6 and Exhibit J.  
277  
278 **Multi-Family** "Multi-Family" means dwellings with four or more units. Multi-Family customers  
279 may have cart or bin service. Service is determined by the property manager or property owner.

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**Net Recycling Processing Fee** "Net Recycling Processing Fee" means the processing fees at the Designated Recycling Facility net of all Recyclable Material sales revenue, as specified by the Contractor on cost form 12 of Contractor's Proposal, or as later negotiated by the parties.

**Net Recycling Processing Fee Component** "Net Recycling Processing Fee Component" means the portion of each Rate that is a pass-through expense reflecting the actual cost of Recycling processing at the Designated Recycling Facility. For a facility other than the City of Napa Materials Diversion Facility, this component of each Rate is adjusted annually based on Cost Form 12 contained in Exhibit N, This rate component is not subject to CPI adjustment.

**Party** "Party" or "Parties" means County or Contractor individually, or County and Contractor.

**Rate Revenue** "Rate Revenue" means the revenue billed to and collected from Customers by Contractor for provision of Collection Services, as based on the County's approved and published Rates.

**Rates** "Rates" or "Rate" means the amount each Customer is billed by as specified in the Rate schedules as approved by the County.

**Recyclable Materials, Recyclables** "Recyclable Materials" or "Recyclables" means discarded materials from the Customer intended for and capable of being Recycled, and that are separated, set aside, handled, packaged offered, or otherwise Delivered for Collection by a Customer in a manner different from Solid Waste. Exhibit A and Exhibit O include the initial list of Recyclable Materials that may be set out for Collection by Customers receiving Single-Stream Recycling Service.

**Recycle, Recycled, Recycling** "Recycle, Recycled, Recycling" means the process of Collection, sorting, cleansing, treating and reconstituting Recyclable Materials that would otherwise be Disposed of, and returning them to the economy in the form of raw materials for new, reused, repaired, refabricated, remanufactured, or reconstituted products. The Collection, transportation, or Disposal of Solid Waste not intended for, or capable of, reuse is not Recycling.

**Recycling Revenues** "Recycling Revenues" means revenues derived from the sale of Recycled materials Collected under this franchise, net of processing, transportation to market and third party brokerage fees that are directly and entirely related to the transaction.

**Refuse** "Refuse" means waste material intended for Disposal and including: (1) all putrescible and nonputrescible wastes, except liquid-carried industrial wastes or sewage hauled as an incidental part of septic tank or cesspool-cleaning service; (2) garbage (i.e. putrescible animal, fish, food, fowl, fruit or vegetable matter, or any thereof, resulting from the preparation, storage, handling or consumption of such substances); (3) rubbish (such as printed materials, paper, pasteboard, rags, straw, used and discarded clothing, packaging materials, ashes, floor sweepings, glass, and other waste materials).

**Residue** "Residue" means materials which remain after processing Recyclable Materials which cannot be Recycled, marketed, or otherwise utilized, including, but not limited to, materials such as rocks, contaminated paper, putrescibles, and other debris. Residue shall not exceed ten (10) percent by weight of the materials processed for Recycling.

331 **Self-Haul** "Self-Haul" means that any private individual may transport and dispose of non-  
332 commercial Solid Waste, Recyclable Materials or Green Waste generated by that individual and  
333 from the unincorporated area of the County.  
334

335 **Signature Date** "Signature Date" means the date of execution of this Agreement by Board of  
336 Supervisors.  
337

338 **Single Stream Recycling** "Single Stream Recycling" means the use of a single Container to  
339 collect two or more types of Recyclables.  
340

341 **Solid Waste** "Solid Waste" means all discarded putrescible and non-putrescible solid, semi-  
342 solid and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial  
343 wastes, Construction and Demolition Debris, discarded home and industrial appliances,  
344 manure, vegetable or animal solid and semi-solid wastes, and other discarded and other  
345 discarded substances or materials. Solid Waste does not include (1) Hazardous Waste, (2)  
346 low-level radioactive waste regulated under California Health and Safety Code Sections 25800,  
347 et. seq., (3) untreated medical waste which is regulated pursuant to the Medical Waste  
348 Management Act, California Health and Safety Code Sections 25015, et seq., (4) electronic  
349 materials classified as universal waste pursuant to CCR Title 14, Section 66260.22 et. seq., or  
350 (5) Recyclable Materials, Green Waste or Food Waste that have been segregated from other  
351 Waste Material by the Waste Generator.

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353 **Solid Waste Tip Fee** "Solid Waste Tip Fee" means the Solid Waste disposal tip fee at the  
354 Designated Disposal or Transfer Facility as approved by the County.  
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356 **Solid Waste Tip Fee Component** "Solid Waste Tip Fee Component" means the portion of  
357 each Rate that is a pass-through expense reflecting the actual cost of Disposal and Transfer at  
358 the Designated Disposal or Transfer Facility. This component of each Rate is not subject to CPI  
359 adjustment.  
360

361 **Special Services Rates** "Special Services Rates" are specific service-related charges that are  
362 contained on Exhibit D, Schedule of Rates and that may be billed by the Contractor upon  
363 advance notice to the Customer.  
364

365 **Special Rate Review** "Special Rate Review" means the process defined in Article 7.4 by which  
366 Contractor may be compensated for specified extraordinary costs.  
367

368 **Special Waste** "Special Waste" includes flammable waste; liquid waste transported in a bulk  
369 tanker; sewage sludge; pollution control process waste; residue and debris from cleanup of a  
370 spill or release of chemical substances, commercial products, or any other Special Wastes;  
371 contaminated soil, waste, residue, debris, and articles from the cleanup of a site or facility  
372 formerly used for the generation, storage, treatment, Recycling, reclamation, or Disposal of any  
373 other Special Wastes; dead animals; manure; waste water; explosive substances; radioactive  
374 substances; abandoned or discarded automobiles, trucks, motorcycles or parts thereof,  
375 including tires; fluorescent tubes; and any other materials that under current or future statute or  
376 regulation require the application of special treatment, handling, or disposal practices beyond  
377 those normally required for Solid Waste.  
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379 **Surcharge Fee** "Surcharge Fee" means a component of each Rate that is a pass-through to  
380 the County, and that is of an amount and duration determined by the County.

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**Term** "Term" means the Base Term and any Extension, as provided in Article 3.

**Uncontrollable Circumstance** "Uncontrollable Circumstance" means an act of God, including landslides, lightning, fires, storms, floods, pestilence, freezing, and earthquakes; explosions, sabotage, civil disturbances, acts of a public enemy, wars, blockades, riots, eminent domain, condemnation or other taking, or other events of a similar nature, not caused or maintained by the County or Contractor, which event is not reasonably within the control of the Contractor, and only to the extent such event has a material adverse effect on the ability of the Contractor to perform Collection Services. Events that could or should have been prevented through reasonable precaution, including compliance with agreements and applicable laws, shall be not be considered Uncontrollable Circumstances. Labor unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other concerted job action conducted by the Contractor's employees or directed at the Contractor, or a subcontractor, are not considered Uncontrollable Circumstances.

**Working Days** "Working Days", unless otherwise specified means Monday through Saturday.

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**ARTICLE 2**  
**REPRESENTATIONS AND WARRANTIES**

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**2.1 CONTRACTOR STATUS AND RESOURCES**

Contractor is a Limited Liability Company, validly existing, and in good standing under the laws of the State of California. Contractor is qualified to transact business in the State of California and has the power to own its properties and to carry on its business as now owned and operated and as required by this Agreement. Contractor agrees that this Agreement is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. Contractor has not directly or indirectly colluded, conspired, connived, or agreed with any person, partnership, company, association, organization, or corporation to secure any advantage against County.

Contractor possesses the business, professional, and technical expertise to Collect and Dispose of the Solid Waste, and to Collect and Process Recyclable Materials, Green Waste and Food Waste. Contractor possesses the equipment, facilities, and employee resources required to perform the services specified in this Agreement.

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**2.2 CONTRACTOR AUTHORIZATION**

Contractor has the authority to enter into and perform its obligations under this Agreement. The Pending confirmation of Agreement award, Board of Directors of Contractor (or the shareholders if necessary) has taken all actions required by law, its articles of incorporation, its bylaws or otherwise as applicable to authorize the execution of this Agreement. The persons signing this Agreement on behalf of Contractor have authority to do so. This Agreement constitutes the legal, valid and binding obligation of Contractor enforceable in accordance with its terms, except as limited by applicable bankruptcy insolvency, reorganization, moratorium or other laws or general application relating to or affecting enforcement of creditors' rights.

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**2.3 NO CONFLICT**

Neither the execution nor the delivery by Contractor of this Agreement nor the performance by Contractor of its obligations hereunder: (i) conflicts with, violates, or results in a breach of any law or governmental regulation applicable to Contractor; (ii) conflicts with, violates, or results in a breach of any term or condition of any judgment, decree, agreement (including, without limitation, the certificate of incorporation of Contractor), or instrument to which Contractor is a party or by which Contractor or any of its properties or assets are bound, or constitutes a default under any such judgment, decree, agreement or instrument; or (iii) will result in the creation or imposition of any encumbrance of any nature whatsoever upon any of the properties or assets of Contractor.

**2.4 NO LITIGATION**

As of the Signature Date of the Agreement, there is no action, suit, or other proceeding at law or in equity, or to the best of Contractor's knowledge, any investigation, before or by any court or governmental authority, pending or threatened against Contractor which is likely to result in an unfavorable decision, ruling, or finding which would materially and adversely affect the validity or enforceability of this Agreement or any such agreement or instrument entered into by Contractor in connection with the transactions contemplated hereby, or which could materially and adversely affect the ability of Contractor to perform its obligations hereunder or which would have a material adverse effect on the financial condition of Contractor or its parent company.

448 **2.5 NO LEGAL PROHIBITION**

449 Contractor has no knowledge of any applicable law in effect on the Signature Date that would  
450 prohibit the performance by Contractor of this Agreement and the transactions contemplated  
451 hereby.

452  
453 **2.6 CONTRACTOR'S INVESTIGATION**

454 Contractor has made an independent investigation (satisfactory to it) of the conditions and  
455 circumstances surrounding the Agreement and the work to be performed by it and has taken  
456 these matters into consideration in agreeing to provide these services in exchange for the  
457 compensation provided for under the terms of this Agreement.

458  
459 **2.7 INFORMATION SUPPLIED BY CONTRACTOR**

460 The information supplied by Contractor in all written submittals made in connection with  
461 procurement of Contractor's services, including Contractor's proposal, and negotiation and  
462 execution of this Agreement, and all verbal or written representations and warranties made by  
463 Contractor throughout this Agreement are true, accurate, correct, and complete in all material  
464 respects on and as of the Signature Date of this Agreement.

465  
466 **2.8 REPRESENTATIVES OF THE PARTIES**

467 Contractor has designated in writing a responsible officer who shall serve as the representative  
468 of Contractor and who shall have authority in all daily operational matters related to the  
469 Agreement. County may rely upon action taken by such designated representative as action of  
470 Contractor except for actions not taken within the scope of this Agreement. The Managing  
471 Partner/General Manager shall be the initial designated representative of Contractor. Contractor  
472 shall notify County Representative prior to, or at the time of a change in the designated  
473 representative.

474  
475 **2.9 WAIVER OF CERTAIN RIGHTS**

476 Contractor hereby waives any right it may possess to contest the legal right, power, or the  
477 authority of County to enter into and perform this Agreement and agrees to cooperate with and  
478 assist County in supporting the legal validity of, and authorization for, such provisions in the  
479 event of any legal challenge thereto brought or made in any manner by a third party.

480  
481 **2.10 WAIVER OF RENEWAL STATUTE**

482 Contractor knowingly and specifically waives any and all rights it may have now or in the future  
483 as a result of California Public Resources Code, Division 30, Part 1, Chapter 2, Section 49520,  
484 or any subsequent statute granting the same or similar rights regarding County notice to  
485 Contractor of termination of the Agreement. Contractor agrees that its rights to provide any of  
486 the services specified in this Agreement shall be governed solely by the provisions of this  
487 Agreement, and any of its rights to provide such services shall terminate upon termination of  
488 this Agreement. This waiver shall not apply to services specified in Article 3.4 of this Agreement  
489 or otherwise not within the scope of or required to be provided by Contractor in this Agreement.

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**ARTICLE 3  
COLLECTION SERVICES AGREEMENT**

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**3.1 AGREEMENT TERM AND EXTENSIONS**

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**A. Base Term**

504 The Collection Services granted in this Agreement shall continue in force for a period of ten  
505 (10) years ("Base Term") from 12:01 AM on October 1, 2005 ("Effective Date") to Midnight,  
506 November 30, 2015. Contractor will receive no compensation provided for in this Agreement  
507 prior to the Effective Date. However, the Parties acknowledge that the Contractor will undertake  
508 all implementation measures (as described in Exhibit H, Implementation Plan) prior to the  
509 Effective Date such that rollout of all new services will be completed by the Effective Date.

510

**B. Extensions**

511 Following the Base Term, and at the sole discretion of the County with or without cause,  
512 Contractor may be granted up to four (4) one-year Extensions of this Agreement and its full  
513 rights and responsibilities. The County shall provide Contractor written notice of Extension no  
514 less than one hundred and twenty (120) days prior to the conclusion of the Base Term.  
515 Contractor has no express or implied right to an Extension.

516

**C. Agreement Transition Extension**

517 By giving written notice ninety (90) days prior to the effective date of termination of the Base  
518 Term, County, at its sole discretion, may require Contractor to continue to provide Collection  
519 Services under the terms of this Agreement for up to one hundred and eighty (180) days  
520 following the effective date of termination. The purpose of such an Extension is to ensure  
521 uninterrupted Collection Services in the event of transition to a successor contractor and/or  
522 ongoing Agreement renegotiations with present Contractor that County anticipates may not be  
523 concluded by the effective date of termination.

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**3.2 COLLECTION SERVICES AGREEMENT**

526

**A. Services Provided**

527 County hereby grants Contractor, and Contractor shall have throughout the duration of this  
528 Agreement, the exclusive right to engage in Collection, transportation, processing, transport for  
529 transfer and Disposal, and material sales in Zone 1 (as described in Exhibit C) related to the  
530 following:

- 531 1. Solid Waste placed in Carts by residential and commercial Customers.
  - 532 2. Solid Waste placed in Bins by multi-family and commercial Customers.
  - 533 3. Single Stream Recyclables placed in Carts or Bins by residential and commercial  
534 Customers.
  - 535 4. Other Recyclables placed for Collection by residential and commercial Customers.
  - 536 5. Green Waste placed in Carts or Bins by residential and commercial Customers.
  - 537 6. Collection materials placed in Debris Boxes and Compactors by Customers.
  - 538 7. Used oil and used oil filters placed for collection by residential Customers.
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542 8. Food waste placed in Carts or Bins by residential and commercial Customers.

543  
544 The services specified in this Article 3.2A, together with those enumerated throughout the  
545 Agreement constitute the Collection Services.

546  
547 **B. Compensation**

548 Except as otherwise specified, the Rates contained in Exhibit D in their initial form as of the  
549 Effective Date, and as they are adjusted during the Term are Contractor's sole compensation  
550 for provision of Collection Services. Contractor shall retain one hundred (100) percent of gross  
551 Recycling revenues resulting from the sale or salvage of Recyclable Materials should the  
552 Designated Recycling Facility be a facility other than the City of Napa Materials Diversion  
553 Facility.

554  
555 **3.3 PROVISION OF SERVICE**

556  
557 **A. General**

558 The work to be done by Contractor pursuant to this Agreement shall include the furnishing of all  
559 labor, supervision, vehicles, Containers, other equipment, materials, supplies, and all other  
560 items necessary to perform all Collection Services, and the payment of all related expenses  
561 including all taxes, utility charges, etc. The Collection Services shall be performed in a thorough  
562 and professional manner that constitutes litter free, reliable, courteous and high-quality service.  
563 Contractor shall at all times provide Collection Services using best industry practice for  
564 comparable operations, performed at all times in full accordance with Exhibit A Scope of Work,  
565 and Exhibit B, Standards of Performance. Unless otherwise specifically stated in this  
566 Agreement, the revenue generated by the Rates, less the Franchise Fee, the Surcharge Fee  
567 and pass-through expenses related to the use of the Designated Disposal and Transfer Facility  
568 and the City of Napa Materials Diversion Facility and other payments as specified in Exhibit J is  
569 the only source of compensation to Contractor for provision of Collection Services. Contractor  
570 shall make Best Efforts to Recycle or Divert from Disposal fifty percent (50%) of all Collection  
571 Materials.

572  
573 **B. Hours of Collection**

574 Contractor shall limit Collection to 6 AM to 7 PM in residential zones. In accordance with  
575 Section 8.16.080.4 of the County Code, Contractor shall limit Collection to 5:30 AM to 6 PM in  
576 commercial and industrial zones except that the County reserves the right to require later  
577 Collection in sensitive areas near residences.

578  
579 **3.4 EXCEPTIONS TO COLLECTION SERVICES AGREEMENT**

580 The following services and materials are expressly excluded from this Agreement. The granting  
581 of this Agreement shall not preclude the services and materials described below from being  
582 provided, or delivered to, collected and/or transported by others, provided that nothing in this  
583 Agreement is intended to or shall be construed to excuse any person from any authorization  
584 from the County that is otherwise required by law:

- 585  
586 1. Customers from donating or selling Recyclable Materials to any party of their  
587 choice.
- 588 2. Collection services provided by bonded paper and document destruction  
589 companies, metal recyclers, and pallet recyclers.
- 590 3. Materials which would otherwise constitute Collection Materials that are removed  
591 from a premises by a landscaping, gardening or construction contractor as an  
592 incidental part of a gardening, landscaping, tree trimming, cleaning, maintenance,

593 construction or similar service offered by the contractor rather than as a hauling  
594 service only.

- 595 4. Self-Haul materials, which are delivered by an individual directly to a transfer  
596 station or Disposal facility in a manner consistent with County ordinances and  
597 codes and other applicable laws.  
598 5. Construction and Demolition Debris collection which is provided by private  
599 companies operating within the County on a non-exclusive basis.  
600

601 The provisions of this Agreement shall not preclude or prohibit the County or any officer or  
602 employee thereof or any employee of the State, or any governmental subdivision thereof, from  
603 Collecting, removing, and Disposing of Solid Waste from County or other public facilities.  
604

### 605 **3.5 FRANCHISE FEE AND SURCHARGE FEE**

#### 606 **A. Amount**

607 In consideration of the exclusive rights provided to the Contractor through this Agreement,  
608 Contractor agrees that County is due a Franchise Fee and a Surcharge Fee. The Contractor  
609 shall pay to the County a Franchise Fee equal to the percent of Gross Rate Revenues  
610 determined by the County, which initially is ten (10) percent. Contractor shall also pay to the  
611 County a Surcharge Fee equal to four and half (4 ½) percent of Gross Rate Revenues for the  
612 first two (2) years of the Agreement. The County reserves the right to impose the Franchise Fee  
613 and Surcharge Fee at any time during the Term of this Agreement, with a corresponding  
614 adjustment to the Rates. The County shall give the Contractor ninety (90) days notice prior to  
615 the date on which any such charge becomes effective.  
616

#### 617 **B. Payment by Contractor**

618 Contractor shall compute and pay the Franchise Fee and Surcharge Fee on the basis of the  
619 Contractor's receipt of Gross Rate Revenues for each calendar month from Customers the  
620 Contractor bills. The Contractor shall remit the Franchise Fee specified in Article 6.2. If the  
621 Contractor fails to pay the entire amount of compensation due the County through error or  
622 otherwise, the difference due the County shall be paid by the Contractor within thirty (30) days  
623 from discovery of the error or determination of the correct amount. In addition, the Contractor  
624 shall pay interest on any underpayment at the rate of ten percent (10%) per annum from due  
625 date. Any overpayment to the County through error or otherwise shall be offset against the next  
626 payment due from the Contractor. Acceptance by the County of any payment due under this  
627 Article 3.5B shall not be deemed to be a waiver by the County of any breach of this Agreement,  
628 nor shall the acceptance by the County of any such payments preclude the County from later  
629 establishing that a larger amount was actually due, or from collecting any balance due to the  
630 County. In case of dispute between the County and the Contractor regarding any amounts due,  
631 the Contractor shall pay the amount claimed by the County as due and notify the County in  
632 writing at the time of payment as to any portion that is paid under protest, specifying the basis  
633 of its claim of overpayment.  
634

### 635 **3.6 SERVICE TO ALL ACCOUNTS**

636 Contractor shall provide Collection Services to all Customers within the Zone 1 of the County  
637 requesting service during the Term and shall be compensated on a per-account basis by the  
638 then effective Rates.  
639

### 640 **3.7 TITLE TO COLLECTED MATERIALS**

641 It is expressly understood that all Solid Waste, Recyclable Materials, and Green Waste  
642 becomes the property of Contractor at the point of Collection, subject to the requirements of  
643

644 Article 4 to ensure proper delivery of specified Collection Materials to the Designated Disposal  
645 or Transfer Facility, Designated Recycling Facility, or Designated Green Waste Processing  
646 Facility. In the case of the Devlin Road Transfer Station and the City of Napa Materials  
647 Diversion Facility, upon delivery of waste or materials, ownership of the materials shall transfer  
648 to the facility owner.

649 **3.8 AB 939 GOALS**

651 Contractor acknowledges that it shall provide a package of Collection Services, including  
652 particular Single-Stream Recycling and weekly Green Waste Collection, and Food Waste  
653 Collection defined as a Change in Scope pursuant to Article 5.7, with attendant public education  
654 and customer service programs that should be sufficient to achieve and maintain a level of  
655 Diversion for the County that is in compliance with the State's goal of fifty (50) percent  
656 diversion.

657 **3.9 ENFORCEMENT**

658 Contractor shall become familiar with all County ordinances and codes related to the provision  
659 of Collection Services, and shall as requested assist the County in its enforcement  
660 responsibilities by promptly notifying the County Representative of any third party violations of  
661 these ordinances and codes observed by Contractor, and by promptly providing County any  
662 related information it may have.

663 **3.10 EMERGENCY SERVICES**

664 Notwithstanding the provisions of Article 3.2 specifying Contractor scope of services, in the  
665 event of a declared emergency, County reserves the right to use County staff, agents,  
666 contractors, and/or subcontractors as necessary to clear debris from the Collection Services  
667 Area. Contractor agrees to not contest County's use of other parties to collect, transport, and  
668 dispose of any debris resulting from such emergency. In the event of a declared emergency,  
669 Contractor shall upon notice from the County make all reasonable effort to provide vehicles and  
670 crews to assist in clearing and/or transporting debris.

671 **3.11 INFORMATION MANAGEMENT SYSTEMS**

672 Contractor shall maintain such information management systems as are needed to collect,  
673 store, and organize operational and financial data, and in a format necessary and sufficient to  
674 produce the reports and plans as specified in this Agreement, including in electronic formats  
675 that are compatible with County software. All data shall be backed up so as to ensure no loss of  
676 data due to computer failure.

677 **3.12 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

678 In entering into this Agreement and performing obligations set forth therein, County is relying on  
679 the conditions set forth below. The obligation of County to permit this Agreement to become  
680 effective is subject to the satisfaction of each and all of the conditions set out below, each of  
681 which may be waived in whole or in part in writing by County. Waiver of any of the following as  
682 a condition to the effectiveness of the Agreement does not preclude the County from pursuing  
683 any claim or breach of this Agreement.

684 **A. Accuracy of Representations**

685 The representations and warranties made by Contractor in Article 2 of this Agreement are true  
686 and correct on and as of the Signature Date.

693 **B. Absence of Litigation**

694 There is no litigation pending on the Signature Date in any court challenging the award or  
695 execution of this Agreement or seeking to restrain or enjoin its performance. Contractor shall  
696 notify County in writing within thirty (30) days of Contractor's becoming aware of any litigation  
697 that may in any way affect its performance of the Collection Services.  
698

699 **C. Effectiveness of Board Action**

700 A Board of Supervisors Resolution approving this Agreement, shall have become effective  
701 pursuant to Applicable Law on the Signature Date.  
702

703 **D. Verification of Insurance Coverage and Performance Assurances**

704 Contractor shall submit no later than thirty (30) days prior to the Effective Date, and shall  
705 maintain to the satisfaction of County, endorsements of insurance coverage pursuant to Article  
706 9.5 performance bond, letter of credit or other performance assurance pursuant to Article 9.6.  
707

708 **E. Company Guaranty**

709 On or before October 1, 2005, the Contractor shall provide a guaranty or other assurance  
710 acceptable to County from Contractor's ultimate parent company, other parent company or  
711 financial guarantor as acceptable to County, guaranteeing or assuring performance under this  
712 Agreement by Contractor. The guaranty shall be in a format acceptable to the County, and be  
713 incorporated into this Agreement as Exhibit I.  
714

715 The guaranty will establish ownership of Napa County Recycling and Waste Services, LLC and  
716 the percentage of ownership of each Member. The guaranty will establish that the day-to-day  
717 operations will be the responsibility of the Managing Partner/General Manager. The guaranty  
718 will establish that operations other than day-to-day will be approved by the Members [Board of  
719 Directors]. Any changes to the guaranty will require the consent of the County, which consent  
720 will not be unreasonably withheld.  
721

**ARTICLE 4**  
**COLLECTION SERVICES**

**4.1 SCOPE OF WORK - GENERAL**

Contractor shall (a) collect Solid Waste generated at Residential Premises, Commercial Premises, County facilities and other events and locations within the County and deliver it to the Designated Disposal or Transfer Facility or other disposal site approved by County, and (b) collect Recyclable Materials, Green Waste and other items specified in Exhibit A placed for collection by participating Residential Customers, Commercial Customers, County facilities and other events and locations within the County and deliver it to the Designated Recycling, and Green Waste Processing Facilities.

The work to be done by Contractor includes the furnishing of all labor, supervision, equipment, materials, supplies and all other items necessary to perform the services required in a thorough, professional, and efficient manner, so that residents, businesses and institutions within the County are provided reliable, courteous and high-quality services at all times. The enumeration of, and specification of requirements for, particular items of labor or equipment shall not relieve Contractor of the duty to furnish all others that may be required, whether enumerated or not.

Contractor shall perform all work in accordance with Exhibit A, all provisions of which are incorporated herein whether or not such provisions are specifically referred to in any other article of this Agreement. In addition, to the extent that Contractor's proposal includes promises to perform services in addition to, or at a higher standard of service than those required by the Request for Proposals, those promises are incorporated into this Agreement and Contractor hereby ratifies its agreement to perform as promised.

**4.2 TRANSITION PLAN**

The parties recognize that substantial planning and preparation will be required to ensure a successful initiation of collection operations by Contractor on October 1, 2005. To that end, Contractor has prepared a detailed transition plan addressing the steps Contractor will take, and the schedule on which it will take them, to prepare for commencement of collection operations. The transition plan covers, but not limited to, detailed transition schedule showing all key milestone dates and the sequencing of ongoing and periodic activities that separately address solid waste collection, recyclables collection, processing, and marketing, and green waste collection, Contractor's schedule for hiring and training of personnel, acquiring necessary collection vehicles and equipment, preparing customer relations materials (including collection schedules, route maps, billing forms, complaint forms, service request forms and so forth), distributing new Solid Waste, recycling and Green Waste containers to all customers, etc. and is attached as Exhibit H.

Contractor shall diligently adhere to the transition plan and shall meet periodically, whenever County's requests, to review progress. Failure to adhere to the transition plan, including its schedule, shall constitute a breach of this Agreement which, if uncured, shall constitute a default under Article 10.

County will take actions, make decisions, and provide directions to Contractor in accordance with the schedule and time allowances set forth in Exhibit H, so as not to delay Contractor's adherence to the transition plan schedule.

**4.3 RESIDENTIAL SOLID WASTE COLLECTION**

**A. Regular Collections**

771 Contractor shall collect all Solid Waste generated at Residential Premises within the County  
772 and placed for collection at curbside, and at side-yard/backyard locations by occupants who are  
773 eligible for such collection under regulations adopted by County from time to time. Solid Waste  
774 shall be collected from such Premises at the frequencies and in the manner described in Exhibit  
775 A, Section 1.0.

776  
777 **4.4 COMMERCIAL SOLID WASTE COLLECTION**

778 Contractor shall collect all Solid Waste generated at Commercial Premises within the County  
779 and placed for collection. Solid Waste shall be collected from such Premises at the frequencies  
780 and in the manner described in Exhibit A, Section 1.1.

781  
782 **4.5 COUNTY FACILITIES/EVENTS SOLID WASTE COLLECTION**

783 Contractor shall collect all Solid Waste generated at facilities owned and/or operated by the  
784 County (except for those located within the City of Napa), and at up to two (2) County-  
785 sponsored events at no charge to the County. The County facilities, and type and frequency of  
786 service are listed in Exhibit K.

787  
788 **4.6 DIVERSION PROGRAMS**

789  
790 **A. Residential Recycling**

791 The Contractor shall collect Recyclable Materials and Green Waste generated at participating  
792 Residential Premises, placed for collection in authorized containers (to be provided by  
793 Contractor) at the curbside. Contractor shall also collect Recyclable Materials and Green Waste  
794 generated at Residential Premises, placed for collection at backyard or side-yard locations by  
795 occupants who are eligible for backyard or side-yard collection under regulations adopted by  
796 the County from time to time. Recyclable Materials shall be collected from Residential Premises  
797 at the frequencies and in the manner described in Exhibit A, Section 1.0.

798  
799 **B. Commercial/Business Recycling**

800 Contractor shall collect Recyclable Materials and Green Waste from participating Commercial  
801 Premises at the frequencies and in the manner described in Exhibit A, Section 1.1.

802  
803 **C. County Facilities/Events Recycling**

804 Contractor shall collect Recyclable Materials and Green Waste from two (2) County Facilities  
805 and at up to two (2) County-sponsored events at the frequencies and in the manner described  
806 in Exhibit A, Section 1.3.

807  
808 **D. Food Waste Recycling**

809 Contractor shall implement Food Waste Collection and Recycling for Residential Customers as  
810 provided in Exhibit A, Section 1.0; for Commercial Premises as provided in Exhibit A, Section  
811 1.1; and at County facilities and events as provided in Exhibit K.

812  
813 **E. Recycling Diversion Calculated Increase**

814 Every two (2) years commencing October 1, 2007 and continuing through the Term of the  
815 Agreement, the Minimum Diversion Rater (MDR) will be adjusted up or down based on the  
816 documented median differential diversion rate for collected materials for the following five Bay  
817 Area agencies. County may review and adjust in accordance with any applicable change in  
818 law. As of October 1, 2005, the MDR (2005) is 40%

- 819  
820
  - Sonoma County (SC), Sonoma County Waste Management Agency

- 821 • Santa Clara County (SCC), Integrated Waste Management Division  
822 • Castro Valley Sanitary District (CVSD), Castro Valley Sanitary District  
823 • Mendocino County (MDC), Mendocino County Solid Waste Authority  
824 • Marin County (MC), Public Works Department  
825

826 The calculation to adjust the MDR is for **illustrative purposes only** and used the following  
827 assumptions:

- 828  
829 1. October 1 MDR (2005) = 48%  
830  
831 2. Collected diversion rates for participating agencies based on 2005 calendar year information:  
832  
833 • SC = 46%  
834 • SCC = 38%  
835 • CVSD = 42%  
836 • MDC = 49%  
837 • MC = 51%  
838

839 Median diversion for calendar year 2005 = 46%  
840

- 841 3. Collected diversion rates for participating agencies based on 2006 calendar year information:  
842  
843 • SC = 48%  
844 • SCC = 41%  
845 • CVSD = 40%  
846 • MDC = 49%  
847 • MC = 50%  
848

849 Median diversion for calendar year 2006 = 48%  
850

- 851 4. The median diversion differential for calendar years 2005 and 2006 equals

852  
853  $48 - 46 / 46 = 4.35\%$   
854

- 855 5. The new MDR for October 1, 2007 is calculated as follows:

856  
857  $MDR(2005) \times [Median\ diversion(2005/06) + 1] = MDR(2007)$  or

858  
859  $48\% \times 1.0435 = 50.1\%$   
860

#### 861 **F. Food Waste Diversion Calculated Increase**

862 Upon the implementation of both the commercial and residential food waste program, the MDR  
863 will be adjusted based on historical information from County approved communities, as well as,  
864 the recycling diversion calculated increase provided above.  
865  
866

866 **4.7 OTHER SERVICES AND SPECIAL SERVICES**

867

868 **A. Other Services**

869 Contractor shall provide other collection services as requested by waste generators in the  
870 County on an on-call basis, including drop box service described in Exhibit A, Section 1.0 and  
871 1.1.

872

873 **B. Special Services**

874 Contractor shall provide the following special services as described in Exhibit A.

- 875 • Bulky Item Collections
- 876 • Collection and Recycling of Used Oil and Used Oil Filters at Residences
- 877 • Holiday Greenery Collection and Recycling
- 878 • Telephone Directory Collection and Recycling
- 879 • Electronic Waste Collection and Recycling

880

881 **4.8 TRANSPORT AND DISPOSAL OF SOLID WASTE**

882 Contractor shall transport Solid Waste to the Designated Disposal or Transfer Facility and is  
883 responsible for payment of all transport and Disposal charges from the Rates. As of the  
884 Effective Date, the Designated Disposal or Transfer Facility is the Napa-Vallejo Waste  
885 Management Authority's Devlin Road Transfer Station. County may at its sole discretion direct  
886 the Contractor to use a different Disposal or Transfer Facility. Any County designation of a  
887 different Disposal or Transfer Facility(ies) shall be considered a Change in Scope and shall be  
888 subject to the provisions of Article 5.7.

889

890 **4.9 RECYCLING TRANSPORTATION, PROCESSING AND MARKETING**

891 The Contractor shall provide for the transportation, processing and marketing of all Recyclable  
892 Materials collected within this Agreement. The Contractor shall use Recycling Facilities of its  
893 own choosing, unless a Recycling Facility is designated in Exhibit P of this Agreement, in which  
894 case the provisions of Exhibit P shall control. Contractor shall ensure that processing and  
895 marketing occurs in a manner that results in Residue requiring Disposal equal to no more than  
896 ten (10) percent by weight of the original weight of the collected Recyclable Materials, and that  
897 any Residue is delivered to a permitted Disposal facility for proper Disposal. As specified in  
898 Article 8, Contractor's reports to County will include specified information on the use of the  
899 utilized Recycling Facility.

900

901 **4.10 TRANSPORT AND PROCESSING OF GREEN WASTE**

902 Contractor shall provide for the transportation, processing and marketing of all Green Waste for  
903 use as compost, mulch, alternative daily cover, or other forms of beneficial reuse, and is  
904 responsible for payment for these services from the Rates. The Contractor shall use Green  
905 Waste Processing Facilities of its own choosing, unless a Recycling Facility is designated in  
906 Exhibit P of this Agreement, in which case the provisions of Exhibit P shall control. Contractor  
907 shall ensure any residue is delivered to a permitted Disposal Facility for proper Disposal. As  
908 specified in Article 8, Contractor's reports to County will include specified information on the use  
909 of the utilized Recycling Facility.

910

911

911  
912  
913 **ARTICLE 5**  
914 **OTHER SERVICES**  
915

916 **5.1 ROLE OF CUSTOMER INFORMATION AND PUBLIC EDUCATION IN ACHIEVING**  
917 **DIVERSION**

918 Exhibit A specifies the minimum standards for Contractor performance of these activities in a  
919 proactive, timely, and professional manner. All materials and messages shall be conveyed in  
920 English and Spanish.  
921

922 Contractor acknowledges the importance throughout the Term of developing, and maintaining  
923 consistent effort in conducting the public education activities, and in particular the role of  
924 information and education in successful implementation and on-going success of Single Stream  
925 Recycling, multi-Family and commercial Recycling services, and weekly Green Waste  
926 Collection. Contractor's information and education efforts are also crucial in ensuring that  
927 Customers are fully aware of all services to which they are entitled as specified in this  
928 Agreement, including but not limited to Christmas tree collection, side yard or backyard service  
929 for frail elderly and disabled Customers, and the free community cleanup program. Contractor  
930 further acknowledges its responsibility, and the important role of the Contractor's consumer  
931 information and public education efforts, in causing the County to reach and maintain an AB  
932 939 diversion level of fifty (50) percent or above for the service area served by the Contractor.  
933 Exhibit L contains the final approved public education and diversion plans, including the specific  
934 activities that the Contractor is solely responsible for conducting.  
935

936 **5.2 CUSTOMER SERVICE AND ACCESSIBILITY**  
937

938 **A. General**

939 Contractor acknowledges that County expects provision by Contractor of highly professional  
940 and courteous customer service.  
941

942 **B. Telephone**

943 Contractor shall maintain a toll-free telephone number for Customer service. Contractor shall  
944 provide all specified services in English and Spanish. Contractor shall install and maintain  
945 telephone equipment, and have available service representatives sufficient to handle the  
946 volume of calls typically experienced on the busiest days. Dedicated customer service  
947 representatives shall be available to answer calls from 8 a.m. to 5 p.m., Monday through Friday.  
948 Contractor shall also maintain an after-hours telephone message system to take calls received  
949 other than during normal business hours. Contractor shall provide the County a means of  
950 contacting a representative of the Contractor on a 24-hour basis. Further specification of these  
951 requirements is contained in Exhibit A.  
952

953 **5.3 SERVICE COMPLAINTS AND RESOLUTION**  
954

955 **A. General**

956 The County expects Customers to receive a high level of Customer service that is provided in a  
957 professional, timely, and courteous manner.  
958

959 **B. Customer Complaint Log**  
960

961 Contractor shall maintain a written log of all oral and written service complaints registered with  
962 Contractor from Customers within County ("Complaint Log"). Contractor shall be responsible for  
963 prompt and courteous attention to, and prompt and reasonable resolution of, all Customer  
964 complaints. Contractor shall record in the Complaint Log all written and oral complaints, noting  
965 the name and address of complainant, date and time of complaint, nature of complaint, identity  
966 of supervisor, and nature and date of resolution. Such log shall be kept so that it may  
967 conveniently be inspected by representatives of County upon written request. Such log shall be  
968 retained by Contractor for four (4) years following the end of the year in which the complaint  
969 was made, except that any log incidental to an assessment of Liquidated Damages, a breach, a  
970 default, or a cause of termination shall be retained through the Term unless the County  
971 otherwise in writing permits its disposal.

972  
973 **C. Resolution of Complaints**

974 Contractor shall respond to all Customer complaints within twenty-four (24) hours, Saturdays,  
975 Sundays and holidays (as specified in Exhibit A) excluded. Contractor shall make best efforts to  
976 resolve all complaints within ten (10) Working Days, with the exception of missed Customer  
977 pick-ups. If a complaint involves a missed pick-up of Solid Waste, Recyclables or Green Waste  
978 provided by the Customer for Collection in accordance with County ordinances, Contractor shall  
979 Collect the Solid Waste, Recyclables or Green Waste in question by the same day if the  
980 complaint is received by 12 Noon, or by 12 Noon the following Working Day if the complaint is  
981 received after 12 Noon.

982  
983 **5.4 CHANGE IN COLLECTION OPERATIONS, ADMINISTRATION, OR SCHEDULE**

984  
985 **A. County Notice**

986 Changes to Solid Waste, Recycling and Green Waste Collection routes or Collection days, or  
987 other changes to Collection operations that have possible potential to create Customer  
988 confusion, are subject to prior approval of the County Representative, which shall not be  
989 unreasonably withheld. The County shall respond to such a request within ten (10) County  
990 business days of the request from the Contractor. A change in Collection route or day is defined  
991 as any change that affects more than five (5) percent of customers.

992  
993 **B. Customer Notice**

994 Contractor shall make the following notifications regarding any changes in service:

- 995  
996  
997  
998  
999  
1000  
1001  
1002  
1003  
1004  
1005
1. Notify all affected Cart Customers at least fourteen (14) calendar days prior to any change in their scheduled day of Solid Waste, Recyclables and Green Waste by mailing notice at least seventeen (17) calendar days prior to the change. Contractor shall not permit any Cart Customer to go more than seven (7) calendar days without service in connection with a Collection schedule change, excluding scheduled holidays.
  2. Notify all affected Bin Customers at least five (5) calendar days prior to any change in service. Except by prior arrangement with the Customer, no change in service shall temporarily reduce the weekly frequency of Collection.

1006  
1007 **5.5 REPORT ACCUMULATION OF SOLID WASTE: UNAUTHORIZED DUMPING AND CESSATION OF SERVICE**

1008 Contractor shall direct its employees to note and report any County address at which they  
1009 observe significant and/or ongoing accumulation of Solid Waste that is not being delivered for  
1010 Collection. Contractor shall also direct its employees to note and report any County address or  
1011 location at which Solid Waste has been apparently dumped in a manner that does not conform

1012 to County ordinances. Contractor shall notify the County Representative within three (3)  
1013 Working Days of the address or location of any accumulation or dumping.

## 1014 1015 **5.6 HAZARDOUS WASTE**

### 1016 1017 **A. General**

1018 If Contractor determines that waste placed in any Container for Collection or delivered to any  
1019 facility is Hazardous, Medical or Infectious Waste, or other waste that may not legally be  
1020 disposed of at the Disposal and Transfer Facility or presents a hazard to Contractor's  
1021 employees, Contractor shall have the right to refuse to accept such waste. The Customer shall  
1022 be contacted by Contractor and requested to arrange proper disposal. If the Customer cannot  
1023 be reached immediately, Contractor staff shall, prior to leaving the premises, leave a tag  
1024 indicating the reason for refusing to collect the waste.

### 1025 1026 **B. Ownership of Hazardous and Noncollectible Waste**

1027 The Parties agree and intend that upon Collection all Collection Materials (not including  
1028 Hazardous Waste or other waste that Contractor is prohibited from collecting under its  
1029 governmental permits) becomes the property of Contractor. All other materials (including  
1030 Hazardous and other waste that Contractor is prohibited from collecting under its governmental  
1031 permits) shall remain the property of the Customer that disposed of such materials, which shall  
1032 remain solely responsible for such materials, including without limitation for their transportation  
1033 and disposal, retrieval of such materials from any location to which Contractor may have  
1034 transported them and for any and all damages, losses, liabilities, fines, penalties, forfeitures,  
1035 claims, demands, actions, proceedings or suits arising out of or relating to the generation,  
1036 transportation, handling, cleanup, remediation or disposal of or with respect to such materials.

### 1037 1038 **C. Hazardous Waste Disposal Responsibility**

1039 If Hazardous Waste is nonetheless collected by Contractor during Contractor's normal  
1040 Collection Service and the Customer cannot be identified or fails to remove the waste after  
1041 being requested to do so, Contractor shall arrange for its proper disposal at no cost to County.  
1042 Contractor shall make a good faith effort to recover the cost of proper disposal from the  
1043 Customer, and the cost of this effort as well as the cost of disposal shall be chargeable to that  
1044 individual or entity. If the Customer cannot be identified, Contractor shall absorb the cost of  
1045 proper disposal. Contractor shall report any such disposal cost in writing to the County within  
1046 forty-eight (48) hours of the date and time incurred.

## 1047 1048 **5.7 CHANGE IN SCOPE**

### 1049 1050 **A. General**

1051 County may require a Change in Scope, consisting of changes in, or modifications to existing  
1052 Collection Services, or a request that Contractor provide new services; or may consider a  
1053 Contractor request for a Change in Scope.

- 1054 1. Should the Change in Scope result in documented increases in Contractor's operating  
1055 or capital expenses, the County shall increase Rates as provided in Article 7.4 as  
1056 necessary to compensate Contractor for the additional documented expenses, including  
1057 an increase in profit equal to ten (10) percent of the portion of increased expenses that  
1058 are not pass-through expenses (e.g., not such expenses as facility tipping fees,  
1059 including associated regulatory and/or surcharges).
- 1060 2. Should the Change in Scope result in documented decreases in Contractor's operating  
1061 or capital expenses, the County shall decrease Rates, as provided in Article 7.4, as  
1062 necessary to reflect such decrease in costs, including a decrease in profit equal to ten

1063 (10) percent of the portion of reduced expenses that are not pass-through expenses  
1064 (e.g., not such expenses as facility tipping fees, including associated regulatory and/or  
1065 surcharges).  
1066

1067 **B. Good Faith Negotiation**

1068 In the event of a Change in Scope, the Parties agree to negotiate in good faith to determine the  
1069 applicable distribution for the reasonable costs of reviewing the proposed Change in Scope,  
1070 and for the resulting increase or decrease in Rates. Contractor shall promptly provide any  
1071 documentation reasonably requested by County as necessary to identify and quantify any  
1072 added or reduced expenses related to the Change in Scope. Either Party may, at its own cost,  
1073 seek independent third-party assistance in determining the nature of any costs or savings. All  
1074 determinations of added or reduced expenses shall be based on reasonable industry standards  
1075 and averages for providing such services. If a Change in Scope results in a reduction or shift in  
1076 equipment needs, to minimize capital expenditures, Contractor, including a parent or any  
1077 affiliates, shall make its best efforts to redeploy or sell vehicles, Containers, equipment, and  
1078 materials that are not fully amortized.  
1079

1080 **C. Adjustment of Rates**

1081 Any Rate adjustment made pursuant to this Article 5.7 shall be calculated as follows. The  
1082 appropriate and then-current component(s) of each Rate (Contractor Fee, Solid Waste Tip Fee  
1083 Component, Green Waste Tip Fee Component, and/or Recycling Tip Fee Component) shall be  
1084 adjusted to reflect the percentage change in the relative proportion of Gross Rate Revenues  
1085 that needs to be generated from that component(s) of the Rates as a result of the Special Rate  
1086 Review. With regards to any Change in Scope, County reserves the right to adjust Contractor's  
1087 compensation through an alternative method, such as a one-time or phased lump sum payment  
1088 from the County to the Contractor, or from the Contractor to the County.  
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**ARTICLE 6**  
**BILLING, COLLECTION, AND REMITTANCE**

**6.1 BILLING RESPONSIBILITIES**

**A. General**

The Contractor is responsible for billing and collecting Rates for all Collection Services. The Contractor shall not charge any amount in excess of the Rates for any services required or permitted to be performed by the terms of this Agreement. The Rates are those set forth in Exhibit D, "Schedule of Rates," or as they may be adjusted by the County during the Term.

**B. Specific Requirements**

In billing the Rates, Contractor shall:

1. Levy Special Charges as provided in the Exhibit D. Special Charges shall not be levied without prior notification to the Customer.
2. Not bill for side yard or backyard service for eligible Customers as specified in Article 4.6 and Exhibit A.

All Commercial Customers shall be billed monthly, in advance of service, except Commercial Customers receiving one-time or drop box service. The Contractor may bill such Commercial Customers in arrears; however the Contractor assumes all risk and responsibility for non-payment. Residential Customers may be billed in advance on a monthly or every three months basis, at the Contractor's discretion. All Customer invoices are due and payable within 30 days of the invoice date. Residential Customers may prepay in advance for one year of Collection service, at a discount of five (5) percent from the usual Rate for that level of service.

**6.2 CONTRACTOR RECEIPT OF GROSS RATE REVENUES**

The Contractor shall enter into a Lock Box Agreement with the County and a third party agent or "Lock Box Bank" to provide Lock Box services, attached as Exhibit J. In addition to any other requirements specified in Exhibit J, Contractor shall deposit all Rate Revenues into the Lock Box Account according to the process specified in Exhibit J pursuant to Section 1 and Schedule A.

**6.3 GENERAL CONTRACTOR REQUIREMENTS FOR DISTRIBUTIONS**

The Contractor, with the County's consent, will issue instructions each month to the Lock Box Bank as to how the funds are to be distributed in accordance with Section 2.b. of the Lock Box Agreement contained in Exhibit J. Article 6.4 of this Agreement details the method of calculating the distributions to the County

**6.4 CALCULATION OF MONTHLY DISTRIBUTION TO THE COUNTY**

This Article 6.4 addresses the specific steps Contractor shall take to report Gross Rate Revenues to the County, and to monies to the County pursuant to Section 2.b.(iv) of the Lock Box Agreement contained in Exhibit J. For each calendar month the Contractor shall prepare and provide to the County a monthly statement by the 15<sup>th</sup> day after the end of the month. The monthly statement shall include the following information and calculations for the Monthly Distribution.

1139 **A. Gross Rate Revenues**

1140 All Rate Revenues collected by the Contractor from Customers during that month for current  
1141 and past due accounts are to be reported as Gross Rate Revenues. Documentation should be  
1142 provided to support the Gross Rate Revenues. Documentation should include the number of  
1143 accounts for each Rate and total number of Customers billed for each Special Charge.  
1144

1145 **B. Franchise Fee and Surcharge Fee.**

1146 The Contractor shall present the Franchise Fee calculations and the amount of the monthly  
1147 Franchise Fee, and Surcharge Fee obligation if a Surcharge Fee is then in effect. The  
1148 Franchise Fee shall be calculated as follows:

1149  
1150 Franchise Fee = 0.10 x Gross Rate Revenues

1151  
1152 The Surcharge shall be calculated as follows:

1153  
1154 Surcharge Fee = .045 Gross Rate Revenues  
1155

1156 **C. Liquidated Damages**

1157 Any Liquidated Damages the Contractor is obligated to pay to the County, as provided for in  
1158 Article 10.1 and Exhibit E shall be reported for the month.  
1159

1160 **D. Other Payments**

1161 Any other payments due to the County, such as the cost of performance reviews or audits.  
1162 County also reserves the right to during the Term add an AB 939 Fee, or other fee to the Rates  
1163 and require its distribution to the County.  
1164

1165 **E. Illustration**

1166 For example, for illustrative purposes only assume that:

- 1167
- 1168 1. Gross Rate Revenues for the month equals \$100,000 which is the sum of \$90,000 from  
1169 current monthly collections and \$10,000 from past due accounts collected.  
1170
  - 1171 2. Franchise Fee = 0.10 x Gross Rate Revenues  
1172 = 0.10 x \$100,000  
1173 = \$10,000  
1174
  - 1175 3. Surcharge Fee = 0.045 x Gross Rate Revenues  
1176 = 0.045 x \$100,000  
1177 = \$4,500  
1178
  - 1179 4. Liquidated Damages due for the month are \$100.  
1180
  - 1181 5. Total County Distribution = \$10,000 + \$4,500 + \$100 = \$14,600  
1182

1183 **6.5 CONTRACTOR RESPONSIBILITY FOR BAD DEBT AND DELINQUENT PAYMENTS**

1184 Contractor shall solely bear all expenses and losses related to collecting or failing to collect bad  
1185 debt from delinquent Customer accounts. Notwithstanding the foregoing, the Franchise Fee  
1186 and Surcharge Fee shall be based only on Gross Rate Revenues actually collected by  
1187 Contractor and shall not reflect any delinquent accounts, bad debts or other uncollected  
1188 amounts. Upon best reasonable effort (at least three attempts) to collect delinquent payments,  
1189 Contractor may stop service to Customers with delinquent accounts. Contractor shall within ten

1190 (10) Working Days notify County of any Customer for whom service has been stopped due to  
1191 delinquent payment.  
1192

## 1193 6.6 AUDIT OF BILLINGS AND FINANCIAL REPORTS; REVIEW OF COSTS 1194

### 1195 A. Scope of Audit

1196 County may at its sole discretion select a qualified independent firm to perform up to three  
1197 audits during the Base Term and two during any Extension. The cost of such audits as provided  
1198 for in this Article 6.6 A. is solely the responsibility of the Contractor. The frequency and timing of  
1199 the audits shall be determined at County's sole discretion. County shall provide Contractor sixty  
1200 (60) days notice of each audit. County shall determine the scope of any audits based on the  
1201 general requirements specified below and may elect to conduct either one or both of the  
1202 following types of audit:  
1203

- 1204 1. **Audit of Billings.** The auditor shall review the billing practices of Contractor with  
1205 relation to delivery of Collection Services. The intent of this audit is to use sampling to  
1206 verify that Customers are receiving the type and level of service for which they are  
1207 billed.  
1208
- 1209 2. **Audit of Revenue Reporting.** The auditor shall review relevant financial reports and  
1210 data submitted by Contractor pursuant to Article 8. The purpose of this audit is to verify  
1211 that Contractor is correctly calculating Gross Rate Revenues, and is properly remitting  
1212 Franchise Fees, AB 939 Fees and Liquidated Damages.  
1213

1214 **B. Review of Costs.** In conjunction with or separate from an audit, the County may review any  
1215 costs and revenues related to any Change in Scope or special Rate review. Apportionment of  
1216 the cost to each Party of any review of cost or revenues associated with a Change in Scope or  
1217 special Rate review is as specified in Articles 5.7 and 7.4, respectively.  
1218

### 1219 6.7 VACATION STOP SERVICE

1220 Contractor shall allow Customers to stop service once per year without any additional charge or  
1221 compensation to the Contractor during the vacation stop period. Contractor shall allow  
1222 Customers to specify no service during certain dates for a minimum of a two-week period and  
1223 for no longer than three months. If the stop request exceeds three months, the Contractor will  
1224 arrange to pick-up the Carts from the Customer and will reinitiate Service and billing upon  
1225 notification of the Customer.  
1226  
1227

1227 **ARTICLE 7**  
1228 **CONTRACTOR COMPENSATION AND CUSTOMER RATES**  
1229

1230 **7.1 RATES**

1231 The Rates contained in Exhibit D ("Schedule of Rates") are the only source of compensation to  
1232 Contractor for provision of Collection Services. Contractor shall bill Customers and collect  
1233 payment in accordance with the Rates set forth in Exhibit D and pursuant to Article 6 and the  
1234 Lock Box Agreement contained in Exhibit J.  
1235

1236 **7.2 ADJUSTMENT OF RATES**  
1237

1238 **A. Annual Adjustment**

1239 Notwithstanding the provisions of Article 7.4 and subject to the terms herein, the Contractor is  
1240 entitled to one Rate adjustment annually beginning October 1, 2007. Contractor's request for an  
1241 adjustment shall be prepared in a format approved by the County Representative, and is to be  
1242 submitted to County by each June 1 beginning with June 2007. Each adjustment is to be based  
1243 on data from a previous twelve (12) month period as specified in this Article 7.2, is to be  
1244 approved by the County with good faith effort by August 1 of each year, and will be effective on  
1245 each subsequent October 1. Each component is adjusted as specified in this Article 7.2.  
1246

1247 The County shall adjust each Rate up or down to reflect: 1) the product of the change in the  
1248 annual inflation rate measured as the percentage increase in the Consumer Price Index (CPI)  
1249 over the previous twelve (12) months multiplied by the then-current Contractor Compensation  
1250 Fee Component, and; 2) actual changes in any of the pass-through components of each Rate.  
1251

1252 The annual change in the CPI shall be calculated using the twelve (12) months that began  
1253 twelve (12) months prior to the effective date of the Rate adjustment, accounting for the fact  
1254 that the CPI is published six times per year for February, April, June, August, October, and  
1255 December, and allowing for lag time in the publishing of the latest CPI. Thus the calculation of  
1256 the change in the CPI for a Rate adjustment taking effect on October 1, 2007 shall be based on  
1257 CPI for February 2006 through February 2007. The then-current Contractor Compensation Fee  
1258 Component is then also adjusted by the Contractor Compensation Fee Adjustment Factor,  
1259 which is seventy-five (75) percent.  
1260

1261 Adjustment of the Solid Waste Tip Fee Component, the Net Recycling Processing Fee  
1262 Component, and the Green Waste Tip Fee Component shall be based on the relative  
1263 proportion of any change in the Solid Waste Tip Fee, the Green Waste Tip Fee, or in the Net  
1264 Recycling Processing Fee, respectively, compared to the then-current fees.  
1265

1266 For example, for illustrative purposes only assume that:

1267  
1268 The Solid Waste Tip Fee increases from \$32.00 per ton to \$34.00 per ton, and the then-current  
1269 Solid Waste Tip Fee Component is \$4.00,  
1270

1271 Adjusted Solid Waste Tip Fee Component =  $\$4.00 \times (\$34.00/\$32.00) = \$4.25$   
1272

1273 **B. Calculation of Adjustment**  
1274

1275 Each Rate shall be adjusted as follows:  
1276

- 1277 1. Current Contractor Compensation Fee Component x  $[(\text{Current CPI}/12\text{-month}$   
 1278  $\text{previous CPI}) - 1] \times 0.75 + 1] +$   
 1279  
 1280 2. Adjusted Solid Waste Tip Fee Component (pass-through) +  
 1281  
 1282 3. Adjusted Net Recycling Processing Fee Component (pass-through) +  
 1283  
 1284 4. Adjusted Green Waste Tip Fee Component (pass-through).  
 1285  
 1286 Adjusted Rate = [Adjusted Components 1. through 4. above./0.855 where 0.855 represents the  
 1287 addition of the Franchise Fee Component of 10 percent and 4.5 percent Surcharge Fee.  
 1288

1289 For example, assume the following change in CPI and no changes in the three pass-through  
 1290 components:

- 1291  
 1292 1. Current CPI Adjustment is 123  
 1293  
 1294 2. Previous 12-month CPI = 118  
 1295  
 1296 3. Then-current Contractor Compensation Fee Component = \$10.00  
 1297  
 1298 4. Then-current Solid Waste Tip Fee Component = \$4.00  
 1299  
 1300 5. Then-current Net Recycling Processing Component = \$3.00  
 1301  
 1302 6. Then-current Green Waste Tip Fee Component = \$2.00  
 1303

1304 Then the adjusted Rate is calculated as follows:

1305  
 1306 Adjusted Rate =  
 1307  $\$10 \times [((123/118) - 1.00) \times 0.75 + 1] + \$4.00 + \$3.00 + \$2.00 / 0.855 = \$22.59$   
 1308

1309 **C. CPI Index Cap**

1310 In the event that the specified CPI index increases by more than four (4) percent in any one  
 1311 year (i.e., Current CPI/12-month previous CPI is greater than 1.04), the Contractor shall receive  
 1312 an adjustment of the CPI Component of each Rate greater than four (4) percent only to the  
 1313 extent that the Contractor can demonstrate that actual costs increased more than four (4)  
 1314 percent during that twelve month period.  
 1315

1316 **D. Change in the CPI Index**

1317 If the CPI is discontinued or revised during the Term by the United States Department of Labor,  
 1318 such other government index or computation with which it is replaced shall be used in order to  
 1319 obtain substantially the same result as would be obtained if the CPI had not been discontinued  
 1320 or revised.  
 1321

1322 **7.3 APPROVAL AND NOTICE OF ADJUSTED RATES**

1323 The County shall act in good faith to approve adjusted Rates on each August 1, beginning with  
 1324 August 1, 2007, to be effective the following October 1 beginning with October 1, 2007.  
 1325 Contractor shall provide all Customers with advance written notice of approved Rate

1326 adjustments, in the form of a bill insert or notification on the invoice at least thirty (30) days prior  
1327 to the effective date of each Rate adjustment.

## 1328 **7.4 SPECIAL RATE REVIEW**

### 1330 **A. Eligible Items**

1331 Notwithstanding the schedule for annual Rate adjustments described in Article 7.2 and subject  
1332 to the terms herein, the Contractor is entitled to apply to the County for consideration of a  
1333 Special Rate Review, or the County may initiate such a Review should one or more of the  
1334 following occur:

- 1335 1. A change in the cost of providing Collection Services due to an increase in State or local  
1336 fees or surcharges at the Disposal or processing site or a Change in Law.
- 1337 2. A Change in Scope as provided in Article 5.7.
- 1338 3. Changes to the Franchise Fee, Surcharge Fee or an addition, deletion or change to any  
1339 other County fee in accordance with Article 3.5.
- 1340 4. A Change in Law for which Contractor compliance is mandatory, and that results in  
1341 significant documented increases in the specific cost of providing Collection Services.

1342 Special Rate Reviews are intended to be used to make legitimate Rate adjustments to reflect  
1343 changes in eligible expenses. It is the responsibility of the Contractor to identify any such  
1344 eligible items as early as possible, and prior to their taking effect for any eligible item such as a  
1345 change in State law that the Contractor should reasonably have anticipated. Special Rate  
1346 Reviews are not intended to provide retroactive compensation for past changes in the eligible  
1347 items listed above, nor to assist the Contractor should the Contractor have underbid the cost of  
1348 providing the services specified in the Agreement.

### 1350 **B. Ineligible Items**

1351 Items for which Contractor will not be additionally compensated over the Term, except as  
1352 resulting from a Change in Scope, include, but are not limited to:

- 1353 1. Changes in fuel cost.
- 1354 2. Decreases in Recyclable Material sales revenues or Green Waste material sales  
1355 revenues due to changes in market conditions or in any other factor affecting revenues.
- 1356 3. Increases in transportation time and/or costs related to provision of Collection Services.
- 1357 4. Changes in the number of Customers due to changes in population or housing/business  
1358 development, or to annexation or de-annexation.
- 1359 5. Shifts in the number of accounts between larger and smaller Cart sizes, large and  
1360 smaller Bins, or more or less frequency of Bin pickup.
- 1361 6. Incorrectly estimated number of accounts; tons of Solid Waste, Recyclables or Green  
1362 Waste; or inaccuracies in any other assumptions or data at any time during the Term.

- 1376 7. Changes in local, state or federal clean air regulations, except constituting a Change in  
1377 Law and meeting the requirements of 7.4.A, including but not limited to all alternative  
1378 fuel or vehicle requirements.  
1379

1380 **C. Review of Costs**

1381 Should either Party request a Special Rate Review, the County shall have the right to review  
1382 any or all costs associated with the Contractor's services under this Agreement. A Special Rate  
1383 Review may, at the County's sole discretion occur in conjunction with a performance review  
1384 pursuant to Article 8.7.  
1385

1386 **D. Submittal of Request**

1387 Contractor must submit any request for a Special Rate Review, and reasonable supporting cost  
1388 and operational data in a form and manner specified by the County at least six (6) months prior  
1389 to the proposed effective date of any Rate adjustment, and shall make every effort to have any  
1390 such increase coincide with a regular Rate adjustment as specified in Article 7.2.  
1391

1392 **E. Burden of Justification**

1393 Contractor shall bear the burden of justifying to County by Clear and Convincing Evidence any  
1394 entitlement to a Rate adjustment under this Article 7.4. If the County determines that the  
1395 Contractor has not met its burden, the Contractor may request another hearing to produce  
1396 additional evidence. Upon request, the County may permit said additional hearing.  
1397

1398 **F. Grant of Request**

1399 Based on evidence the Contractor submits, the Board of Supervisors may grant some, all or  
1400 none of the Rate adjustment requested pursuant to this Article 7.4.  
1401

1402 **G. Calculation of Rate Adjustment**

1403 Any Rate adjustment made pursuant to this Article 7.4 shall be calculated as follows. The  
1404 appropriate and then-current component(s) of each Rate (Contractor Compensation Fee, Solid  
1405 Waste Tip Fee Component, Net Recycling Processing Fee Component, and/or Green Waste  
1406 Tip Fee Component) shall be adjusted to reflect the percentage change in relative proportions  
1407 of the Gross Rate Revenues that need to be generated from one or more of the four  
1408 component(s) of the Rates as a result of the Special Rate Review.  
1409

1410 **H. Cost of the Review**

1411 The Party initiating or requesting a Special Rate Review shall compensate the other Party for all  
1412 reasonable and documented costs associated with conducting the review.  
1413

1414 **7.5 RESOLUTION OF DISPUTES REGARDING SPECIAL RATE REVIEWS**

1415 This Article 7.5 pertains only to Special Rate Reviews requested by Contractor under the  
1416 provisions of Article 7.4. If County rejects a special Rate adjustment requested by the  
1417 Contractor, grants a Rate adjustment different than was requested by the Contractor, or fails to  
1418 act in a timely manner upon all or any part of the Contractor's special Rate adjustment  
1419 application, then Contractor's sole remedy against the County is to file a petition for writ of  
1420 mandate pursuant to CCP Section 1085. Contractor expressly does not have a cause for action  
1421 for damages against the County. In addition, Contractor expressly does not have a cause for  
1422 action for damages against the County, should the County be unable to implement a planned  
1423 adjustment in Rates due to applicable legal requirements including but not limited to California  
1424 State Proposition 218.



2. Account data submitted in hard copy, including the number of accounts, account names and addresses of collection locations per each service category. List of delinquent accounts for which service was stopped during the year, and indication of whether or not service has resumed.
3. Public education and information activities undertaken during the year, including distribution of bill inserts, collection notification tags, community information and events, tours and other activities related to the provision of Collection Services. Discuss the impact of these activities on Recycling and Green Waste program participation and amounts collected for Commercial and Residential Customers.
4. An analysis of any Recycling and Green Waste Collection, processing and marketing issues or conditions (such as participation, setouts, contamination, etc) and possible solutions, discussed separately for Cart and Bin Customers.
5. Detailed review of the number and type of complaints received over the past year, including how they were resolved and the elapsed time between receipt of the first complaint and final resolution of the complaint. Contractor shall propose, and County shall approve in advance the format to be used for this portion of the annual report.
6. Audited annual financial statement/report provided each year beginning in 2006, and submitted no later than 60 days following the close of the Contractor's fiscal year. The audited financial statement shall be specific to the operations to be provided under this contract. In addition, the statements/reports shall address all specific information regarding the overall financial situation of the Contractor that could in any reasonably foreseeable way affect the ability of the Contractor to fulfill its obligations under this Agreement, including but not limited to Contractor's ability to service short-term and long-term debt. The financial statements, management letter and footnotes shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by a certified public accountant (CPA) licensed (in good standing) to practice public accounting in the State of California as determined by the State of California Department of Consumer Affairs Board of Accountancy. The CPA opinion on Company's annual financial statements and supplemental schedule shall be unqualified, except as to uncertainties for which the ultimate outcome cannot be determined by the date of the CPA's opinion. Company shall, in its agreement with the CPA performing its annual audit referred to above, have its CPA make available to the County (or County's designated representative) such CPA's all-inclusive working papers related to the audit.

The information contained in 6. above will be used by the County to confirm the ongoing financial solvency with regard to Contractor's ability to fulfill contractual obligations throughout the term.

### C. Monthly Reports

Monthly reports to the County shall be due 15 days after the end of each month and shall include:

1. Total tons collected, diverted through recycling, diverted through green waste processing, and disposed through provision of the Collection Services.

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2. Detail of previous month's distributions to all parties as specified in Article 6 and Exhibit J.
  3. Gross and net Recycling revenues if the Designated Recycling Facility is not the City of Napa Materials Diversion Facility.
  4. Name and address of any Customer for whom service has been suspended or ended due to a failure to pay for service.
  5. Identification of any commercial Customers that have refused service during the previous month, and delivery of service to any commercial Customers that had previously refused service.

1539 **D. Additional Report Information to Be Submitted As Requested**

1540 County may also require that the monthly and/or annual reports include some or all of the  
1541 following information and data:

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1571
1. **Solid Waste Data.** Include separately for Cart and Bin Service the average number of daily setouts, and tons Collected and Delivered to the Disposal facility. Indicate number of service accounts by service classification level for Cart and Bin Customers. Indicate number of Bins and Carts distributed by size and Customer type. Provide total tons Disposed by Disposal site location.
  2. **Recycling Data.** Include gross tons Collected daily on average by material type by route for Cart and Bin Service. Indicate average number of daily setouts by Cart route. Provide total setouts and tonnages, by material type and by route for the quarter. Indicate average participation rates by quarter relative to the total number of Customers in terms of weekly setout counts. Indicate, by material type (and grade where appropriate), quarterly totals of Recyclable Materials processed and sold including facility name and location, average price received per ton and total Recycling Revenue received for the quarter. Indicate any quantities, by material type, donated or otherwise disbursed without compensation. Indicate number of Bins and Carts distributed by size and Customer type. Also provide monthly totals and location for Residue Disposed.
  3. **Green Waste Data.** Include average daily gross tons collected by route. Indicate average daily number of setouts by route. Indicate average participation rates relative to the total number of Customers in terms of weekly setout counts. Indicate number of Bins and Carts distributed by size and Customer type. Also provide totals and location for Residue Disposed.
  4. **Praises, Complaints, Missed Pickups and Resolutions.** Provide a copy of log of praises and complaints and resolutions of complaints, including a summary of the type and number of complaints. Provide written record of all calls related to missed pickups and responses to such calls.
  5. **Problems and Actions Taken.** Provide summary narrative of problems encountered with Collection and processing activities and actions taken. Indicate type and number of notification tags left at Customer locations. Indicate instances of property damage or injury, poaching or scavenging, significant changes in operation, market factors, publicity conducted, and needs for publicity. Include description of processed material loads rejected for sale, reason for rejection and disposition of load after rejection.

- 1572 6. **Equipment Inventory.** An updated complete inventory of collection and major  
1573 processing equipment including stationary, rolling stock, and bins and carts by type and  
1574 size.

1575  
1576 **8.3 ADDITIONAL REPORTING**

1577 The Contractor shall furnish the County with any additional reports as may reasonably be  
1578 required, to be prepared within a reasonable time following the reporting period. County  
1579 reserves the right to require submittal of any of the annual report information on a more  
1580 frequent basis, whether periodically or on an ongoing basis.

1581  
1582 **8.4 OTHER RELATED REQUIREMENTS**

1583  
1584 **A. Waste Characterization and Waste Diversion Studies**

1585 The Contractor shall fully and in a timely manner cooperate with and assist the County in the  
1586 performance, if and as needed, of periodic waste characterization and waste diversion studies.

1587  
1588 **B. Collection Monitoring**

1589 The Contractor shall monitor its Collection of Solid Waste, Recyclable Materials, and Green  
1590 Waste to identify occurrences of, and to prevent, contamination of Recyclable Materials and  
1591 Green Waste. Contractor shall allow a person designated by the County Representative to ride  
1592 with Contractor's collection vehicles on any route or routes. The County Representative will  
1593 inform Contractor at least one week in advance prior to date of route monitoring. The County  
1594 Representative will comply with all policies and procedures of Contractor when riding in such  
1595 vehicles.

1596  
1597 **8.5 INSPECTION BY THE COUNTY**

1598 County Representative, or his designee(s) shall have the right to observe and review any  
1599 Contractor's records, operations, and equipment, used in or connected with the provision of  
1600 Collection Services, and to enter premises during normal business hours for the purposes of  
1601 such observations and review at any time without prior notification. County Representatives  
1602 shall make notification to Contractor's Representative upon arrival. The County Representative  
1603 will comply with all policies and procedures of Contractor when on Contractor's premises.

1604  
1605 **8.6 PERIODIC REVIEW**

1606 County will periodically review the performance of the Contractor based on Customer  
1607 complaints, timely payment of sums due, statistical reporting, program progress, AB 939  
1608 compliance, etc. This review will be conveyed to the Board of Supervisors, and the Contractor  
1609 may review the draft report before it is conveyed to the Board of Supervisors and submit its own  
1610 statement.

1611  
1612 **8.7 PERFORMANCE REVIEW**

1613 Subject to the appropriate areas of concern listed below, the County may require a  
1614 "Performance Review" of the Contractor up to three times during the Base Term of the  
1615 Agreement and two times during any Extensions of the Agreement. The Performance Review  
1616 shall be conducted as set forth below.

1617  
1618 **A. Scope of Performance Review.** The Performance Review shall:  
1619

- 1620 1. Be performed by the County or a qualified firm under contract to the County. The  
1621 qualified firm shall be selected by the County with input from the Contractor.
- 1622 2. County cost of the Performance Review shall be reimbursed by Contractor, provided  
1623 that such reimbursement shall not exceed \$60,000 per review, or a combined total of  
1624 \$180,000 during the Base Term. However, if any Performance Review results in a  
1625 finding of a material breach or default in the Contractor's performance, the  
1626 Contractor shall in a timely manner reimburse the County for the total cost of the  
1627 Performance Review.
- 1628 3. Address all appropriate areas of concern to the County, and shall provide specific  
1629 recommendations, as appropriate, for improvement in each area, including but not  
1630 limited to the following:
- 1631 a. Compliance with the terms of this Agreement and Applicable Laws.
  - 1632 b. Overall organizational structure and management systems and procedures.
  - 1633 c. Efficiency of Collection operations, including an analysis of routes, schedules  
1634 and the impact of the requirements of this Agreement.
  - 1635 d. Compliance with the Public Education and Diversion Plans contained in Exhibit L.
  - 1636 e. Staffing practices, including the deployment of management and supervisory  
1637 personnel.
  - 1638 f. Financial management practices, including the Contractor's billing and collection  
1639 system, its policies with regard to uncollected Customer accounts, and its  
1640 compliance with the Lock Box Agreement contained in Exhibit J.
  - 1641 g. Personnel management practices, including the resolution of employee  
1642 grievances.
  - 1643 h. Employee job and safety training, and management of Hazardous Waste.
  - 1644 i. Procedures for receiving and resolving Customer complaints and concerns.
  - 1645 j. Procedures for the acquisition, maintenance, safety check, and replacement of  
1646 equipment.
  - 1647 k. Utilization and management of facilities, equipment and personnel.
  - 1648 l. Comparison with practices of businesses deemed similar to the Contractor.

1661 Contractor shall cooperate fully with the Performance Review, and provide within thirty (30)  
1662 days of request, all operational, financial and other information deemed reasonable or  
1663 convenient by County or the firm selected by the County for purposes of conducting the  
1664 Performance Review. The Contractor's failure to cooperate or provide all requested information  
1665 shall be considered an event of Default as provided in Article 10.2A.  
1666  
1667

1668 Notwithstanding the foregoing provisions of this Article, the County and Contractor agree to use  
1669 good faith efforts to ensure that any Performance Review is conducted in as cost-effective a  
1670 manner as possible, so as to minimize unnecessary costs or administrative oversight. To this  
1671 end, the County and the Contractor shall confer prior to any Performance Review to establish  
1672 the scope and budget of the review, in a manner designed to meet the County's concerns and  
1673 needs.  
1674

1675 **B. Determination of Breach**

1676 If, as a result of a Performance Review the County identifies one or more areas of Contractor  
1677 breach of the Agreement, the provisions of Article 10.1 shall apply.  
1678

1679 **C. Changes to Operations**

1680 As the result of a Performance Review, the County reserves the right to require reasonable  
1681 changes to the Contractor's operations, which the County determines to be necessary or  
1682 appropriate to carrying out the intent of the terms and conditions of this Agreement.  
1683

1684 **D. Determination of Default**

1685 If, after the County has reviewed the results of a particular Performance Review including  
1686 problem areas, frequency of occurrence, recommended improvements and compliance  
1687 therewith, and has considered any evidence presented by the Contractor in connection  
1688 therewith, the County determines to its satisfaction that any significant event of Default has  
1689 occurred, then this Agreement may be terminated by the County at its option pursuant to Article  
1690 10.7 of this Agreement and without prejudice to any other remedy to which it may be entitled to  
1691 either at law, in equity, or under this Agreement by giving written notice of termination, either by  
1692 mail or personal service, to the Contractor not less than thirty (30) days prior to the date upon  
1693 which the termination is to become effective.  
1694

**ARTICLE 9  
INDEMNITY, INSURANCE, BOND**

**9.1 INDEMNIFICATION OF THE COUNTY**

The Contractor agrees to and shall indemnify, defend, with Counsel acceptable to the County, and hold harmless County, its officers, officials, employees, volunteers, agents and assigns (indemnitees) from and against any and all damages (whether special, general or punitive), loss, liability, fines, penalties, forfeitures, claims, demands, actions, proceedings or suits (whether administrative or judicial), in law or in equity, of every kind and description, (including, but not limited to, injury to and death of any person and damage to property, strict liability, product liability, or for contribution or indemnity claimed by third parties) arising or resulting from or in any way connected with: (i) the operation of the Contractor, its agents, employees, contractors, and/or subcontractors, in performing or failing to perform this Agreement; (ii) the failure of the Contractor, its agents, employees, contractors and/or subcontractors to comply in all respects with applicable laws, ordinances and regulations, and/or applicable permits and licenses; (iii) the acts of Contractor, its officers, employees, agents, contractors and/or subcontractors in performing services under this Agreement for which strict liability is imposed by law; and (iv) the processing, marketing, and end use of Recyclable Materials and Green Waste. The foregoing indemnity shall apply regardless of whether such loss, liability, penalty, forfeiture, claim, demand, action, proceeding, suit, injury, death or damage is also caused in part by any of the indemnitees' negligence.

The Contractor will not, however, be required to reimburse or indemnify the County to the extent any damages, losses, liabilities, fines, penalties, forfeitures, claims, demands, actions, proceeding or suits, as more fully set forth above, are due to intentional wrongful acts or the active negligence of the County. In instances where Contractor and County are both named defendants, Contractor shall provide a defense for the County, unless after meeting and conferring on the issue, it appears that sufficient conflicts between the Contractor and the County exists so as to reasonably prevent a joint defense of the Contractor and County by counsel for the Contractor. If a final decision, judgment, or settlement allocates liability to the Contractor and to the County, or to one or more other County contractors, Contractor shall have no obligation to the County for indemnification or otherwise with respect to any liability allocated to the County for intentional wrongful acts or active negligence. The Contractor's responsibility for indemnification of one or more other County contractors, if any, shall be based on legal principles regarding allocation of fault, contribution and equitable indemnity.

**9.2 AB 939 INDEMNIFICATION OF THE COUNTY**

Contractor shall defend, indemnify and hold harmless County with respect to the County's failure to meet its AB 939 diversion goals as a result of Contractor's failure to meet the applicable Diversion goals for the materials required to be collected by Contractor pursuant to this Agreement. Such indemnity shall be limited to exclude all damages or claims to the extent that they are caused by, (i) any actively negligent acts or omissions, or willful misconduct of the County, or its employees, agents, appointed and elected officials; (ii) the County's failure to establish and maintain a source reduction and recycling element pursuant to Sections 41000, et seq. of the Public Resources Code; or (iii) the failure of the County or its employees, agents, appointed and elected officials to comply with or enforce applicable solid waste and/or recycling statutes, ordinances, regulations, or other requirements other than failure attributable to Contractor's performance under this Agreement. The extent of the Contractor's liability under this Article shall not exceed the Contractor's proportionate share of the fault.

1744 **9.3 HAZARDOUS SUBSTANCES INDEMNIFICATION**

1745 Contractor shall indemnify, defend with counsel acceptable to County, protect and hold  
1746 harmless the County, its officers, officials, employees, agents, assigns and any successor or  
1747 successors to the County's interest from and against any and all claims, damages (including but  
1748 not limited to special, consequential, natural resources and punitive damages) injuries,  
1749 response mediation and removal costs, losses, demands, debts, liens, liabilities, causes of  
1750 action, suits, legal or administrative proceedings, interest, fines, charges, penalties attorneys  
1751 fees for the adverse party and expenses (including but not limited to attorneys and expert  
1752 witness fees and costs incurred in connection with defending against any of the foregoing or in  
1753 enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted  
1754 against, the County or its officers, officials, employees, agents, assigns, or contractors arising  
1755 from or attributable to acts or omissions including but not limited to any repair, cleanup, disposal  
1756 or detoxification, or preparation and implementation of any removal, remedial, response,  
1757 closure or other plan (regardless of whether undertaken due to governmental action)  
1758 concerning any hazardous substance or hazardous wastes at any place where the Contractor  
1759 transports, stores or disposes of Collection Materials pursuant to this Agreement. This  
1760 obligation to indemnify is limited to responsibility, liability and damages, as more fully set forth  
1761 above, attributed to Collection Materials or other commodities transported, stored, or disposed  
1762 of pursuant to the exclusive services for Collection under this Agreement.

1763  
1764 If a final decision or judgment or settlement allocates Liability for matters within the scope of  
1765 Article 9.3 to Contractor and one or more other County contractors, then Contractor shall have  
1766 no obligation to the County for indemnification with respect to any Liability allocated: (i) to such  
1767 other contractor or contractors; (ii) to the County for activities undertaken by such other  
1768 contractor or contractors; or (iii) to County for Liability resulting from activities of Contractor not  
1769 related to Collection under this Agreement.

1770  
1771 **9.4 PROPOSITION 218 INDEMNIFICATION**

1772 County intends to comply with all applicable laws concerning the approving of Rates under this  
1773 Agreement. Nonetheless, Contractor shall indemnify, defend and hold harmless County, its  
1774 officers, employees, agents and volunteers, (collectively, indemnitees) from and against all  
1775 claims, damages, injuries, costs, including demands, debts, liens, liabilities, causes of action,  
1776 suits, legal or administrative proceedings, interest fines, charges, penalties and expenses  
1777 (including attorneys' and expert witness fees, expenditures for investigation and administration)  
1778 and costs of any kind whatsoever paid, imposed upon, endured or suffered by or assessed  
1779 against any of the indemnitees resulting in any form from the County's approval of Rates for  
1780 service under this Agreement or in connection with the application of California Constitution,  
1781 Article XIIC and Article XIID to the imposition, payment or collection of Rates and fees for  
1782 services provided by Contractor under this Agreement.

1783  
1784 **9.5 INSURANCE SCOPE AND LIMITS**

1785 The Contractor shall procure and maintain for the duration of the Agreement, insurance against  
1786 claims for injuries to persons or damages to property which may arise from or in connection  
1787 with the performance of the work hereunder by the Contractor, his agents, representatives,  
1788 employees or subcontractors. With respect to General Liability, Errors & Omissions and  
1789 Pollution and/or Environmental Impairment Liability coverage should be maintained for a  
1790 minimum of five (5) years after Agreement completion. The maintenance of claims made  
1791 against any insurance required of the Contractor shall not be considered a waiver by County of  
1792 any claim or liabilities it may have against the Contractor.

1793  
1794 **A. Minimum Scope of Insurance**

1795 Coverage shall be at least as broad as:  
1796

- 1797 1. Insurance Services Office form number GO 0002 (Ed. 1/73) covering comprehensive  
1798 General Liability and Insurance Services Office form number GO 0404 covering Broad  
1799 Form Comprehensive General Liability; or Insurance Services Office Commercial  
1800 General Liability coverage ("occurrence" form CG 0001, Ed. 10/01).  
1801
- 1802 2. Insurance Services Office form number CA 0001 (Ed. 10/01), covering Automobile  
1803 Liability, code 1 (any auto) and endorsement CA 0025 (Ed. 1/86).  
1804
- 1805 3. Worker's Compensation Insurance as required by the State of California and Employer's  
1806 Liability Insurance.  
1807

#### 1808 **B. Minimum Limits of Insurance**

1809 The Contractor shall maintain limits no less than:  
1810

- 1811 1. **Commercial General Liability:** Commercial General Liability Insurance with limits of  
1812 not less than One Million Dollars (\$1,000,000) per occurrence with an aggregate of  
1813 Two Million Dollars (\$2,000,000). This policy shall be issued on a per-occurrence  
1814 basis. The County may require specific coverages including completed operations;  
1815 products liability, contractual liability, Explosion-Collapse-Underground, fire legal  
1816 liability or any other liability insurance deemed necessary because of the nature of the  
1817 contract.
- 1818 2. **Automobile Liability:** Comprehensive Automobile Liability Insurance with limits for  
1819 bodily injury of not less than One Million Dollars (\$1,000,000). Coverage should  
1820 include owned and non-owned vehicles used in connection with the contract.
- 1821 3. **Worker's Compensation:** A policy of Worker's Compensation insurance as may be  
1822 required by the California Labor Code.

#### 1823 **C. Deductible and Self-Insured Retentions**

1824 Any deductibles or self-insured retentions must be declared to and approved in writing by the  
1825 County. At the option of the County, either the Insurer shall reduce or eliminate such  
1826 deductibles or self insured retentions as respects the County, its officers, officials, employees  
1827 and volunteers; or the Contractor shall provide evidence satisfactory to the County  
1828 guaranteeing payment of losses and related investigations, claim administration and defense  
1829 expenses. Notwithstanding the foregoing, the County may elect not to accept any deductibles  
1830 or self-insured retentions offered by the Contractor, and/or may elect to accept a bond held by  
1831 the Contractor with a third party administrator.  
1832  
1833

#### 1834 **D. Other Insurance Provisions**

- 1835 1. The policies are to contain, or be endorsed to contain, the following provisions:  
1836  
1837
  - 1838 a. The County, its officers, officials, employees and volunteers are to be covered as  
1839 additional insureds with respect to liability arising out of automobiles owned,  
1840 leased, hired or borrowed by or on behalf of the Contractor; and with respect to  
1841 liability arising out of work or operations performed by or on behalf of the  
1842 Contractor including materials, parts or equipment furnished in connection with  
1843 such work or operations; Pollution and/or Asbestos Pollution.  
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- b. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
  - c. Each insurance policy required by this clause shall be occurrence-based (other than for pollution legal liability, which may be claims-made), or an alternate form as approved by the County and shall be endorsed to state that coverage shall not be canceled by the Insurer except after thirty (30) days prior written notice has been given to the County.
  - d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  - e. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subsection (b) of Section 2782 of the Civil Code.
2. **Automobile Liability Coverage.** The Automobile Liability policy shall be endorsed to delete paragraph A of the Pollution exclusion and add the Motor Carrier Act endorsement (MCS-90) and/or other endorsements required by federal or state authorities.
3. **Worker's Compensation and Employers Liability Coverage.** The insurer shall agree to waive all rights of subrogation against the County, its officers, officials, employees and volunteers for losses arising from work performed by the Contractor for the County.
4. **All Coverages.** Each insurance policy required by this clause shall be occurrence-based (other than for pollution legal liability, which may be claims-made) or an alternate form as approved by the County and endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the County.

1882 **E. Acceptability of Insurers**

1883 Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII if  
1884 admitted. If pollution and/or Environmental Impairment and/or errors and omissions coverages  
1885 are not available from an Admitted insurer, the coverage may be written with the County's  
1886 permission, by a Non-admitted insurance company. A Non-admitted company should have an  
1887 A.M. Best's rating of A:X or higher.  
1888

1889 **F. Verification of Coverage**

1890 As provided in Article 3.12 D and Exhibit G, the Contractor shall furnish the County with original  
1891 certificates evidencing coverage required by this clause. All insurance coverages referenced in  
1892 this Article 9 shall be evidenced by one or more certificates of coverage which shall be filed by  
1893 Contractor with the County Representative prior to commencement of performance of any of  
1894 Contractor's duties; shall be kept current during the term of this Agreement; shall provide that  
1895 County shall be given no less than thirty (30) days prior written notice of any non-renewal,

1896 cancellation, other termination, or material change, except that only ten (10) days prior written  
1897 notice shall be required where the cause of non-renewal or cancellation is non-payment of  
1898 premium; and shall provide that the inclusion of more than one insured shall not operate to  
1899 impair the rights of one insured against another insured, the coverage afforded applying as  
1900 though separate policies had been issued to each insured, but the inclusion of more than one  
1901 insured shall not operate to increase the limits of the company's liability. For the insurance  
1902 coverage referenced in Article 9.5B.1., the certificate of insurance or endorsements attached  
1903 thereto shall also name County, its officers, employees, agents and volunteers as additional  
1904 insureds; shall provide that if the same policy applies to activities of Contractor not covered by  
1905 this Agreement then the limits in the applicable certificate relating to the additional insured  
1906 coverage of County shall pertain only to liability for activities of Contractor under this  
1907 Agreement; and shall provide that the insurance provided is primary coverage to County with  
1908 respect to any insurance or self-insurance programs maintained by County. Upon request of  
1909 County's Risk Manager, Contractor shall provide or arrange for the insurer to provide within  
1910 thirty (30) days of the request, certified copies of the actual insurance policies or relevant  
1911 portions thereof.

1912  
1913 **G. Subcontractors**

1914 The Contractor shall include all subcontractors as insureds under its policies or shall furnish  
1915 separate certificates and endorsements for each subcontractor. All coverages for  
1916 subcontractors shall be subject to all of the requirements stated herein.

1917  
1918 **H. Additional Provisions**

1919  
1920 Any failure to comply with reporting or other provisions of the policies including breaches of  
1921 warranties shall not affect coverage provided to the County, its officers, officials, agents,  
1922 employees and volunteers.

1923  
1924 **9.6 INSTRUMENT FOR SECURING PERFORMANCE**

1925 No later than the Effective Date, the Contractor shall file with the County an instrument for  
1926 securing performance payable to the County, in a form acceptable to the County, securing the  
1927 Contractor's faithful performance of each and every one of its obligations under this Agreement.  
1928 The instrument shall become Exhibit F to this Agreement. The principal sum of the instrument  
1929 shall be \$ 750,000, of which a minimum of \$50,000 will be surety specifically dedicated to  
1930 vehicles. The instrument may be in the form of a certificate of deposit, letter of credit or  
1931 performance bond. The instrument shall as required be executed as surety by a corporation  
1932 authorized to issue such instrument in the State of California, with a financial condition and  
1933 record of service satisfactory to the County. The instrument shall be in a form specified by the  
1934 County Representative. The instrument shall remain in force for the duration of this Agreement.  
1935 The premium for a letter of credit or any other charge related to maintenance of any of the  
1936 instruments shall be paid by the Contractor.  
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**ARTICLE 10**  
**BREACH, DEFAULT, AND TERMINATION**

**10.1 EVENTS OF BREACH**

**A. Definition**

The Parties acknowledge that provision of consistent, reliable Collection Services is of utmost importance to County and that County has considered and relied on Contractor's representations as to its ability and commitment to quality of service in awarding this Agreement. In the event that Contractor fails to perform fully any of its obligations under this Agreement (other than "Events of Default" stipulated in Article 10.2), Contractor shall be in breach of this Agreement.

**B. Cure of Breach**

Contractor shall begin cure of any breach as soon as it becomes aware of the breach, whether discovered by Contractor or through notice from County. Upon giving or receiving written notice of a breach, Contractor shall proceed to cure such breach as follows:

1. Immediately, if the breach is such that in the sole determination of County, the health, welfare or safety of the public is endangered thereby; or
2. Within thirty (30) days of giving or receiving notice of the breach; provided that if the nature of the breach is such that it will reasonably require more than thirty (30) days to cure, Contractor shall not be in default so long as Contractor promptly commences to cure such breach, provides County weekly written status of progress in curing such breach, and diligently proceeds to complete same. The thirty (30) day cure period may only be extended upon Contractor's receipt of written agreement from County.

**C. Liquidated Damages**

The Parties further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance, and to serve as a specific measure of successful performance under the Agreement. The Parties further recognize that if Contractor fails to perform its obligations, County and residents of County will suffer damages that are and will be impractical and extremely difficult to ascertain and determine. The Parties agree that the Liquidated Damage amounts provided in Exhibit E represent a reasonable estimate of the amount of such damages for the specified breaches, without prejudice to County's right to treat uncorrected non-performance as an event of default under this Article 10. Liquidated Damages are paid as damages, and not as a penalty. County may determine the occurrence of events giving rise to Liquidated Damages through the observation of its own employees or representatives, or by investigation of Customer or resident complaints.

**D. Notice**

Prior to assessing Liquidated Damages, and in addition to any other available remedies County may impose, County shall give Contractor written notice of its intention to do so. The notice shall include a brief description of the incident or nonperformance. Contractor may review (and copy at its own expense) all information in the possession of County relating to the assessment of Liquidated Damages. Contractor may, within ten (10) Working Days after receiving the notice request a meeting with County Representative. Contractor may present evidence in writing and through testimony of its employees and others relevant to the incident or nonperformance.

1987 County Representative shall provide Contractor with a brief written explanation of his or her  
1988 determination on each breach prior to authorizing the assessment of Liquidated Damages. The  
1989 decision of County Representative shall be final. The assessment of Liquidated Damages  
1990 issued by the County shall appear on the next quarterly statement and the Contractor shall, at  
1991 its own expense, remit to the County damages specified in said assessment as part of the  
1992 Monthly Distribution.

## 1993 10.2 EVENTS OF DEFAULT

### 1994 A. Definition

1995 Each of the following shall constitute an Event of Default ("Event of Default") hereunder:

- 1996 1. **Material Breach.** Failure to perform any obligation under this Agreement which (i)  
1997 constitutes a significant hazard to the public health safety or welfare or (ii) would impose  
1998 civil or criminal liability on the County.
- 1999 2. **Non-Material Breach.** A non-material breach of this Agreement shall not constitute an  
2000 Event of Default if (i) such breach is cured as specified in Article 10.1 B upon notice to  
2001 Contractor, and (ii) such breach is accidental, inadvertent, and occasional and not a  
2002 pattern and practice of Contractor.
- 2003 3. **Repeated Pattern of Breaches.** There is a pattern of breaches over time such that in  
2004 combination, they constitute a significant failure by Contractor to perform its obligations.
- 2005 4. **Misrepresentation or False Warranty.** Any representation, disclosure, assurance, or  
2006 warranty made to County by Contractor in connection with, or as an inducement to  
2007 entering into or performing this Agreement or any future amendment to this Agreement,  
2008 or that is a condition to the effectiveness of the Agreement, that proves to be false or  
2009 misleading in any material respect as of the time the representation, disclosure,  
2010 assurance, or warranty is made.
- 2011 5. **Adherence to Transition Plan.** Failure to adhere to the requirements of Article 4.2  
2012 regarding the transition to full service.
- 2013 6. **Adherence to Lock Box Agreement.** Failure to adhere to the substantive requirements  
2014 of the Lock Box Agreement contained in Exhibit J.
- 2015 7. **Adherence to Public Education and/or Diversion Plans.** Failure to adhere to the  
2016 requirements of Exhibit L.
- 2017 8. **Result of Performance Review.** Failure to provide information for performance review,  
2018 or as a result of a poor performance review, as provided in Article 8.7.
- 2019 9. **Seizure or Attachment of Equipment.** There is a seizure or attachment (other than a  
2020 prejudgment attachment) of, or levy affecting possession on, the operating equipment of  
2021 Contractor, including without limit its vehicles, maintenance or office facilities, or any  
2022 part thereof of such proportion as to impair Contractor's ability to perform under this  
2023 Agreement and which cannot be released, bonded, or otherwise lifted within forty-eight  
2024 (48) hours excluding weekends and holidays.

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10. **Contractor Debt.** Contractor files a voluntary petition for debt relief under any applicable bankruptcy, insolvency, debtor relief, or other similar law now or hereafter in effect, or consents to the appointment of, or taking of possession by, a receiver, liquidator, assignee (other than as a part of a transfer of equipment no longer useful to Contractor or necessary for this Agreement), trustee (other than as security for an obligation under a deed of trust), custodian, sequestrator (or similar official) of Contractor for a part of Contractor's operating assets or any substantial part of Contractor's property, or shall make any general assignment for the benefit of Contractor's creditors, or shall become insolvent and unable to pay its debts generally as they become due.
  11. **Court Order or Decree.** Any court having jurisdiction shall enter a decree or order for relief in respect of Contractor, in any involuntary case brought under any bankruptcy, insolvency, debtor relief, or similar law now or hereafter in effect, or Contractor shall consent to or shall fail to oppose any such proceeding, or any such court shall enter a decree or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of Contractor or for any part of Contractor's operating equipment or assets, or order the winding up or liquidation of the affairs of Contractor.
  12. **Failure to Provide Performance Assurances.** Contractor fails to provide reasonable assurances of performance as required under Article 10.11.
  13. **Failure to Notify County.** Contractor fails to notify County in a timely manner of any receipt of notice of violation or official communication from those regulatory agencies regulating Solid Waste, Recyclables, Green Waste Collection, transportation, processing or Disposal activities that might materially affect Contractor's ability to perform all of the Collection Services.
  14. **Lapse of Financial Requirement.** Lapse of any insurance, letter of credit, bond or other financial instrument required under this Agreement.
  15. **Regulatory Violation.** Contractor violates in any material respect any orders or filings of any regulatory body having jurisdiction over Contractor relative to this Agreement, provided Contractor may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach of this Agreement shall be deemed to have occurred until the later of a final order or judgment has been issued.
  16. **Cessation of Services.** Contractor ceases to provide Collection Services as required under this Agreement for a period of two (2) consecutive days or more, for any reason within the control of Contractor.
  17. **Failure to Meet Payment or Reporting Requirements.** Contractor fails to make any payment of any sum owed to County required under this Agreement and/or refuses to provide County with required information, reports, and/or records in a timely manner as provided for in the Agreement.
  18. **Unremedied Acts or Omissions.** Any act or omission relative to this Agreement by Contractor which violates in any material respect the terms, conditions, or requirements of this Agreement, the California Integrated Waste Management Act of 1989, as it may be amended from time to time, or any law, statute, ordinance, order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set

2088 in the written notice of the violation or, if Contractor cannot reasonably correct or remedy  
2089 the breach within the time set forth in such notice, if Contractor should fail to commence  
2090 to correct or remedy such violation within the time set forth in such notice and diligently  
2091 effect such correction or remedy thereafter.  
2092

2093 **19. Criminal Activity of Contractor.** Should Contractor or any of its officers, directors or  
2094 contract manager, or others in position to supervise or influence actions under this  
2095 Agreement, be "found guilty" of felonious conduct relating to its obligations, or other  
2096 felonious conduct at any of Contractor's operations. The term "found guilty" shall be  
2097 deemed to include any judicial determination that Contractor or any of Contractor's  
2098 officers, directors or employees is guilty, and any admission of guilt by Contractor, or  
2099 any of Contractor's officers, directors or employees including, but not limited to, the  
2100 pleas of "guilty," "nolo contendere," "no contest," or "guilty to a lesser felony" entered as  
2101 part of any plea bargain. Such felonious conduct includes, but is not limited to any  
2102 activities related to or carried out pursuant to this Agreement for: (i) price fixing, (ii)  
2103 illegal transport or disposal of hazardous or toxic materials, (iii) bribery of public officials,  
2104 or (iv) fraud or tampering. In the event of felonious conduct County reserves the right to  
2105 exercise one or more of the remedies specified below in Article 10.5. Such action shall  
2106 be taken after Contractor has been given notice and an opportunity to present evidence  
2107 in mitigation. If County does not terminate this Agreement, Contractor shall dismiss or  
2108 remove officers, directors or employees found guilty of felonious behavior and take all  
2109 action necessary and appropriate remedy any breach of its obligations.  
2110

2111 **20. Assignment.** Contractor assigns this Agreement in violation of Article 11.5.  
2112

### 2113 **B. Notice of Default**

2114 Contractor shall be in default from the date of receipt of a notice from County identifying such  
2115 default. The notice shall include a brief description of the default. Contractor may review (and  
2116 copy at its own expense) all information in the possession of County relating to the Event(s) of  
2117 Default. Contractor may, within three (3) Working Days after receiving the notice, request a  
2118 meeting with County Representative. Contractor may present evidence in writing and through  
2119 testimony of its employees and others relevant to the Event(s) of Default. The decision of  
2120 County Representative regarding determination of an Event(s) of Default shall be final.  
2121

### 2122 **C. Cure of Default**

2123 Contractor shall begin cure of any Event of Default as soon as it becomes aware of the Event of  
2124 Default, whether discovered by Contractor or through notice from County. Upon giving or  
2125 receiving verbal notice of default, Contractor shall proceed to cure such breach as follows:  
2126

- 2127 1. Immediately, if the default is such that in the sole determination of County, the health,  
2128 welfare or safety of the public is endangered thereby; or  
2129
- 2130 2. Within ten (10) Working Days of giving or receiving notice of default; provided that if the  
2131 nature of the default is such that it will reasonably require more than ten (10) days to  
2132 cure, Contractor shall have such additional time as is reasonably needed to  
2133 expeditiously complete a cure, and only upon written agreement from County. During  
2134 any default cure period, Contractor shall provide County weekly written status of  
2135 progress in curing such default.  
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2140 **10.3 COUNTY DETERMINATION OF CURE OF BREACH OR DEFAULT**

2141 An Event of breach or default shall be considered remedied and/or cured upon signature by  
2142 both Parties of a written agreement specifying the event and stating that remedy and/or cure of  
2143 such event has been completed.  
2144

2145 **10.4 COUNTY'S RIGHT TO PERFORM**

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2147 **A. General**

2148 In addition to any and all other legal or equitable remedies, in the event that Contractor, for any  
2149 reason whatsoever, fails, refuses or is unable to provide any Collection Service for a period of  
2150 more than seventy-two (72) hours, and if, as a result thereof, should Solid Waste accumulate in  
2151 County to such an extent, in such a manner, or for such a time that County should find that  
2152 such accumulation endangers or menaces the public health, safety or welfare, then County  
2153 shall have the right, but not the obligation, without payment to Contractor upon twenty-four (24)  
2154 hours prior notice to Contractor during the period of such emergency as determined by County:  
2155 (i) to perform, or cause to be performed, such services itself with its own or other personnel  
2156 without liability to Contractor; and/or (ii) to take possession of any or all of Contractor's land,  
2157 equipment and other property used or useful in providing Collection Services and to use such  
2158 property to provide any Collection Services.  
2159

2160 Notice of Contractor's failure, refusal or neglect to provide Collection Services may be given  
2161 orally by telephone to Contractor and shall be effective immediately. Written confirmation of  
2162 such oral notification shall be sent to Contractor within twenty-four (24) hours of the oral  
2163 notification.  
2164

2165 Contractor further agrees that in such event:

- 2166
- 2167 1. It will fully cooperate with County to effect the transfer of possession of property to  
2168 County for County's use.  
2169
  - 2170 2. It will, if County so requests, and to the extent feasible, keep in good repair and  
2171 condition all of such property, provide all motor vehicles with fuel, oil and other service,  
2172 and provide such other service as may be necessary to maintain said property in  
2173 operational condition.  
2174
  - 2175 3. Contractor shall provide all necessary billing information to the County. County shall  
2176 determine how to bill, in what amounts, and the distribution of amounts received. County  
2177 shall provide Contractor reasonable compensation for provision of Contractor's land,  
2178 equipment, or other property if the County's exercise of the right to perform is the result  
2179 of an Uncontrollable Circumstance.  
2180

2181 County's exercise of its rights under this Article 10: (i) does not constitute a taking of private  
2182 property for which compensation must be paid; (ii) will not create any contract, tort, or common  
2183 count liability on the part of County to Contractor; and (iii) does not exempt Contractor from the  
2184 indemnity provisions of Article 9.1, which are meant to extend to circumstances arising under  
2185 this Article, provided that Contractor is not required to indemnify County against claims and  
2186 damages arising from the active negligence or willful misconduct of County officers, employees,  
2187 agents, or volunteers acting under this Article. County shall make good faith efforts to  
2188 coordinate use of Contractor's land, equipment and other property with Contractor in order to  
2189 minimize interference with or disruption of other business activities of Contractor.

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2193 **B. Duration of County's Possession**

2194 County has no obligation to maintain possession of Contractor's property and/or continue its  
2195 use in providing any Collection Services for any period of time and may, at any time, in its sole  
2196 discretion, relinquish possession to Contractor. County's right to retain temporary possession of  
2197 Contractor's property, and to provide one or more Collection Services, shall continue until  
2198 Contractor can demonstrate to County's satisfaction that it is ready; willing, and able to resume  
2199 such services.  
2200

2201 **10.5 COUNTY REMEDIES FOR CONTRACTOR DEFAULT**

2202 Upon failure to cure a default pursuant to Article 10.2C, County shall have the following rights:  
2203

- 2204 1. **Waive Default.** To, at its sole discretion, waive the Contractor default.
- 2205
- 2206 2. **Termination.** Terminate the Agreement in accordance with Article 10.7.
- 2207
- 2208 3. **All Other Available Remedies.** In addition to, or in lieu of termination, to exercise all of  
2209 its remedies in accordance with this Article 10 and any other remedies at law and in  
2210 equity, to which County shall be entitled, according to proof.
- 2211
- 2212 4. **Damages Survive.** If Contractor owes any damages upon County's termination of the  
2213 Agreement, Contractor's liability under this Article 10.5 shall survive termination.  
2214

2215 Whether or not County exercises its right to terminate, County shall have the right to: (i) seek  
2216 performance by the surety under the letter of credit, performance bond or certificate of deposit  
2217 (instrument for securing performance), and (ii) make a claim on any insurance policy or policies.  
2218

2219 **10.6 COUNTY WAIVER OF BREACH OR DEFAULT**

2220 A waiver by County of any breach or default by Contractor shall not be deemed to be waiver of  
2221 any other breach or default by Contractor, including ones with respect to the same obligations  
2222 hereunder, and including new incidents of the same breach or default. The subsequent  
2223 acceptance by County of any damages or other money paid by Contractor hereunder shall not  
2224 be deemed to be a waiver by County of any preexisting or concurrent breach or default by  
2225 Contractor.  
2226

2227 **10.7 TERMINATION**

2228  
2229 **A. Termination for Cause**

2230 County shall have the right to terminate this Agreement without need for any hearing, suit, or  
2231 legal action in the circumstances specified below. Contractor's liability to provide such records  
2232 shall survive the termination of this Agreement. Contractor shall forfeit its instrument for  
2233 securing performance to County to the extent required to compensate County for damages  
2234 incurred as a result of the breach or default. Termination may occur upon:  
2235

- 2236 1. **Uncured Default.** An uncured Event of Default by Contractor.
- 2237
- 2238 2. **Poor Performance Review.** As the result of a poor performance review as provided in  
2239 Article 8.7.  
2240

- 2241 3. **Excessive Liquidated Damages.** Upon assessment of cumulative Liquidated Damages  
2242 totaling more than \$15,000 in any twelve (12) month period, or \$25,000 in any twenty-  
2243 four (24) month period. Contractor acknowledges that if cumulative Liquidated Damages  
2244 exceed either of these thresholds that it waives all rights to contest a termination based  
2245 on this Article 10.7A.3. Liquidated Damages assessed for failure to achieve the  
2246 Diversion percentages specified in Exhibit E will not be included in calculating  
2247 "Excessive Liquidated Damages".  
2248

2249 **B. Notice of Termination**

2250 In addition to any other available remedies County may impose as specified in Article 10.5 and  
2251 as a result of Contractor default, County may give Contractor written notice of termination,  
2252 effective within five (5) days. The decision of County Representative with regards to termination  
2253 may be appealed to the Board of Supervisors. Upon notice of termination, Contractor shall  
2254 promptly provide County with any or all records kept in accordance with Article 8 or any other  
2255 record keeping provisions of this Agreement or its Exhibits.  
2256

2257 **10.8 POSSESSION OF PROPERTY UPON TERMINATION**

2258 In the event of termination for default, County shall have the right to take possession of any and  
2259 all of Contractor's land, equipment, and other property used or useful in the Collection and  
2260 transportation of Solid Waste, Recyclables, or Green Waste in the provision of services under  
2261 this Agreement, and the billing and collection of fees for these services and to use such  
2262 property. County shall pay reasonable compensation to Contractor for the temporary use of  
2263 such land, equipment, and other property except that County shall not be required to  
2264 compensate Contractor for the value of business goodwill. County shall have the right to retain  
2265 the possession of such property for up to four (4) months until other suitable arrangements can  
2266 be made for the provision of Solid Waste, Recyclables, or Green Waste Collection services  
2267 which may include the award of an agreement to another contractor(s), Contractor shall furnish  
2268 County with immediate access to all of its business records related to its route maps,  
2269 schedules, and billing of accounts for services. County shall make good faith efforts to  
2270 coordinate use of Contractor's land, equipment and other property with Contractor in order to  
2271 minimize interference with or disruption of other business activities of Contractor.  
2272

2273 **10.9 COUNTY'S REMEDIES CUMULATIVE: SPECIFIC PERFORMANCE**

2274 County's right to terminate the Agreement under Article 10.7 and to take possession of  
2275 Contractor's properties under Article 10.8 are not exclusive, and County's termination of the  
2276 Agreement shall not constitute an election of remedies. Instead, all remedies provided for in this  
2277 Agreement shall be in addition to any and all other legal and equitable rights and remedies  
2278 which County may have under law or as otherwise provided in this Agreement. By virtue of the  
2279 nature of this Agreement, the urgency of timely, continuous and high-quality service, the lead  
2280 time required to effect alternative service, and the rights granted by County to Contractor, the  
2281 remedy of damages for a default hereof by Contractor is inadequate, and County may be  
2282 entitled to injunctive relief.  
2283

2284 **10.10 EXCUSE FROM PERFORMANCE**

2285 **A. Excuse from Performance**

2287 The Parties shall be excused from performing their respective obligations hereunder in the  
2288 event they are prevented from so performing by reason of floods, moderate to severe  
2289 earthquakes, tsunamis, other "acts of God," war, civil insurrection, riots, and other similar  
2290 catastrophic events which are beyond the control of and not the fault of the Party claiming  
2291 excuse from performance hereunder. Labor unrest, including but not limited to strike, work

2292 stoppage or slowdown, sickout, picketing, or other concerted job action conducted by  
2293 Contractor's employees or directed at Contractor, or a subcontractor, is not an excuse from  
2294 performance, and Contractor shall be obligated to continue to provide service notwithstanding  
2295 the occurrence of any or all of such events. In the case of labor unrest or job action directed at  
2296 a third party over whom Contractor has no control, the inability of Contractor to make collections  
2297 due to the unwillingness or failure of the third party to provide reasonable assurance of the  
2298 safety of Contractor's employees while making collections or to make reasonable  
2299 accommodations with respect to container placement and point of delivery, time of collection, or  
2300 other operating circumstances to minimize any confrontation with pickets or the number of  
2301 persons necessary to make collections, shall, to that limited extent, excuse performance. The  
2302 foregoing excuse shall be conditioned on Contractor's cooperation in making collection at  
2303 different times and in different locations.

#### 2304 2305 **B. Inexcuse from Performance**

2306 In addition, none of the following are to be considered an excuse from performance: (i) general  
2307 economic conditions, interest or inflation rates, or currency fluctuation or changes in the cost or  
2308 availability of fuel, commodities, supplies or equipment; (ii) changes in transport or Disposal  
2309 costs, Disposal facility locations, and/or other related circumstances; (iii) changes in the  
2310 financial condition of Contractor or any of its subcontractors affecting their ability to perform  
2311 their obligations; (iv) the consequences of errors, neglect or omissions by Contractor, or any  
2312 subcontractor; (v) any failure of any subcontractor or supplier to furnish labor, materials, service  
2313 or equipment for any reason; (vi) equipment failure; or (vii) changes in market prices for, or the  
2314 unavailability of markets for, the sale or purchase of Recyclable Materials.

#### 2315 2316 **C. Notice**

2317 The Party claiming excuse from performance shall, within two (2) days after such party has  
2318 notice of such cause, give the other Party notice of the facts constituting such cause and  
2319 asserting its claim to excuse under this Article. Notwithstanding, Contractor, in the event of a  
2320 declared disaster, shall comply with the contingency and emergency plans of the Contractor,  
2321 consistent with the emergency plans of County.

#### 2322 2323 **D. Interruption or Discontinuance of Service**

2324 The partial or complete interruption or discontinuance of Contractor's services caused by one or  
2325 more of the events described in this Article and constituting an excuse from performance shall  
2326 not constitute an Event of Default by Contractor under this Agreement. Notwithstanding the  
2327 foregoing, however, (i) the existence of an excuse from performance shall not affect County's  
2328 right to perform services under Article 10.4 and (ii) if Contractor is excused from performing its  
2329 obligations hereunder for any of the causes listed in this Article 10 for a period of thirty (30)  
2330 days or more, other than as the results of third-party labor disputes under which Collection  
2331 Services cannot be provided for reasons described earlier in this Article, County shall  
2332 nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10)  
2333 days notice, in which case the provisions of Article 10.5 shall apply.

2335 **10.11 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

2336 If Contractor is: (i) the subject of any labor unrest including work stoppage or slowdown,  
2337 sickout, picketing or other concerted job action; (ii) appears in the reasonable judgment of  
2338 County to be unable to regularly pay its bills as they become due; or (iii) is the subject of a civil  
2339 or criminal investigation, charge, or judgment or order entered by a federal, state, regional or  
2340 local agency for violation of a law relating to performance under this Agreement, and County  
2341 believes in good faith that Contractor's ability to perform under the Agreement has thereby  
2342 been placed in substantial jeopardy, County may, at its option and in addition to all other  
2343 remedies it may have, demand from Contractor reasonable assurances of timely and proper  
2344 performance of this Agreement, in such form and substance as County believes in good faith is  
2345 reasonably necessary in the circumstances to evidence continued ability to perform under the  
2346 Agreement. If Contractor fails or refuses to provide satisfactory assurances of timely and proper  
2347 performance in the form and by the date required by County, such failure or refusal shall be an  
2348 Event of Default for purposes of Article 10.2.

2350 **ARTICLE 11**  
2351 **OTHER AGREEMENTS OF THE PARTIES**  
2352

2353 **11.1. RELATIONSHIP OF PARTIES**

2354 The Parties intend that Contractor shall perform the Collection Services as an independent  
2355 contractor engaged by County and not as an officer or employee of County nor as a partner of  
2356 or joint venturer with County. No employee or agent of Contractor shall be or shall be deemed  
2357 to be an employee or agent of County. Except as expressly provided herein, Contractor shall  
2358 have the exclusive control over the manner and means of conducting Collection Services and  
2359 all persons performing such services. Contractor shall be solely responsible for the acts and  
2360 omissions of its officers, employees, subcontractors, and agents. Neither Contractor nor its  
2361 officers, employees, subcontractors, and agents shall obtain any rights to retirement benefits,  
2362 workers' compensation benefits, or any other benefits which accrue to County employees by  
2363 virtue of their employment with County. Contractor or its employees shall not provide, directly or  
2364 indirectly, any gifts or gratuities to any County employee or representative.  
2365

2366 **11.2 COMPLIANCE WITH LAW**

2367 In providing the services required under this Agreement, Contractor shall at all times, at its sole  
2368 cost, comply with all Applicable Laws of the United States, the State of California, Napa County,  
2369 County, and other states or counties which may have jurisdiction over any service provided in  
2370 this Agreement including all Applicable Laws pertaining to air pollution control, and with all  
2371 applicable regulations promulgated by any federal, state, regional, or local administrative and  
2372 regulatory agencies, now in force and as they may be enacted, issued, or amended during the  
2373 term of this Agreement, including all permit requirements for facilities used to provide Collection  
2374 Services.  
2375

2376 **11.3 GOVERNING LAW**

2377 This Agreement shall be governed by, and construed and enforced in accordance with, the laws  
2378 of the State of California.  
2379

2380 **11.4 VENUE**

2381 This Agreement is made in Napa County, California. The venue for any legal action in the state  
2382 court filed by either party to this Agreement for the purpose of interpreting or enforcing any  
2383 provisions of this Agreement shall be in the Superior Court of California, County of Napa, a  
2384 unified court. The venue for any legal action in federal court filed by either party of this  
2385 Agreement for the purpose of interpreting or enforcing any provision of this Agreement lying  
2386 within the jurisdiction of the federal courts shall be the Northern District of California. The  
2387 appropriate venue for arbitration, mediation or similar legal proceedings under this Agreement  
2388 shall be Napa County, California; however, nothing in this sentence shall obligate either party to  
2389 submit to mediation or arbitration any dispute arising under this Agreement.  
2390

2391 **11.5 ASSIGNMENT**

2392 **A. Definition**

2393 For purposes of this Article, "assignment" shall include, but not be limited to: (i) a sale,  
2394 exchange, or other transfer of substantially all of Contractor's assets dedicated to service under  
2395 this Agreement to a third party; (ii) a sale, exchange, or other transfer of thirty (30) percent or  
2396 more of the outstanding common stock of Contractor; (iii) any reorganization, consolidation,  
2397 merger recapitalization, stock issuance or reissuance, voting trust, pooling agreement, escrow  
2398 arrangement, liquidation, or other transaction to which Contractor or any of its shareholders is a  
2399

2400 party which results in a change of ownership or control of thirty (30) percent or more of the  
2401 value or voting rights in the stock of Contractor; and (iv) any combination of the foregoing  
2402 (whether or not in related or contemporaneous transactions) which has the effect of any such  
2403 transfer or change of ownership. If Contractor is not a corporation, an assignment shall also  
2404 include, among other things, any transfer or reorganization that has an effect similar to the  
2405 situations described in foregoing sentence for corporations. For purposes of this Article, the  
2406 term "proposed assignee" shall refer to the proposed transferee(s) or other successor(s) in  
2407 interest pursuant to the assignment. If Contractor is a subsidiary of another corporation or  
2408 business entity, any assignment, as defined above, by the parent company or corporation shall  
2409 be considered an assignment by Contractor.  
2410

### 2411 **B. County Consent**

2412 Contractor acknowledges that this Agreement involves rendering a vital service to County's  
2413 residents and businesses, and that County has relied upon Contractor's representation of its  
2414 experience and financial resources in qualifying Contractor to provide Collection Services under  
2415 this Agreement. Except as provided in this Article, Contractor shall neither assign its rights nor  
2416 delegate, subcontract, or otherwise transfer its obligations under this Agreement to any other  
2417 person or entity without the prior written consent of County. Any such assignment without the  
2418 consent of County shall be void and the attempted assignment shall constitute a material  
2419 breach of this Agreement. Under no circumstances shall County be required to consider any  
2420 proposed assignment if there is an uncured Event of Default at any time during the period of  
2421 consideration.  
2422

### 2423 **C. Requirements of Contractor**

2424 If Contractor requests County's consideration of and consent to an assignment, County may  
2425 deny or approve such request in its complete discretion, and with or without a detailed review of  
2426 the proposed assignment. No request by Contractor for consent to an assignment need be  
2427 considered by County unless and until Contractor has met the following requirements:  
2428

- 2429 1. Contractor shall pay County its reasonable expenses for attorney's fees and  
2430 investigation costs to investigate the suitability of any proposed assignee, and to review  
2431 and finalize any documentation required as a condition for approving any such  
2432 assignment.  
2433
- 2434 2. Contractor shall furnish County with audited financial statements of the proposed  
2435 assignee's operations for the immediately preceding five (5) operating years.  
2436
- 2437 3. Contractor shall furnish County with satisfactory proof that the proposed assignee has  
2438 the demonstrated technical capability to perform all Collection Services and to provide  
2439 exceptional service to customers, including: (i) that the proposed assignee has at least  
2440 ten (10) years of Solid Waste management experience on a scale equal to or exceeding  
2441 the scale of operations conducted by Contractor under this Agreement; (ii) in the last  
2442 five (5) years, the proposed assignee has not suffered any significant citations or other  
2443 censure from any state, federal, or local environmental laws and the assignee has  
2444 provided County with a complete list of such citations and censures; (iii) the proposed  
2445 assignee has at all times conducted its operations in a environmentally safe and  
2446 conscientious fashion; (iv) the proposed assignee conducts its Solid Waste  
2447 management practices in substantial compliance with all federal, state, and local laws  
2448 regulating the Collection and Disposal of Solid Waste including hazardous substances;  
2449 and (v) the proposed assignee has in the last five (5) years provided excellent service to  
2450 existing franchised customers and has not been subject to any administrative or legal

2451 actions related to failure to provide adequate service under a contract or franchise; or  
2452 any other information required by County to ensure the proposed assignee can fulfill the  
2453 terms of this Agreement in a timely, safe, and effective manner. County reserves the  
2454 right to approve an assignment conditioned on an increase to the instrument for  
2455 securing performance required pursuant to Article 9.6 and contained in Exhibit F and/or  
2456 use of another mechanism in addition to, or as an alternative to, the instrument for  
2457 securing performance required in Article 9.6 and contained in Exhibit F.  
2458

#### 2459 **D. Application and Transfer Fee**

2460 Any application for transfer of this Agreement shall be governed by the following conditions:  
2461

- 2462 1. Any application for transfer of this Agreement shall be made in a manner prescribed by  
2463 County Representative. The application shall include a transfer fee in an amount to be  
2464 set by resolution of the Board of Supervisors to cover the cost of all direct and indirect  
2465 administrative expenses including consultants necessary to adequately analyze the  
2466 application and to reimburse County for all direct and indirect expenses. In addition,  
2467 Contractor shall reimburse County for any and all additional costs related to the  
2468 assignment requested and not covered by the transfer fee. Bills shall be supported with  
2469 evidence of the expense or cost incurred. The applicant shall pay such bills within (30)  
2470 days of receipt.  
2471
- 2472 2. The transfer fees are over and above any other fees or charges specified in the  
2473 Agreement.  
2474

#### 2475 **E. Transition**

2476 If County consents to an assignment, at the point of transition, Contractor shall cooperate with  
2477 County and subsequent Contractor(s) or subcontractor(s) to assist in an orderly transition which  
2478 shall include, but not be limited to, Contractor providing route lists and billing information listing  
2479 accounts, and Best Efforts to minimize disruption to Customers.  
2480

### 2481 **11.6 DISPUTE RESOLUTION**

#### 2483 **A. Continue Performance**

2484 Except for an Event of Termination, in the event of any dispute arising under this Agreement,  
2485 County and Contractor shall continue performance of their respective obligations under this  
2486 Agreement and shall attempt to resolve such dispute in a cooperative manner, including but not  
2487 limited to, negotiating in good faith.  
2488

#### 2489 **B. Mediation**

2490 Any unresolved dispute arising between the Parties under this Agreement shall first be  
2491 submitted to non-binding mediation before a recognized mediator having experience with  
2492 agreements of this nature and that is mutually acceptable to the Parties, provided that neither  
2493 Party shall unreasonably withhold its acceptance. If the parties are unable, after a period of  
2494 thirty (30) days from commencement of the dispute resolution process, to agree on a mediator,  
2495 either Party shall be entitled to petition a court of competent jurisdiction to appoint such a  
2496 mediator for the Parties. Each Party shall bear its own costs, including attorney's fees, incurred  
2497 in connection with the mediation. If the mediation does not result in a resolution of the dispute  
2498 that is acceptable to both Parties, either Party may pursue its legal remedies.  
2499

### 2500 **11.7 NON-DISCRIMINATION**

2501 Contractor shall not discriminate in the provision of service or the employment of persons  
2502 engaged in performance of this Agreement on account of race, religious creed, color, national  
2503 origin, ancestry, physical handicap, medical condition, marital status, or sex of such persons or  
2504 as otherwise prohibited by law.  
2505

#### 2506 **11.8 SUBCONTRACTING**

2507 Contractor shall not engage any subcontractors for performance of Collection Services without  
2508 the prior written consent of County.  
2509

#### 2510 **11.9 BINDING ON SUCCESSORS**

2511 The provisions of this Agreement shall inure to the benefit to and be binding on the successors  
2512 and permitted assigns of the Parties.  
2513

#### 2514 **11.10 TRANSITION TO NEXT CONTRACTOR**

2515 If at any point County desires to grant to a third party Collection Services which are contracted  
2516 to Contractor under this Agreement, Contractor shall be obligated to cooperate with County and  
2517 subsequent contractor(s) to assist in an orderly transition. One (1) year prior to the conclusion  
2518 of the Base Term and of any Extension, and in order to assist with the competitive bid process  
2519 to award the Collection Services at the conclusion of the Term, Contractor shall provide County  
2520 with such information as may reasonably be requested, including but not limited to, route maps  
2521 and days of collection, account names and phone numbers, and level of service provided.  
2522 Contractor shall cooperate with and schedule with County and new contractor its removal of all  
2523 Carts distributed to each Customer. Contractor and the new contractor may choose at their  
2524 discretion to enter into negotiations to sell (in part or all) Collection vehicles, Bins, and  
2525 Containers to the new contractor. Failure to provide full cooperation with a transition may, at  
2526 County's sole discretion, preclude Contractor from participating in future competitive  
2527 procurements.  
2528

#### 2529 **11.11 PARTIES IN INTEREST**

2530 Nothing in this Agreement, whether express or implied, is intended to confer any rights on any  
2531 persons other than the Parties to it and their representatives, successors and permitted  
2532 assigns.  
2533

#### 2534 **11.12 WAIVER**

2535 The waiver by either Party of any breach or violation of any provisions of this Agreement shall  
2536 not be deemed to be a waiver of any breach or violation of any other provision not of any  
2537 subsequent breach or violation of the same or any other provision. The subsequent acceptance  
2538 by either party of any monies which become due hereunder shall not be deemed to be a waiver  
2539 of any preexisting or concurrent breach of violation by the other party of any provision of this  
2540 Agreement.  
2541

#### 2542 **11.13 CONDEMNATION**

2543 In addition to the rights in Article 10.4 County fully reserves the rights to acquire Contractor's  
2544 property utilized in the performance of this Agreement, by purchase or through the exercise of  
2545 the right to eminent domain.  
2546

#### 2547 **11.14 NOTICE**

##### 2549 **A. Notice Procedures**

2550 All notices, demands, requests, proposals, approvals, consents and other communications with  
2551 this Agreement require, authorize, or contemplate all, except as otherwise specifically provided,

2552 be in writing and shall be effective when personally delivered to a representative of the Parties  
2553 at the address below or deposited in the United States mail, first class postage prepaid,  
2554 addressed as follows:

2555  
2556 If to County: Attention:  
2557 County Executive Officer  
2558 County of Napa  
2559 County Executive Office  
2560 1195 Third Street, Suite 310  
2561 Napa, CA 94559  
2562 (707) 253-4421  
2563

2564 If to Contractor: Attention:  
2565 Managing Partner/General Manager  
2566 Napa County Recycling and Waste Services, LLC  
2567 3216 Vichy Avenue  
2568 Napa, CA 94558  
2569 (707) 255-5200  
2570

2571 The address to which communications may be delivered may be changed from time to time by  
2572 a notice given in accordance with this Article.  
2573

2574 **B. Facsimile Notice Procedures**  
2575

- 2576 1. Facsimile notice may be substituted for written notice with the following limitations:  
2577  
2578 a. Facsimile notice shall be considered valid and delivered at such time as an  
2579 authorized representative of the receiving Party acknowledges receipt in writing  
2580 or by a facsimile acknowledgement to the sending Party.  
2581  
2582 b. Written notice must follow any facsimile notice.  
2583  
2584 2. If above conditions are met, facsimile notice will be considered effective from date and  
2585 time of transmission as indicated on receiving Party's original copy of the transmission.  
2586  
2587 3. Facsimile notices must be sent to the following addressees:  
2588

2589 If to County:  
2590 County Executive Officer  
2591 County of Napa  
2592 Fax number (707) 253-4176  
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2594 If to Contractor:  
2595 Managing Partner/General Manager

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Napa County Recycling and Waste Services, LLC  
Fax number (707) 257-6852

4. The facsimile number to which communications may be transmitted may be changed from time to time by a notice given in accordance with this Article.

**11.15 REPRESENTATIVE OF THE PARTIES**

All actions to be taken by County shall be taken by Board of Supervisors except as otherwise provided herein. Board of Supervisors may delegate, in writing, authority to the County Representative and/or to other County officials, in turn, to delegate in writing some or all of such authority to subordinate officers. Contractor may rely upon actions taken by such delegates if they are within the scope of the authority properly delegated to them.

1. County Representative shall be responsible for administration of this Agreement on behalf of County.
2. County Representative may delegate authority to appropriate County employees or other appropriate persons.
3. Board of Supervisors reserves to itself all discretionary and administrative authority not otherwise expressly delegated pursuant to ordinance. Whenever this Agreement requires approval by County, the approval may be given by County Representative or his or her designee, subject to appeal to Board of Supervisors by Contractor.

Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as the representative of Contractor in all matters related to the Agreement and shall inform County in writing of such designation and of any limitations upon his/her authority to bind Contractor. County may rely upon action taken by such designated representative as action of Contractor unless they are outside the scope of the authority delegated to him/her by Contractor as communicated to County.

**11.16 COUNTY FREE TO NEGOTIATE WITH THIRD PARTIES**

County may, at any time, investigate all options for the provision of the exclusive and non-exclusive services granted to Contractor by this Agreement. Without limiting the generality of the foregoing, County may solicit proposals from Contractor and from third parties for the provision of any or all Collection Services and may negotiate and execute agreements for such services which will take effect upon the expiration, or earlier termination under Article 10.7, of this Agreement and/or any future agreements.

**11.17 CONTRACTOR TO DEFEND AGREEMENT**

Contractor may at its election, and if it makes that election, at its sole expense defend the validity of this Agreement against all challenges to the Agreement by any entity or person not a Party to this Agreement. Neither the County nor the Contractor shall have any liability to the other resulting from a determination that this Agreement violates any state or Federal law, statute, or constitutional provision, except to the extent such determination relates to Contractor's willful misconduct or negligence. However, if the Contractor elects to not defend the validity of this Agreement, the County may, upon reasonable notice, terminate the Agreement at its election, and if it makes that election, it shall have no liability to Contractor resulting from that election to terminate. Contractor's sole remedy shall be to retain its share of Gross Rate Revenues as specified in Articles 6, for services rendered by Contractor up to the

2646 date of termination, minus any offsets or monies due the County provided for under this  
2647 Agreement.  
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**ARTICLE 12  
MISCELLANEOUS AGREEMENTS**

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**12.1 ENTIRE AGREEMENT**

This Agreement, including the Exhibits, represents the full and entire Agreement between the Parties with respect to the matters covered herein.

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**12.2 SECTION HEADINGS**

The article headings and sections headings in this Agreement are for convenience of reference only and are not intended to be used in the construction of this Agreement, nor to alter or affect any of its provisions.

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**12.3 REFERENCES TO LAWS**

All references in this Agreement to laws shall be understood to include such laws as they may be subsequently amended or recodified, unless otherwise specifically provided.

**12.4 INTERPRETATION**

This Agreement shall be interpreted and construed reasonably and neither for nor against either party, regardless of the degree to which either Party participated in its drafting.

**12.5 AMENDMENT**

This Agreement may not be modified or amended in any respect except by a written agreement duly approved and signed by the Parties.

**12.6 SEVERABILITY**

If any nonmaterial provision of this Agreement is for any reason deemed to be invalid and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of the Agreement which shall be enforced as if such invalid or unenforceable provision had not been contained herein.

**12.7 COUNTERPARTS**

This Agreement may be executed in counterparts each of which shall be considered an original.

**12.8 MISCELLANEOUS**

**A. Privacy**

Contractor shall strictly observe and protect the rights of privacy of Customers during provision of all Collection Services. Information identifying individual Customers or the composition or contents of Customer's Solid Waste, Recyclables or Green Waste shall not be revealed by Contractor to any person, governmental unit, private agency, or company, unless upon the authority of a court of law, by statute, written request from a law enforcement agency, or upon valid authorization of the Customer or County. This provision shall not be construed to preclude Contractor from providing the report information required by Article 8, complying with the requirements of Article 11.10, or preparing, participating in, or assisting in the preparation of waste characterizations studies or waste stream analysis which may be required by a regional, state, or federal agency.

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**B. Advice**

Each of the Parties has received the advice of legal counsel prior to signing this Agreement. Each Party acknowledges no other party or agent or attorney has made a promise, representation, or warranty whatsoever, express or implied, not contained herein concerning the subject matter herein to induce another party to execute this Agreement. The Parties agree no provision or provisions may be subject to any rules of construction based upon any party being considered the party "drafting" this Agreement.

**12.9 EXHIBITS**

Each of the Exhibits identified is attached hereto and incorporated herein and made a part hereof by this reference.

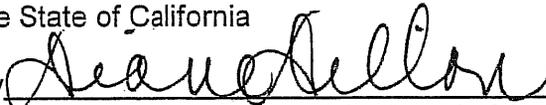
IN WITNESS WHEREOF, County and Contractor have executed this Agreement as of the day and year first above written.

NAPA COUNTY RECYCLING AND WASTE SERVICES, LLC

By   
GREG KELLEY, MANAGING PARTNER/GENERAL MANAGER

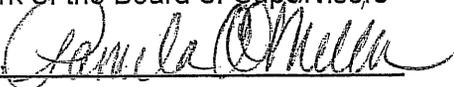
"CONTRACTOR"

COUNTY OF NAPA, a political subdivision of  
the State of California

By   
DIANE DILLON, Chair of the Board of Supervisors

"COUNTY"

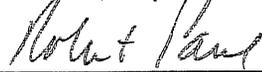
ATTEST: PAMELA A. MILLER,  
Clerk of the Board of Supervisors

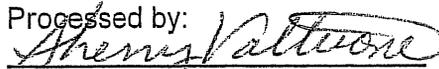
By 

APPROVED BY THE BOARD  
OF SUPERVISORS:

Date May 3, 2005

APPROVED AS TO FORM: ROBERT  
WESTMEYER, Napa County Counsel

By 

Processed by:   
Deputy Clerk of the Board

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**EXHIBIT A**  
**DETAILED SCOPE OF SERVICES FOR COLLECTION**

**1.0 RESIDENTIAL COLLECTION SERVICES**

**Residential Premises Defined.** Residential Premises means any dwelling units in residential developments wherein such dwelling units are provided individual collection service and individually billed as a Customer of Contractor's.

**Service Options.** Contractor shall provide each of the service options for Residential collection of Solid Waste and Recyclable Materials. There is no shared-cart service in the County of Napa (County).

**Basic Level of Service Defined.** Residential solid waste service is currently voluntary in the County. However, the County is in the process of adopting an ordinance to phase in mandatory service for residential service in Napa County Zone 1. The proposed service would become mandatory at the time the property transfers to a new owner or with the development of new property. The ordinance is expected to be effective October 1, 2005 for property transfers occurring on or after the effective date.

The basic level of service for all Residential Premises, as defined above, with the exception of multi-family, includes: (A) Once weekly automated collection of Solid Waste in gray carts sized at 35, 65, or 96-gallons at curbside with variable can rates approved by the County, (B) once weekly collection of single-stream Recyclable Materials in a 65 or 96-gallon blue cart at curbside, (C) once weekly collection of Green Waste in 65 or 96-gallon brown cart at curbside, and (D) once weekly collection of used oil and filters in a transparent container at curbside.

All containers are to be provided by the Contractor at no additional cost. The Contractor will provide one (1) replacement container annually at no additional costs, regardless of the reason for replacement including a change in service level. The Contractor reserves the right to charge a fee for any replacement containers thereafter.

The basic level of service is recoverable through a single rate for all services provided. The County reserves the right to change this format during the term of the contract. Solid waste will be taken to the Napa-Vallejo Waste Management Authorities Devlin Road Transfer Station (DRTS).

**A. Curbside Solid Waste Collection.** Solid Waste collection service includes Solid Waste collection in either a 35, 65 or 96-gallon gray cart per week. Collection will be fully automated wherever feasible.

**Back Yard/Wheel-Out Service for Medical Reasons.** All basic Residential services as defined above shall be provided to those residents with back yard/wheel-out service. The Contractor shall go into "backyards" at no charge for accounts that have a medical note on file from a physician confirming there is a medical reason that prevents the resident from moving Solid Waste, recycling and Green Waste carts and other materials to the curb. The County requires that the Contractor annually receive a new medical note from a physician in order for the account to maintain backyard service at no charge.

50 **Back Yard/Wheel-Out Service for a Fee.** For those who want the back yard/wheel-out  
51 service and cannot provide a medical note, the service will be provided for an extra charge to be  
52 approved by the County for distances as outlined in the non-curbside footage service.  
53

54 **Vacation Stop Service.** County customers may stop service once per year and not be  
55 liable for payment during the vacation stop period. Residents can call the Contractor and ask for  
56 no service during certain dates for a minimum of a two-week period and for no longer than three  
57 months. If the stop request exceeds three months, the Contractor will arrange to pick-up the  
58 carts from the customer and will reinitiate service and billing upon their return.  
59

60 **Non-Curbside Footage.** Charge for customers who do not have a medical note on file  
61 but have difficulty getting the carts out to the curb such as accounts with an extended driveway,  
62 the contractor shall offer Solid Waste, recycling, and Green Waste service for a monthly footage  
63 charge approved by the County. The extra charges will be broken into a higher rate for service  
64 as distances from the curb increase by the following increments:  
65

- 66 • Five (5) to one hundred and thirty (130) feet (ft.)
- 67 • One hundred thirty one (131) ft. to three hundred and thirty (330) ft.
- 68 • Three hundred and thirty one (331) ft. to six hundred and sixty (660) ft.
- 69 • Six-hundred sixty one (661) feet to one thousand fifty six (1,055) ft.
- 70 • One thousand fifty six (1,056) feet and greater (Chargeable per 1,000 feet)

71  
72 **Extra Solid Waste and Recycling Service on Regular Service Day.** Up to five (5)  
73 times per calendar year, residential customers can call ahead for extra Solid Waste collection to  
74 be provided for a fee to be approved by the County. Extra Solid Waste and recycling service will  
75 be provided on the normal collection service. Customers can place Solid Waste bags or  
76 customer provided cans at the curb not to exceed 96 gallons. Residents can call the Contractor  
77 to collect unusually large amounts of cardboard, such as moving boxes, and any other large  
78 amounts of a single-stream recyclable material for curbside collection at no additional charge on  
79 regular service day.  
80

81 **Temporary Bin and Roll-Off Services.** Temporary bin and roll-off services is exclusive  
82 for the collection of Solid Waste and Recyclable Materials, except construction and demolition  
83 debris. Contractor may choose to provide temporary bin and roll-off services to Residential  
84 customers for construction and demolition debris as part of a non-exclusive system as provided  
85 in Ordinance 1123 Section 8.48.040. Contractor shall make all reasonable efforts to inform  
86 waste generators temporarily utilizing containers at a particular site that materials being  
87 generated can be recycled. Such efforts include, but are not limited to, providing a list of the  
88 materials that can be recycled.

89 The materials to be collected will include, but are not limited to, the following:  
90

- 91 • Newspaper (including inserts, coupons, and store advertisements)
- 92 • Chipboard
- 93 • Corrugated cardboard
- 94 • Mixed waste paper (including office paper, computer paper, magazines, junk mail,  
95 catalogs, kraft bags and kraft paper, paperboard, egg cartons, phone books, brown  
96 paper, grocery bags, colored paper, construction paper, envelopes, legal pad  
97 backings, shoe boxes, cereal and other similar food boxes)

- 98 • Glass containers (including brown, clear, and green glass bottles and jars)
- 99 • Milk, soy and juice cartons
- 100 • Aluminum (including beverage containers, food containers, small scrap metal)
- 101 • Steel or tin cans
- 102 • Scrap metal (ferrous and non-ferrous)
- 103 • All plastic containers #1 through #7
- 104 • Any other materials mutually agreed to by the hauler and the County.

105  
 106 Any County additions or deletions to the list above will be considered a Change in Scope as  
 107 provided in Article 5.7 of the Agreement, and with appropriate adjustment (up or down) in  
 108 Contractor service rates.

109  
 110 **Gated Developments.** The Contractor shall provide services to gated developments  
 111 and gated mobile home parks as may be selected and directed by the Homeowners Association  
 112 (HOA) or property manager. The HOA or property manager may direct, once in a twelve-month  
 113 period, the location of solid waste, the frequency of solid waste collection and/or the method of  
 114 billing as further described in Section 1.4.E of this Exhibit. Residential customers that are  
 115 included in the central or meter-billing arrangement by a HOA or property manager may not  
 116 suspend service for any period time.

117  
 118 **Multi-Family Service.** The Napa County Ordinance Number 1123 passed in 1995,  
 119 available on the County website or by request, requires that facilities have small, medium, or  
 120 large enclosure areas with requirements based on square feet or number of units. Multi-family  
 121 units can be billed as commercial or residential customers based on if the property owner or  
 122 manager selects bin or cart service.

123  
 124 The County and Contractor have an opportunity for significant improvement in diversion rates at  
 125 multi-family units and the Contractor is expected to make every effort to maximize diversion at  
 126 multi-family complexes. Recycling shall be single-stream with collection frequency to be  
 127 determined by the Contractor to maximize service and recycling. Containers shall be color  
 128 coded and labeled properly to minimize contamination. If contamination exceeds ten (10)  
 129 percent in single-stream, the Contractor shall work with the on-site property manager to reduce  
 130 contamination. The Contractor is required to offer recycling to one hundred (100) percent of the  
 131 units. If a manager refuses recycling services, a form identifying that the manager has refused  
 132 recycling service shall be signed by the manager and filed at the Napa County offices by the  
 133 Contractor. Complexes with fifty (50) or more units shall be offered a separate collection  
 134 container for cardboard. Outreach and public education at multi-family units is key to the  
 135 success of multi-family programs and shall be conducted by the Contractor as outlined in 1.4.

136  
 137 **B. Curbside Recycling Single-Stream.** Recycling collection service includes single-  
 138 stream recycling in either a 65 or 96-gallon blue cart per week with a maximum of two 65 or 96  
 139 gallon carts. The second cart is provided by request to the contractor. Collection will be fully  
 140 automated wherever feasible.

141  
 142 **C. Curbside Green Waste.** Green Waste weekly collection service will be in a 65 or 96-  
 143 gallon brown cart. One 65 or 96-gallon cart will be provided to each Customer. Customers may  
 144 request up to three (3) additional carts at no charge, although this service will not be advertised.

145 Collection will be fully automated wherever feasible. When full automation is not feasible, then  
146 collection will be performed with semi-automated vehicles. Service beyond four (4) 96-gallon  
147 Green Waste carts will be provided with each additional cart having a charge of fifty percent  
148 (50%) of Solid Waste fee. During the months of February and August the Contractor shall send  
149 a coupon that is eligible for use during the one month in the Spring and Fall, respectively,  
150 allowing for free drop-off of Green Waste at the County designated Material Diversion Facility  
151 (MDF).

152  
153 **D. Curbside Used Oil and Oil Filters.** Contractor shall provide weekly curbside used  
154 motor oil and oil filter collection to all Residential Customers and multi-family residents where it  
155 does not conflict with the policy of the facility.

156  
157 Contractor shall make used oil and oil filter collection containers available to all residents. Oil  
158 containers and filter bags shall be approved by the County prior to purchase and contain  
159 highest post-consumer recycled content feasible. Contractor shall make containers available to  
160 the County for distribution upon request of the County.

161  
162 Contractor shall exchange full used motor oil containers and oil filter bags for empty containers  
163 weekly, on same day as Solid Waste collection. Contractor shall collect only County approved  
164 used oil and filter collection containers and bags. If residents use a container different from the  
165 approved container, Contractor is not obligated to collect the used oil and/or oil filter. Contractor  
166 shall notify resident with the reason for non-collection the same day through the use of tags.  
167 Contractor shall note on the resident's customer account the non-collection and reason for non-  
168 collection within two (2) business days after the non-collection.

169  
170 Contractor shall advertise the used oil and oil filter collection program to all residential  
171 customers twice a year, six (6) months apart. The County shall approve advertisement prior to  
172 distribution by Contractor.

173  
174 Contractor shall complete the required application to become a Registered Curbside Program  
175 through the California Integrated Waste Management Board. Contractor will submit claims for  
176 incentive reimbursement as outlined in the Curbside Program procedures.

177  
178 **E. E-Waste.** The County, in conjunction with the City of Napa, will conduct one free annual  
179 e-waste drop-off event. The drop-off event is called the "Computer and Electronics Recycling  
180 Event" (Event) and is historically held the first Friday and Saturday of June at Napa Valley  
181 College. E-waste to be collected includes personal computers, laptops, cell phones, telephones  
182 and fax machines, computer peripherals such as keyboards, printers, scanners, cables and  
183 mouse, consumer electronics such as radios, tape players, VCRs, stereo equipment, personal  
184 digital assistants, and computer monitors and televisions. The event is limited to Napa County  
185 businesses and residents only. The Contractor shall reimburse the franchise holder at the City  
186 of Napa Materials Diversion Facility (CNMDF) a portion of the cost, based on a City managed  
187 participation survey conducted during the two day event and/or other allocation methodology  
188 agreed to by the County. For example, in 2004 Zone 1 participation was approximately less than  
189 10% the total event cost of \$125,000.

190  
191 A notice and coupon for the event is provided as an insert in the May and June Solid Waste bill  
192 and required "non-bill" direct mailing, respectively. All e-waste is collected for free with  
193 presentation of the coupon. The advertising is developed, paid for and mailed by the Contractor.  
194 The e-waste coupon will be included as a bill insert in the Solid Waste bills and also be mailed

195 to multi-family residences and those who pay their bill in advance every year to ensure that all  
196 residents (including renters) have access to coupons.  
197

198 The CNMDF accepts all e-waste year round during regular business hours with a minimal  
199 charge for CRTs and designated special waste and no charge for other electronic items. The  
200 City will determine both the minimal charge and the designated special waste. Should coupons  
201 be used at the CNMDF by customers versus the Event, the Contractor shall reimburse the  
202 CNMDF based on the standard minimal charge to non-coupon holders.  
203

204 **F. Tire Recycling.** The Contractor will reimburse the CNMDF for up to nine (9) tires in one  
205 (1) trip for customers who self-haul and present a coupon and either a driver's license or phone  
206 bill proving residency of Napa County. If a state grant is received, the Contractor will reimburse  
207 the CNMDF for up to nineteen (19) tires in one (1) trip during the allocated amnesty period. The  
208 coupon will be distributed once a year in bill and "non-bill" direct mailing inserts and be valid for  
209 one calendar year only. Individuals or businesses may deliver tires on multiple occasions if they  
210 have coupons: however, the per trip limit still applies.  
211

212 **G. Food Waste.** Food waste collection and recycling shall begin phase-in no later than  
213 January 2012 and shall complete phase-in of service within three months. The program will be  
214 part of the basic residential curbside service. No later than six months prior to the  
215 implementation date, Contractor shall provide County with a detailed implementation plan and  
216 schedule for addition of food waste collection and processing. Contractor shall offer food waste  
217 collection to all existing and future residential customers receiving green waste service. The  
218 plan shall address amount and timing of any capital purchases, changes in operational costs  
219 and/or procedures, and a specific schedule by route for phasing-in service. Public education for  
220 the program will be performed by Contractor as described in Section 1.0, and is also to be  
221 addressed in the implementation plan. The plan shall address delivery of in-house food waste  
222 pails to each customer. The County will review the plan within one month of submittal and  
223 provide any necessary comments to the Contractor in writing. Contractor shall address  
224 comments in writing no later than three months prior to the implementation date. Contractor's  
225 plan must be approved by County Board prior to implementation.  
226

227 Food materials collected by Contractor shall be delivered to a facility approved by County for  
228 recycling, mulching, composting or other method authorized by State law. If it becomes known  
229 to the County or Contractor that the designated facility is no longer recycling or processing  
230 materials as agreed and understood, is not in compliance with Local, State, or Federal  
231 operating permits, laws or regulations; and/or is not processing and /or using food waste in such  
232 a way that the food materials collected from within County shall count as materials diverted from  
233 solid waste stream for purposes of complying with the Act, and any other applicable state or  
234 federal law the Contractor has the duty to report such knowledge to County within four (4)  
235 calendar days.  
236

237 County reserves the right to:  
238

- 239 1) Delay implementation of the program at its sole discretion.
- 240
- 241 2) Modify the program as described in the Contractor's implementation plan.
- 242
- 243 3) Direct Contractor to deliver food materials to another processing facility, with an  
244 adjustment in compensation (up or down) to reflect the change in transportation cost  
245 as provided in Article 7.4.A.

246  
247 Contractor shall receive an increase or decrease in compensation to provide this service as  
248 proposed in the Contractor's proposal (Exhibit M) and as provided in Article 7.2.B of this  
249 Agreement.

250  
251 **H. Bulky Goods.** Bulky goods may be left for collection by curbside and drop-off to the  
252 County designated MDF. The customers can call the Contractor for curbside pick-up for a fee to  
253 be approved by the County for the following materials, to include at a minimum:

- 254  
255
- Furniture such as sofas, chairs, and mattresses
  - Appliances such as stoves, washer/dryer, water heater
  - Toilets, sinks, and other porcelain products
  - Tires
- 257  
258

259  
260 Items not accepted, currently:

- 261
- Household Solid Waste
  - Paint
  - Household Hazardous Waste (HHW)
  - Green Waste of any kind
  - Refrigerators
- 266

267  
268 Additional items will be listed as unacceptable as they are reclassified through Local, State, and  
269 Federal regulatory processes as 'special' or 'hazardous' wastes.

270  
271 The Contractor shall identify the type of vehicle to be used for bulky good collections. The  
272 County expects and encourages the Contractor to maximize the reuse and recycling bulky  
273 goods collected.

274  
275 Non-hazardous bulky goods such as ovens, water heaters or mattresses will be accepted free  
276 of charge at the County designated MDF with presentation of a coupon, valid for one year from  
277 date of issuance. Should coupons be used at the CNMDF by customers versus the Event, the  
278 Contractor shall reimburse the CNMDF based on the standard minimal charge to non-coupon  
279 holders. The coupon will be developed by the Contractor and sent as a bill insert. For free drop-  
280 off, the residents are required to present the coupon with a driver's license having a Napa  
281 County address.

282  
283 Additionally, Customers will be informed through the public education efforts specified in  
284 Section 1.4, that selected bulky goods can be brought to the Devlin Road Transfer Station  
285 Reuse and Recycle Center during their regular business hours.

286  
287 **I. Household Hazardous Waste (HHW).** Customers may recycle HHW such as paint,  
288 antifreeze, and oil and oil filters. All recyclable and non-recyclable HHW can be brought to the  
289 DRTS Permanent Household Hazardous Waste Collection Facility (HHWCF) for Napa County  
290 residents. HHWCF accepts during regular business hours toxic, flammable, corrosive or  
291 reactive products, such as insecticides, paints, thinner, solvents, cleaners, propane tanks, old  
292 gasoline, batteries and automotive fluids. The public can transport fifteen (15) gallons or one  
293 hundred and twenty-five (125) pounds maximum per trip. Additionally, the DRTS accepts auto  
294 batteries, latex paint, anti-freeze, used motor oil and filters daily at currently no charge. The  
295 Contractor has no direct responsibility to provide hazardous waste collection.

296

297 **J. Holiday Greenery Recycling.** This program is to be coordinated with a local non-profit  
298 agency and held annually on the first Saturday following New Years Day. The local non-profit  
299 agency will pick-up whole trees at the curb and bring to a centrally located roll-off container(s)  
300 that the Contractor provides at no charge to the local non-profit agency. The residents can give  
301 the local non-profit agency a donation for the service. Additionally, the following week only the  
302 Contractor shall collect whole trees from customers on customer's regular day of service if it is  
303 put out on the street next to the carts. Trees can also be cut-up and placed in Green Waste  
304 carts if not treated with non-compostable materials such as tinsel and flocking. Historically, the  
305 City of Napa has utilized the services of the Boy Scouts.

306  
307 **K. Telephone Book Collection.** Telephone books are collected in the curbside single-stream  
308 program year-round. There are currently no additional drop-offs specific to phone book  
309 collection in the County.

310  
311 **1.1 COMMERCIAL, INDUSTRIAL AND INSTITUTIONAL COLLECTION SERVICES**

312  
313 **Commercial, Industrial, and Institutional Premises Defined.** Commercial Premises means  
314 any premises occupied by stores, offices, and other commercial facilities providing goods or  
315 services and, solely for the purposes of this Contract, dwelling units in residential developments  
316 wherein such dwelling units are not provided individual collection service nor individually billed  
317 as a customer of Contractor's, but are instead serviced through central collection by bin, roll-off  
318 and /or compactor and billed by a Homeowners Association or a property manager. Industrial  
319 Premises means premises occupied by manufacturing operations and other industrial facilities.  
320 Institutional Premises means premises occupied by educational, health care, correctional,  
321 research and other similar facilities.

322  
323 **Basic Level of Service Defined.** Commercial solid waste service is Mandatory and self-hauling  
324 of solid waste is prohibited in the County of Napa under County Code Section 8.48.120 titled  
325 Mandatory Collection. Collection will be fully automated or semi-automated wherever feasible.  
326 Manual collection can be used only when semi-automated or automated collection is not  
327 available.

328  
329 The basic level of service for a Commercial Customer that is serviced includes: (A) regularly  
330 scheduled automated collection of Solid Waste with variable rates approved by the County, (B)  
331 For automated collection of single-stream recyclables in variable container sizes, and regularly  
332 scheduled automated collection of Green Waste basic service shall be once per week  
333 collection. If once per week collection is inadequate with the existing container, Contractor shall  
334 offer Customer the choice of a larger container, up to 6 cubic yards, sufficient for once per week  
335 collection and/or more frequent collection. Compensation for collection of commercial  
336 recyclables beyond the basic service level shall not exceed fifty percent (50%) of the equivalent  
337 Solid Waste rate for the same size container size and collection frequency.

338  
339 The basic level of service is recoverable through a single rate for all services provided except  
340 for those weekly recycling services in excess of four (4) cubic yards and as otherwise noted in  
341 subsequent section. The County reserves the right to change this format during the term of the  
342 contract.

343  
344 Collection shall be accomplished in such a manner that the flow of traffic shall not be impeded  
345 or a threat to the public health or safety created. All containers are to be provided by the  
346 Contractor.

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**A. Containers.** The Contractor will provide containers, except that Contractor shall collect materials from customer-owned bins as long as the customer-owned bins are maintained properly. Rental charges for recycling containers will be charged for roll-off sizes and above. All other containers will be provided by the Contractor free of charge.

**B. Exclusive Right to Collect.** Contractor shall have the exclusive right, except as otherwise provided in Section 1.1.C, to provide Solid Waste and Recyclable Materials collection services for carts, bins, roll-offs and compactors as follows: (A) regularly scheduled routine collection service a minimum of once per week; (B) as-needed on-call collection initiated at request of customer and in conjunction with (A) above, except that such an on-call request for collection shall not automatically increase the frequency of regularly scheduled routine collection service unless so intended by customer and confirmed in writing by customer to Contractor; and , (C) as-needed on-call collection initiated at the request of customer, which service may be exclusively ordered without subscribing to or receiving any regularly scheduled routine collection services. As-needed on-call collection requests may be made by customer, authorized agent or representative of customer, or, in the case of compactors so equipped, by automatic dial-up, other automated methods or electronic device that signals Contractor. Contractor is required to provide commercial services when requested by the business.

Within 90 days following commencement of service under this contract, the Contractor shall provide the County with a list of commercial entities that do not have basic solid waste service. Contractor shall provided a list of commercial customers that refuse solid Waste service in the monthly report outlined in Article 8.2.C. Prior to listing a commercial entity, the Contractor shall make two (2) attempts to have the commercial entity use the services of the Contractor. The County will perform an investigation to determine if the entity will be issued a letter explaining the service is mandatory, citing county code section applicable, and requesting a written response or request to start service within fourteen days (14) of receipt.

**C. Exceptions to Exclusive Right to Collect.** There are only five (5) programs where the hauler does not have the exclusive right to collect commercial materials within the County of Napa. They are for 1) bonded paper and document destruction companies, 2) metal recyclers 3) pallet recyclers, 4) landscapers and 5) construction and demolition.

The Contractor can choose to become a bonded document destruction service and compete within the County for those services, but may not discriminate against any business that chooses to use document destruction and recycling services in the provision of other services under this contract.

The Contractor shall offer pallet collection and recycling as part of the commercial service program but it will not have the exclusive right to collect pallets.

**D. Recyclable Materials Collection.**

**Changes in Collection Services.** The customer shall have the unabridged right, at any time, to decrease the frequency of collections and/or the number of containers or compactors for Solid Waste commensurate with the amount of Recyclable Materials diverted by any recycling programs, projects or activities undertaken by customer.

**Cooperative Arrangements.** The customer shall have the unabridged right, at any time, to form cooperative arrangements and enter into written agreements with any other customer or

398 customers to aggregate Recyclable Materials or some category thereof, and to share, in any  
399 manner mutually agreed to by and between such customers, the reduced collection charges  
400 therefore. Contractor shall honor any applicable terms and conditions of any such agreement.

401  
402 **Right to Consultations and Technical Assistance.** The customer shall have the right,  
403 but not the obligation to consult with Contractor in establishing recycling programs, projects or  
404 activities. The customer may consult with County, County's agents, or representatives and /or  
405 any other recycling company or expert in the field to plan, in accordance with Federal, State and  
406 Local laws and regulations and without conflict to any other stipulation within the contract, the  
407 most beneficial recycling program(s) for that customer's Recyclable Materials or for materials  
408 that may become recyclable due to technological advancements, development of new markets  
409 or for other reasons. Business Recycling Plans and assistance will be provided on request of  
410 customer by Contractor as outlined in Section 2.06.01.5 and 2.06.05.

411  
412 **E. Recycling Programs**

413  
414 **Single-Stream.** The Contractor shall offer single-stream recycling to all commercial,  
415 industrial, and institutional customers. Single-stream recycling collection is by cart or bin and  
416 accepts same material types collected in the residential program. The County currently allows  
417 businesses to share recycling bins if it is most efficient and wishes to maintain that option for the  
418 businesses. Recycling service is at no charge to customers up to roll-off sizes as long as they  
419 receive Solid Waste service. Single stream recycling is permitted for weekly loads from 35  
420 gallon up to six (6) cubic yards at no additional charge. For materials in excess of six (6) cubic  
421 yards, the Contractor is allowed to charge up to (50%) fifty percent of the Solid Waste rate  
422 based on container size. The Contractor shall offer recycling to every commercial business.

423  
424 **Source Separated.** Some businesses have source-separated collection for cardboard,  
425 Green Waste, or office paper, metal, wood, concrete, containers only, or glass. Any source-  
426 separated Recyclable Material will be collected by the Contractor at no additional cost to  
427 customers of the basic waste service and the container size is a six (6) cubic yard bin or less..  
428 Cardboard collection shall stay separate as determined by the Contractor in consultation with  
429 the customer on case-by-case basis. Source separated materials cannot exceed five (5) percent  
430 contamination.

431  
432 The Contractor will provide the County annual reporting, including but not limited to, to whom  
433 the loads were sold, what types of loads were sold, and the total annual amount by type of  
434 recyclable materials sold.

435  
436 **Compacted Source Separated Recyclables.** Recyclables that are source-separated,  
437 clean, and compacted shall be collected by the Contractor at no additional cost to the customer  
438 as long as they take basic solid waste service and the container is compatible with the  
439 Contractor's equipment. This service shall include clean-baled film plastic and any other  
440 material if it has a positive market value. Any source-separated Recyclable Material will be  
441 collected by the Contractor at no additional cost to customers of the basic waste service.  
442 Compacted source separated materials cannot exceed five (5) percent contamination.

443

444 **F. Green Waste.** Green Waste service shall be offered to all commercial, industrial and  
445 institutional customers. Green Waste is collected in 65 or 96 gallon carts or two (2) yard bins for  
446 customers of the basic service. For materials in excess of six (6) cubic yards, the Contractor is  
447 allowed to charge up to fifty percent (50%) of the Solid Waste rate based on the container sized  
448 utilized.  
449

450 **G. Food Waste.** On or before January 1, 2009, the Contractor shall fully implement a food  
451 waste collection and recycling program for appropriate participants such as supermarkets,  
452 restaurants, resorts, assisted living facilities, skilled nursing facilities and convalescent homes,  
453 country clubs and golf courses, grocery stores and other caterers. The customers to be served  
454 shall be mutually selected by the County and Contractor. County shall seek input from various  
455 organizations, groups and associations in order to identify and solicit customers that may be  
456 interested in participating. Targeted materials shall include food waste materials suitable for  
457 composting.  
458

459 No later than six months prior to the implementation date, Contractor shall provide County with  
460 a detailed implementation plan and schedule for provision of food waste collection and  
461 processing services to commercial customers. The plan shall address amount and timing of any  
462 capital purchases, changes in operational costs and/or procedures, and a specific schedule by  
463 route for phasing-in service. Public education for the program will be performed by Contractor  
464 as described in Section 1.4 and is also to be addressed in the implementation plan. The County  
465 will review the plan and within a month from submittal provide any necessary comments to the  
466 Contractor in writing. Contractor shall address comments in writing no later than three months  
467 prior to the implementation date. Contractor's plan must be approved by County Board prior to  
468 implementation.  
469

470 Contractor shall provide participating customers with sixty-five (65) or ninety-six (96) gallon  
471 wheeled carts or other containers and/or bins, roll-offs or compactors as necessary for the  
472 segregation and storage of food materials to be recycled. Contractor shall provide and  
473 distribute to participants reporting damaged carts, containers, bins, roll-offs or compactors a  
474 replacement thereof within seventy-two (72) hours of notice from participant. Contractor shall  
475 also provide carts, containers, bins, roll-offs or compactors to new program participants located  
476 in Zone 1 of unincorporated County or that request to participate.  
477

478 Food materials collected by Contractor shall be delivered to a facility approved by County for  
479 recycling, mulching, composting or other method authorized by State law. If it becomes known  
480 to the County or Contractor that the designated facility is no longer recycling or processing  
481 materials as agreed and understood, is not in compliance with Local, State, or Federal  
482 operating permits, laws or regulations; and/or is not processing and /or using food waste in such  
483 a way that the food materials collected from within County shall count as materials diverted from  
484 solid waste stream for purposes of complying with the Act, and any other applicable state or  
485 federal law the Contractor has the duty to report such knowledge to County within four (4)  
486 working days.  
487

488 County reserves the right to:

- 489 1) Delay implementation of the program at is sole discretion.
  - 490 2) Modify the program as described in the Contractor's implementation plan.
- 491  
492  
493

494 3) Direct Contractor to deliver food materials to another processing facility, with an  
495 adjustment in compensation (up or down) to reflect the change in transportation cost  
496 as provided in Article 7.4.A.  
497

498 Contractor shall receive an increase or decrease in compensation to provide this service as  
499 proposed in the Contractor's proposal (Exhibit M) and as provided in Article 7.2.B of this  
500 Agreement.  
501

502 Contractor shall record the cost and operations data including, but not limited to: total tons  
503 collected, person hours, number of stops, number of participating customers, number of routes  
504 and all other pertinent data, as may be required by County, or considered to be reasonable and  
505 prudent by the Contractor, in a format approved by County and shall submit said data on a  
506 quarterly basis, beginning one month after inception of program. County reserves right to  
507 require submission of any and all additional information from Contractor as necessary or  
508 desirable in order to evaluate, or have agents of County evaluate, the cost, benefits and  
509 potential diversion opportunity of the program and to report data to state and federal agencies  
510 as required by law or regulation.  
511

512 **H. Bulky Goods.** Bulky goods may be left for collection by curbside and drop-off to the  
513 County designated MDF. The customers can call the Contractor for curbside pick-up for a fee to  
514 be approved by the County for the following materials, to include at a minimum:  
515

- 516 • Furniture such as sofas, chairs, and mattresses
- 517 • Appliances such as stoves, washer/dryer, water heater
- 518 • Toilets, sinks, and other porcelain products
- 519 • Tires

520  
521 Items not accepted, currently:

- 522 • Household Solid Waste
- 523 • Paint
- 524 • Household Hazardous Waste (HHW)
- 525 • Green Waste of any kind
- 526 • Refrigerators

527  
528 Additional items will be listed as unacceptable as they are reclassified through Local, State, and  
529 Federal regulatory processes as 'special' or 'hazardous' wastes.  
530

531 The Contractor shall identify the type of vehicle to be used for bulky good collections. The  
532 County expects and encourages the Contractor to maximize the reuse and recycling bulky  
533 goods collected.  
534

535 Non-hazardous bulky goods such as ovens, water heaters or mattresses will be accepted free  
536 of charge at the County designated MDF with presentation of a coupon, valid for one year from  
537 date of issuance. The coupon will be developed by the Contractor and sent as a bill insert. For  
538 free drop-off, the residents are required to present the coupon with a driver's license having a  
539 Napa County address. Should coupons be used at the CNMDF by customers versus the Event,  
540 the Contractor shall reimburse the CNMDF based on the standard minimal charge to non-  
541 coupon holders.  
542

543 Additionally, Customers will be informed through the public education efforts specified in  
544 Section 1.4, that bulky goods can be brought to the Devlin Road Transfer Station Reuse and  
545 Recycle Center during their regular business hours.

546

547 **I. Other Recycling Programs**

548

549 **Hazardous Waste.** Commercially generated hazardous waste can be brought to the DRTS  
550 HHWCF for a fee. This service is limited to businesses that meet program eligibility. The  
551 Contractor has no direct responsibility to collect hazardous waste collection from customers.

552

553 **E-Waste.** The County, in conjunction with the City of Napa, will conduct one free annual e-  
554 waste drop-off event. The drop-off event is called the “Computer and Electronics Recycling  
555 Event” (Event) and is historically held the first Friday and Saturday of June at Napa Valley  
556 College. E-waste to be collected includes personal computers, laptops, cell phones, telephones  
557 and fax machines, computer peripherals such as keyboards, printers, scanners, cables and  
558 mouse, consumer electronics such as radios, tape players, VCRs, stereo equipment, personal  
559 digital assistants, and computer monitors and televisions. The event is limited to Napa County  
560 businesses and residents only. The Contractor shall reimburse the franchise holder at the City  
561 of Napa Materials Diversion Facility a portion of the cost, based on a City managed participation  
562 survey conducted during the two day event and/or other allocation methodology agreed to by  
563 the County. For example, in 2004 Zone 1 participation was less than 10% of the total event cost  
564 of \$125,000.

565

566 **Non-County Sponsored Special Events.** The Contractor shall assist the contact person  
567 for special events in designing and implementing services to provide for the containment,  
568 collection, recycling, and disposal of Solid Waste and recyclable materials proceeding, during  
569 and after the special event. The Contractor and County shall work closely together to ensure  
570 recycling is maximized at non-County special events to the extent feasible. Methods to reduce  
571 contamination can include changes to size, shape, and labeling to maximize use of proper  
572 containers. Contractor may charge for collection services no greater than the established and  
573 approved by County outlined in Exhibit D.

574

575 **Schools.** Napa Valley Unified School District will receive services under the City of Napa  
576 franchise. Private schools, however, are handled as commercial customers.

577

578 **1.3 COUNTY FACILITIES AND EVENTS COLLECTION SERVICES**

579  
580 **A. Collection Services at County Facilities.** The County facilities located in County Zone  
581 1 and within the City of Napa will continue to be billed by the Contractor and City of Napa  
582 Franchise, respectively, as commercial customers with the exception of Cutting’s Wharf and the  
583 future Sheriff’s Facilities which will be serviced without charge. The County reserves the right to  
584 add additional County Facilities to this list at any time by providing written notice to the  
585 Contractor. Exhibit K illustrates the location and service levels of these two (2) County Facilities.  
586 However, the County reserves the right to add locations in the future for the following services at  
587 no additional cost to the County.

588  
589 Contractor shall provide containers for and collection of all Solid Waste and Recyclable  
590 Materials generated at premises owned and/or operated by the County. Collection shall be at a  
591 time convenient for the County. Occasionally over the Agreement Term, the County may direct  
592 Contractor to change frequency of collection, number and or type of container(s) provided or  
593 method of collection. The County shall receive all the basic collection services of a basic  
594 commercial account, including Solid Waste, single-stream recycling, Green Waste, and source-  
595 separated cardboard but without charge.

596  
597 **B. Collection Services at County Sponsored Special Events.** From time to time, the  
598 County may sponsor or co-sponsor, host or otherwise organize a special event, such as a  
599 parade, public building dedication, conference of public officials, art show, cultural event or  
600 organized recreational activities at any of the County’s parks or venues. Contractor shall provide  
601 containers for collection service for no greater than two (2) special events per calendar year.  
602 The County currently has no sponsored Special Events. However, the County reserves the right  
603 to add Special Events in the future for the following services which would be considered a  
604 Change in Scope under Article 5.7. Contractor shall provide Solid Waste and Recyclable  
605 Materials collection services for such events, including containers for the general public to  
606 dispose of Solid Waste and Recyclable Materials, as well as larger size bins. Starting in 2009,  
607 the Contractor shall also provide containers for recycling food waste and other organics to  
608 coincide with the implementation of the commercial food waste collection program.

609  
610 **1.4 PUBLIC EDUCATION PROGRAM**

611  
612 **A. General.** The Contractor shall pay for advertising, development and printing for, the  
613 programs listed in Table 1-1 for two bill inserts per month. All advertisements will be provided to  
614 the County in PDF forms on a Compact Disk (CD) prior to printing. The County prior to printing  
615 and dissemination to the public shall approve all advertising materials. All outreach will be  
616 bilingual in both English and Spanish. Printing shall be performed at a printer within the County  
617 of Napa and be on the highest post-consumer content paper feasible. The Contractor shall also  
618 develop and pay for the following to promote programs:

- 619  
620
- 621 • Billing inserts
  - 622 • Coupons for e-waste, tires, and bulky-goods collections (bill inserts and/or direct mail).
  - 623 • Annual phone book Recycling Guide. A draft will be submitted to the County no  
624 later than one month prior to the due date of the final draft as identified by the  
625 phone company. The Contractor will pay for fifty percent (50%) of the cost of  
626 printing the Recycling Guide.

- 627 • Contractor’s website will list all services available to residential and commercial  
628 customers. The website will also provide expanded educational and program  
629 information as relates to the Contractor’s waste reduction and recycling  
630 programs.
- 631 • Other methods, information and programs as agreed upon by Contractor and  
632 County.

633  
634 **B. Notice to Resident and Commercial Customers.** Contractor shall, during the month of  
635 January of each year of the Contract Term, notify each residential and commercial customer of  
636 the opportunity to participate, at no additional charge, in the curbside recycling program, state  
637 how to obtain a container or additional containers if already participating, state how to replace a  
638 lost, stolen or damaged container, detail the benefits of recycling to the community and other  
639 information as may be appropriate. The Contractor shall, during the month of January of each  
640 year of the Contract Term provide a separate notice to residential and commercial customers  
641 regarding available Solid Waste services that are available and how to secure backyard service  
642 for disabled persons wishing to participate. Contractor shall submit to County by November 1 of  
643 the preceding calendar year a draft notice in PDF forms on a CD to County for review and  
644 approval. All costs associated with the preparation of a professional, well formatted and  
645 designed notice, as a pamphlet or brochure, costs of printing, labeling and mailing (first class  
646 postage) shall be borne by Contractor.

647  
648 **C. Periodic Technical Assistance.** Contractor shall annually contact one hundred (100%)  
649 percent of all Commercial, Industrial and Institutional Premises to notify the occupants thereof of  
650 each and every alternative method of recycling and other supportive services available. Such  
651 contact shall include, at Contractor’s sole expense, the preparation of a professional, well-  
652 formatted and designed brochure that describes, at a minimum, the services available, benefits  
653 and cost savings that may result from participation or improving an on-going program and right  
654 of customer to procure technical assistance from Contractor or other recycling companies and  
655 persons. Contractor shall submit to County for review and approval the brochure not later than  
656 ninety (90) days after the beginning of the Contract Term. Contractor shall distribute the  
657 brochure by a first class postage mailing. Contractor shall provide waste stream audits, as  
658 requested, and prepare a Business Recycling Plan and report to customer on opportunities  
659 available to start-up or increase diversion and reduce cost of solid waste collection. Contractor  
660 is responsible for reporting to County the results of such contacts on an annual basis as  
661 required in the Contract or otherwise specified by the County.

662  
663 **D. Business Recycling Plans.** The Contractor will annually perform a waste audit and  
664 prepare a “Recycling Plan” for ten (10) percent of commercial accounts. The Contractor and  
665 County will mutually agree on the type or size of business to be targeted to achieve diversion  
666 objectives (which may include: size of business, number of employees, specific discarded  
667 materials, willingness to participate, etc.). The Contractor will discuss the Recycling Plan with  
668 the business owner/manager prior to finalization. The Contractor will also provide waste audits  
669 and Recycling Plans upon request for any commercial customer as provided in Section 1.4.C,  
670 and these audits may be counted towards the above requirement to audit ten (10) percent of  
671 customers per year.

672  
673 **E. Notice to HOAs and Property Managers.** Contractor shall, during the month of October  
674 of each year of the Term, notify each HOA and property manager of any gated development or  
675 mobile home park of each and every alternative method of recycling available to residents  
676 thereof. This notice shall include the following: (A) collection from backyard, side yard, closet or  
677 other place of enclosure at a charge as established and approved by County; (B) provision of a

678 bin or bins in a central location, such as a work yard, for drop-off of Recyclable Materials; (C)  
679 community drop-offs available for use by residents; (D) any other feasible method.

680  
681 Contractor shall submit by August 1 of the same calendar year a draft notice in PDF form on a  
682 CD to County for review and approval. All costs associated with the preparation of a  
683 professional, well formatted and designed notice, as a pamphlet or brochure, costs of printing,  
684 labeling and mailing (first class postage) shall be borne by the Contractor. Contractor is  
685 responsible for reporting to County the response to those notices upon a first request from the  
686 County as required in the Contract or otherwise specified by County.

687 Contractor's public education coordinator will meet with every multi-family complex manager at  
688 least once per year and make themselves available to attend multi-family related community  
689 meetings upon request. The Contractor's public education coordinator shall provide literature  
690 and educational materials, and communicate directly and in-person with participating  
691 complexes, and alert property managers where contamination issues arise.

692  
693 **F. Notice to Potential Participants of New Food Waste Collection and Recycling**  
694 **Program.** Ninety (90) days prior to commencement of the residential and commercial food  
695 waste collection programs, Contractor shall submit to County draft public education materials in  
696 PDF form on a CD. Educational & Promotional Materials will include information for both  
697 Commercial and Residential audiences or be prepared separately for each audience. Public  
698 Education Material will include: (1) draft brochures in English and Spanish to be provided to  
699 potential program participants; (2) draft flyer in English and Spanish to accompany delivery of  
700 carts or containers, bins, boxes or compactors, noting operational details pertinent to program,  
701 such as preparation and handling of materials, storage methods, and the like. Contractor shall  
702 consult with facility designated to take delivery of food materials in preparing the above drafts  
703 for County's consideration. County shall provide Contractor with comments on draft materials  
704 within thirty (30) days. Contractor shall, at its sole expense: (1) prepare and produce a  
705 professional, well-formatted and designed brochure, to be subsequently distributed by first-class  
706 mail to potential program participants in a time frame prescribed by County; and, (2) prepare  
707 and produce a professional, well-formatted and designed flyer outlining operational details for  
708 distribution together with carts, containers, bins or compactors. The Contractor shall submit to  
709 County a draft of the materials in PDF form on a CD for the County's review and approval prior  
710 to printing and dissemination.

711  
712 **G. Collection Vehicles.** Solid Waste and Recyclable Materials Collection vehicles shall  
713 have signs that will be kept current to promote County's recycling programs. The County prior to  
714 implementation of campaign shall approve any and all vehicle signs.

715  
716 **H. Containers.** All Containers will be consistently color-coded, and have graphics to reduce  
717 contamination. Color coding scheme within County Zone 1 of is gray for Solid Waste, brown for  
718 Green Waste, and blue for single-stream recyclables.

719

- 720 **I. Website and Phone Book Recycling Guide.** The Contractor shall add to their website  
721 information to inform the citizens of all the County's solid waste and recycling programs. If the  
722 Contractor does not have a website then one must be provided. The Contractor is required to  
723 submit to the County by February 1st every year a design of the draft phone book ad on  
724 recycling services in PDF form on a CD and then incorporate any County comments. The hauler  
725 will be required to submit a final by March 1<sup>st</sup> each year. The Contractor will pay for fifty percent  
726 (50%) of the cost of printing the recycling guide in the phone book. The City's Contractor will  
727 pay for the remainder of the costs. If the phone company deadlines change, the draft of the  
728 advertisement 80 days before deadline, and the final 45 – days prior to phone company cut-off.  
729
- 730 **J. Awards.** Starting in 2007, there will be an annual award for businesses, multi-family  
731 complexes, mobile home parks, and property managers who achieve the highest levels of  
732 recycling and have minimized contamination as determined by the County Representative. The  
733 Contractor shall work with County's Representative to create and manage this award. The  
734 Contractor will publish a half (½) page advertisement in the Napa Register, or its successor, at  
735 the time of the award.  
736
- 737 **K. Seminars, Workshops, Presentations, Meetings.** Contractor shall ensure the  
738 attendance of qualified and knowledgeable employees of Contractor, on an as-requested basis,  
739 at local seminars, workshops, presentations, meetings and the like, to provide information or  
740 discuss matters related to solid waste or recycling.  
741
- 742 **L. Tours of Contractor's Facilities.** County may require that facilities of Contractor,  
743 depending on location and nature of each facility, be periodically open in some portion to the  
744 public with seventy-two (72) hours notice by County.

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**Table 1-1**  
Contractor Advertised Programs

- Holiday Greenery Collection - First Saturday in January.
- Home Composting. - February -October a series of 10-12 composting classes almost entirely conducted by County and County staff in coordination with local UC Extension Master Gardener Program. The County pays for any costs of actually holding the classes. Current contractor has honored coupons for one free Green Waste compost bin for class attendees.
- Xeriscaping/Grasscycling - Provide rate payers billing inserts on this type of recycling
- Food Reuse & Collection "Spring Into Action" done in March. Food collection drive, which is done one week per year. Customers can set out dry or canned goods on regular day of collection service and the recycling truck drivers collect the food. Over four tons of food was collected in 2002. Food is donated to the Napa Food Bank. The contractor pays the cost of additional labor.
- Lawn Mower Exchange -Done in April, this program is largely funded through Air District, residents can turn in as powered mowers for a \$100 discount on mulching electric mowers. Hauler provides bins for waste and roll-off boxes to recycle old mowers that are recycled.
- Earth Day Festivities - Provide recycling containers and service of containers for event. In addition, the Contractor will be providing an employee(s) knowledgeable about recycling to assist in manning the County's booth at the event. Staffing of the event will be coordinated with the staff in the Napa County Environmental Management's Department.
- Napa County Fair - Provide recycling containers and service of containers for event. In addition, the Contractor will be providing an employee(s) knowledgeable about recycling to assist in manning the County's booth at the event. Staffing of the event will be coordinated with the staff in the Napa County Environmental Management's Department.
- Home & Garden Show - The show is in May. There is a kiosk that is staffed with personnel from the County and contractor. Brochures and public education information are printed and available at the kiosk.
- Business Showcase – Chamber of Commerce annual event. Contractor with County staff educate businesses on waste reduction and recycling opportunities.
- Special Event Brochure – Developed for those individuals who are planning a special event.
- E-waste Collection - June, described in Section 1.0.E
- Cell Phone Collection – promoting private cell phone collection options in addition to County provided options
- Ink Cartridge – promote private collection and recycling of ink cartridges
- Telephone Book Collection – July, as described in Section 1.0.K.
- Tire Amnesty Coupon. – August- **New program**, but the County has partnered with Napa County, NGS and Upper Valley to apply for grant funds from the CIWMB for tire recycling, probably in the form of a "free disposal coupon" for self-hauling up to 10 tires per trip. This program will be subject to available funding through the award of a CIWMB grant.
- Coastal Clean-Up Day September - Volunteers collect litter from banks of the Napa River. Hauler provides the waste and recycling equipment and service.

793 **1.5 OTHER INFORMATION**

794

795 **A. Service Area. Specific Description** - See legal description in contract. General  
796 Description - South of Yountville to County line with the exceptions of the City of Napa and City  
797 of American Canyon.

798

799 **B. “Non-Bill” Mailing Lists.** The Contractor shall create and maintain a mailing list of all  
800 accounts that are “non-bill” customers. The Contractor may elect to utilize the services of a  
801 Direct Mailing Service for these “Non-Bill” Customers. Examples of non-direct bill customers  
802 would be apartments, mobile homes, condominiums, assisted living facilities, and other lease  
803 term/tenant situations such as a business park or strip mall. The mailing list shall be updated on  
804 an annual basis at a minimum and shall identify the number of non-direct customers who are  
805 "on service" through a central billing or property owner/property manager. The programs  
806 requiring an annual mailing to non-bill customers will include coupons for the bulky goods, e-  
807 waste and tires. Additionally, any customer who prepays their bill annually and does not receive  
808 monthly bills shall be included on this mailing list but identified as “prepay” customers and shall  
809 also receive the coupons and other public education materials.

810

811 **C. New Diversion Programs.** Contractor shall, at no additional cost, within forty five (45)  
812 days of a request by County, submit a written proposal on providing additional or expanded  
813 diversion services. The proposal shall contain a complete description of the following: (A)  
814 collection methodology to be employed; (B) equipment to be used and staffing requirements by  
815 number and classification; (c) type of container(s) to be used; (D) informational/promotional  
816 campaign; (E) projection of annual operating costs, including documentation of key assumptions  
817 underlying projections and support for assumptions.

818

819 **D. Recyclable Materials Processing and Marketing.** The Contractor will be responsible  
820 for all Recyclable Materials processing and marketing services associated with the collection of  
821 Recyclable Materials under this Agreement. The Contractor shall be required to provide  
822 processing facility capacity and shall designate a facility(ies) for such purpose in the proposal.  
823 In meeting the obligation to provide processing facility capacity, the Contractor may purchase,  
824 lease, subcontract, or make other arrangements with a new or existing facility for the processing  
825 and marketing of the Recyclable Materials collected in the County. Ownership or leasing  
826 arrangements and costs will be the responsibility of the Contractor. The Contractor will ensure  
827 that any applicable purchase or lease agreements with property owners and the local land-use  
828 authorities are implemented. The Contractor will have the responsibility to ensure the technical  
829 and environmental suitability of any processing site for its intended purpose. The Contractor will  
830 be compensated for Recyclable Materials processed and marketed solely through the Rates.

831

832 The Contractor will be responsible for arranging for the transportation of the Recyclable  
833 Materials to the processing facility. If the Contractor chooses to consolidate the Recyclable  
834 Materials to reduce transportation costs to a distant processing site, the Contractor will be fully  
835 responsible for securing and operating a staging area for temporary storage, consolidation, and  
836 loading of materials into transfer vehicles for long-hauling to the processing facility.

837

838 The Contractor will be required to prepare, process, and market a minimum of ninety (90)  
839 percent of the Recyclable Materials Collected under this Agreement. The material types to be  
840 accommodated by the facility are outlined in Section 3. The Contractor will market and sell  
841 Recyclables collected pursuant to the Agreement. All revenues earned from the sale of the  
842 Recyclables will be retained by the Contractor.

843

844 By mutual written agreement, the Contractor will process and market additional types of  
845 Recyclables.

846  
847 Disposal of Residue remaining after the segregation of the Recyclables Materials will be the  
848 Contractor's responsibility. The Contractor will transport the Residue to the Disposal or Transfer  
849 Facility or to another facility of its choosing. The costs of Residue transportation and Disposal  
850 will be borne by the Contractor and shall be included in the Rates.

851  
852 **E. Transport and Processing of Green Waste and Food Waste.** Contractor shall  
853 provide for the transportation, processing and marketing of all Green Waste and Food Waste for  
854 use as compost, mulch, or other forms of beneficial reuse, and is responsible for payment for  
855 these services from the Rates. It is the intent of the County that the Contractor maximize  
856 recovery by means other than ADC, however the Designated Green Waste Processing Facility  
857 may use up to a maximum of ten (10) percent of Contractor's delivered Green Waste as ADC.

858  
859 Disposal of Residue remaining after the segregation of the Green Waste and Food Waste will  
860 be the Contractor's responsibility. The Contractor will transport the Residue to the Disposal or  
861 Transfer Facility or to another facility of its choosing. The costs of Residue transportation and  
862 Disposal will be borne by the Contractor and shall be included in the Rates.

863A.

864

865 **EXHIBIT B**  
866 **PERFORMANCE STANDARDS**

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868 **1.0 COMPANY STANDARDS**  
869

- 870 • Services are to be completed in thorough and professional manner that constitutes litter-  
871 free, reliable, timely, courteous and high-quality service.
- 872 • Contractor shall at all times perform its duties using best industry practice for  
873 comparable operations.
- 874 • Personnel shall conduct themselves in a courteous, workmanlike manner.
- 875 • Personnel shall dress in clean, uniform shirts with suitable identification.
- 876 • Color and appearance of collection vehicles, containers including their colors, employee  
877 uniforms, and public education materials provided by the Contractor will be designed to  
878 provide a standard representation of the company. If subcontractors are included, a  
879 distinct but uniform appearance of the subcontractor equipment, vehicles, and personnel  
880 will be allowable.

881  
882 **1.1 COLLECTION CONTAINERS**  
883

- 884 • Contractor shall provide industry-standard Bins for storage of materials which shall be  
885 designated and constructed to be watertight and prevent the leakage of liquids. All  
886 Containers with a capacity of 1 cubic yard or more shall meet all applicable federal  
887 regulations on solid waste bin safety.
- 888 • Containers shall be clearly labeled to indicate their designation for collection of solid  
889 waste, recyclables, or green waste and shall list the types of materials to be stored in the  
890 container for Collection. At the County's request, Contractor shall work cooperatively  
891 with the County to develop an acceptable presentation of the logo on the Containers.
- 892 • The Contractor is to provide all Containers to Customers at no charge. Replacement  
893 containers shall be provided free of charge to Customers if previous container is  
894 rendered unserviceable by means other than the Customer's action. If the damage is  
895 clearly caused by the Customer, and the Container was delivered to the Customer less  
896 than one year previously, Contractor may charge Customer up to an amount equal to  
897 Contractor's own direct purchase cost of the Container.
- 898 • All Carts shall be wheeled carts with attached lids and a handle to allow for easy  
899 movement.
- 900 • All Containers shall be a standard color selected by the Contractor with input from the  
901 County. The following colors are specified for Cart Services: gray for Solid Waste, blue  
902 for Recyclables, and brown for Green Waste Containers. The County shall review and  
903 approve the shades of these colors proposed by the Contractor.
- 904 • Contractor shall select the Container manufacturer. Contractor responsible for  
905 distributing all containers to Customers by October 1, 2005 and as requested by new  
906 Customers during the Term of the Agreement.
- 907 • Contractor to maintain, repair, clean, paint, and replace Containers as needed to  
908 maintain a clean, attractive, functional, new-like condition. All graffiti shall be moved  
909 immediately.
- 910 • Contractor shall, at no charge, replace any Containers which become unusable by  
911 reason of normal wear and tear or damaged by collection operations.

915 **1.2 VEHICLES**

916

917 **A. General**

918 Contractor shall provide a fleet of industry-standard Collection and as needed, transfer vehicles  
919 sufficient in number and capacity to efficiently perform the work required by the Agreement in  
920 strict accordance with its terms. The Contractor agrees to maintain each piece of equipment  
921 used by it in the performance of this Agreement in good order and repair. Contractor shall have  
922 available on service days sufficient backup vehicles and qualified operators to respond to  
923 complaints and emergencies.

924

925 **B. Vehicle Identification**

926 The Contractor's name, phone number, and vehicle identification number must be visibly  
927 displayed on its vehicles in letters and figures no less than three inches high.

928

929 **C. Cleaning and Maintenance**

930

931 **General.** Contractor shall maintain all of its properties, facilities, and equipment used in  
932 providing service under this Agreement in a safe, neat, clean and operable condition at all  
933 times, and shall keep its properties, facilities, and equipment well and uniformly painted, to the  
934 satisfaction of the County Representative. Vehicles shall be maintained in such a manner that  
935 no leakage of fluids from the collected materials occurs.

936

937 **Cleaning.** Vehicles used in the collection shall be thoroughly washed at a minimum of  
938 once per week, and thoroughly steam cleaned on a regular basis so as to present a clean  
939 appearance and minimize odors. All vehicles shall be painted on a regular schedule to maintain  
940 a clean, professional, new-like appearance, although the County Representative may require  
941 the painting of any vehicle which does not present a satisfactory appearance at any time. The  
942 vehicles shall be painted in a uniform manner; although Solid Waste, Recycling, and Green  
943 Waste vehicles may have different painting schemes. All graffiti shall be removed immediately.  
944 County may inspect vehicles at any time to determine compliance with sanitation requirements.  
945 Contractor shall make vehicles available to the County Health Department for inspection at any  
946 frequency it requests.

947

948 **Maintenance.** Contractor shall (i) inspect each vehicle daily to ensure that all equipment  
949 is operating properly. Vehicles which are not operating properly shall be taken out of service  
950 until they are repaired and do operate properly; and (ii) perform all scheduled maintenance  
951 functions in accordance with the manufacturer's specifications and schedule. Contractor shall  
952 keep accurate records of all vehicle maintenance, recorded according to date and mileage and  
953 shall make such records available to the County upon request.

954

955 **Repairs.** Contractor shall repair, or arrange for the repair of, all of its vehicles and  
956 equipment, including dents, leaks, and other body damage, for which repairs are needed  
957 because of accident, breakdown or any other cause so as to maintain all equipment in a neat,  
958 safe and operable conditions. If an item of repair is covered by a warranty, Contractor shall  
959 obtain warranty performance. Contractor shall maintain accurate records of repair, which shall  
960 include date/mileage, nature of repair and the signature of a maintenance supervisor that the  
961 repair has been properly performed.

962

963 **Inventory.** Contractor shall furnish sufficient equipment to provide all service required  
964 under this Agreement, including backup Collection vehicles. Contractor shall furnish the County  
965 a written inventory of all vehicles, including collection vehicles, used in providing service, and

966 shall update the inventory annually. The inventory shall list all vehicles by manufacturer, ID  
967 number, date of acquisition, type, capacity and decibel rating.

968  
969 **Storage.** Contractor shall arrange to store all vehicles and other equipment in safe and  
970 secure location(s) in accordance with County’s applicable zoning regulations.

971  
972 **Operation.** All vehicles must be registered with the Department of Motor Vehicles of the  
973 State of California and inspected by the California Highway Patrol at the frequency required by  
974 the state. Vehicles shall be operated in compliance with the California Vehicle Code and all  
975 applicable safety and local ordinances. Contractor shall not load Collection or transfer vehicles  
976 in excess of the manufacturer’s recommendations or limitations imposed by state or local weight  
977 restrictions on vehicles. Contractor shall use all reasonable means to minimize any backing of  
978 Collection vehicles.

979  
980 **Low Emission Vehicle Requirements.** As required by law, Contractor shall convert  
981 and/or retrofit its Collection fleet and/or fuel utilizing the most cost-effective means to reduce air  
982 pollutant emissions and to be in full compliance with local, state, and federal clean air  
983 requirements, including the California Air Resources Board Heavy Duty Engine Standards  
984 contained in CCR Title 13, Section 2020 et seq; and the Federal EPA’s Highway Diesel Fuel  
985 Sulfur regulations. The term “fuel” as used in this section may include bio-diesel or clean diesel,  
986 as allowed within local, state and/or federal requirements. All costs of compliance with low  
987 emission fuel and/or vehicle requirements are the sole responsibility of the Contractor.

988  
989 **1.3 COLLECTION SCHEDULE**

- 990
- 991 • If the day of collection on any given route falls on New Year’s Day, Thanksgiving Day, or  
992 Christmas Day, the Contractor shall provide collection service for such route on such  
993 day or the next workday following such holiday and shall not provide collection service  
994 on such holiday. In the event the holiday schedule of the Disposal or Transfer Facility or  
995 recycling facility and Green Waste Processing Facility are different than the holidays  
996 stated herein, the holiday schedule will be adjusted by the Contractor in consultation  
997 with the County to match those of the Facility(ies).
  - 998 • The Contractor shall provide one pickup per week for Cart Customers from the curbside  
999 (with the exception of side yard or backyard service for frail elderly and disabled  
1000 individuals and for customers paying additional charge for side yard or backyard  
1001 service).
  - 1002 • The Contractor shall provide pickups on the schedule requested by Customer (at least  
1003 once weekly) for Bin Customers from a location designated by the property owner.

1004 **1.4 COLLECTION ROUTES**

- 1005
- 1006 • Collection routes shall be established and maintained in such a manner as to provide  
1007 uniform and efficient collection services.
  - 1008 • The Contractor shall submit route plans to the County Representative for informational  
1009 purposes at the start of the Agreement, one year prior to the end of the Base Term, at  
1010 end of the Base Term, at the end of any Extension and whenever there is a significant  
1011 routing change. The route plans shall identify the course each vehicle follows, the  
1012 properties served, approximate starting and ending time for each route, the day of week  
1013 the route will be served, etc.
  - 1014 • Materials collected shall not be mixed in Contractor’s collection equipment with any  
1015 materials collected from another governmental jurisdiction including the other cities or

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**1.5 COLLECTION REQUIREMENTS**

**A. Care of Private Property**

Reasonable care shall be used by the Contractor's employees in handling all Collection Containers and enclosures, and all damage caused thereto by the negligence or carelessness of the Contractor's employees shall be promptly adjusted with the owner thereof. All Collection Containers after emptying thereof by the Contractor's employees shall be returned to within 5 feet of the location from which the same were picked up by the Contractor's employees, upright with lids properly secured, and Contractor's employees shall use all reasonable means to insure same are not deposited in a manner that blocks any driveway, sidewalk, or street. Contractor shall ensure that its employees close all gates opened by them in making collections, unless otherwise directed by the customer, and avoid crossing landscaped areas and climbing or jumping over hedges and fences. County shall refer complaints about damage to private property to Contractor. Contractor shall repair all damage to private property caused by its employees.

**B. Noise**

All collection operations shall be conducted as quietly as possible and shall conform to applicable federal, state, county and County noise level regulations, including the requirement that the noise level during the stationary compaction process not exceed 70 decibels with the exceptions of 85 decibels for 1-minute duration as measured from a distance of fifty (50) feet. The County may conduct random checks of noise emission levels to ensure such compliance. Contractor shall promptly resolve any complaints of noise to the satisfaction of the County Representative.

**C. Record of Noncollection**

If any materials Delivered for Collection are not Collected by the Contractor for sufficient reason, Contractor shall place a notice on the uncollected material at least 2 inches x 6 inches in size. The notice shall provide the Contractor's phone number and indicate the reasons for Contractor's refusal to collect the materials placed in the collection containers giving reference to the section of the County Ordinance Code or to the section of this Agreement which has been violated, and which gives grounds for Contractor's refusal. This information shall either be in writing and/or by means of a check system. Contractor shall maintain, at Contractor's place of business, a logbook listing all complaints and taggings. Said logbook shall contain the names and date and manner of disposition of each case. Such log shall be kept so that it may conveniently be inspected by representatives of the County upon request.

**D. Load Checking**

The Contractor is responsible for inspecting all materials prior to collection for Hazardous Waste or other unacceptable materials. The Contractor is not responsible for collection of Hazardous Waste or other unacceptable materials.

The Contractor is responsible for controlling contamination levels of Recyclable Materials and Green Waste through public education efforts and tagging of improper setouts.

1064 **1.6 LITTER ABATEMENT**

1065

1066 **A. Minimization of Spills**

1067 Contractor shall use due care to prevent materials placed in the Collection containers from  
1068 being spilled or scattered during the Collection or transportation process. If any material is  
1069 spilled during Collection, the Contractor shall promptly clean up all spilled materials. Each  
1070 Collection vehicle shall carry a broom and a shovel at all times for this purpose.

1071

1072 Contractor shall not transfer loads from one vehicle to another on any public street, unless it is  
1073 necessary to do so because of mechanical failure or accidental damage to a vehicle.

1074

1075 **B. Cleanup**

1076 During the Collection transportation process, the Contractor shall clean up litter in the  
1077 immediate vicinity of any storage area (including the areas where collections bins are delivered  
1078 for collection) of any materials that escape from the Collection vehicle or Collection Containers  
1079 as a result of the Contractor's service. In the event that litter not caused by the Contractor's  
1080 service is in the vicinity of the storage area, the Contractor is required to clean up this litter  
1081 whether or not Contractor has caused the litter on a one-time basis and shall discuss the  
1082 spillage directly with the customer responsible and shall report such instances to the County.  
1083 The Contractor shall work with the Customer to resolve the spillage problem. County will  
1084 attempt to rectify such situations with the Customer if Contractor has already attempted to do so  
1085 without success.

1086

1087 **C. Covering of Loads**

1088 All materials shall be contained or covered during transportation to the Disposal or processing  
1089 facility. Material shall not be transported to the Disposal or processing facility in vehicle hoppers.

1090

1091 **D. Oil or Other Vehicle Fluid Spills**

1092 Contractor is responsible for cleaning up all oil or vehicle fluid spills immediately and must notify  
1093 the County within 24 hours of each such spill. All vehicles must carry an acceptable absorbent  
1094 material to use in the event of spills. Repair for damages caused by oil or other vehicle spills  
1095 shall be at the Contractor's expense. The Contractor will follow the spill procedures below:

1096

1097 • Driver will determine cause and source of spill.

1098

1099 • Each driver or shop employee is responsible for having enough absorbent in their  
1100 vehicle to contain or prevent any hydraulic fluid or oil from entering a storm drain or  
1101 sewer and to clean up small spills as they occur.

1102

1103 • Driver will contain or stop the leak and clean it up without endangering self.

1104

1105 • Driver will immediately notify dispatch or supervisor.

1106

1107 • Driver will not leave the spill until either a supervisor or spill response personnel arrive at  
1108 the scene.

1109

1110 • Driver will keep all people, cars, or other vehicles from walking or driving through the  
1111 spill.

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1113 • Driver or spill response personnel will take whatever action possible to prevent the spill  
1114 from entering any storm drain, grates, or other entry points.

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## **1.7 PERSONNEL**

### **A. General**

Contractor shall furnish such qualified drivers, mechanical, supervisory, clerical and other personnel as may be necessary to provide the Collection Services required by this Agreement in a safe and efficient manner.

All Contractor employees must be able to read, write and speak English with sufficient proficiency to enable them to successfully meet and adhere to all of the terms of this Agreement.

### **B. Driver Qualifications**

All drivers shall be trained and qualified in the operation of Collection vehicles and must have in effect a valid license, of the appropriate class with appropriate endorsements, issued by the California Department of Motor Vehicles. All Collection vehicle drivers shall also complete the Contractor's in-house training program which includes education on the use of all vehicles in the Collection fleet, Collection programs, and route information as well as Customer service practices and safety information.

Contractor shall conduct an annual background check on each driver to ensure that the driver is not listed as a sexual predator and there is no felony record of violence or violations issued by the California Department of Motor Vehicles

### **C. Identification Badge**

Contractor shall require its drivers, and all other employees who come into contact with the public, to wear a clean, uniform shirt with an identification badge or other means of identifying the employee, as approved by the County Representative.

### **D. Safety Training**

Contractor shall provide suitable operational and safety training for all of its employees who utilize or operate vehicles or equipment for collection or who are otherwise directly involved in such services. Contractor shall train its employees involved in collection to identify, and not to collect, Hazardous Waste or Medical and Infectious waste.

### **E. No Gratuities**

Contractor shall not permit its employees to demand, solicit or accept, directly or indirectly, any additional compensation or gratuity from members of the public for the Collection Services under this Agreement. Contractor may permit its employees to accept small holiday gifts of nominal value.

### **F. Employee Appearance and Conduct**

All employees, while engaged in collection services within the County, shall be attired in suitable and acceptable uniform shirts which are subject to approval by the County. Contractor shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. Contractor shall regularly train its employees in customer courtesy, shall prohibit the use of loud or profane language, and shall instruct collection crews to perform the work as quietly as possible. If any employee is found not to be courteous or not to be performing services in the manner required by the Agreement, Contractor shall take all appropriate corrective measures.

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**G. Provision of Field Supervision**

Contractor shall designate one qualified employee as supervisor of field operations. The field supervisor shall devote whatever time is necessary, but not less than 50 percent of his/her time in the field checking on collection operations, including responding to complaints.

**H. General Supervision**

The collection services are under the general supervision of the County Representative, and the Contractor shall promptly comply with any County orders, directions and instructions that are consistent with the terms of this Agreement. County reserves the right to inspect any and all of the Contractor's equipment at any time without prior notice.

**1.8 RECYCLABLE MATERIALS AND GREEN WASTE PROCESSING AND MARKETING**

Contractor is responsible for compliance with the following requirements, and with all other applicable requirements contained in this Agreement whether Contractor owns, or contracts for service at the Designated Recycling Facility and/or the Designated Green Waste Processing Facility.

**A. General Operations and Maintenance Standards**

Beginning on the Signature Date, Contractor covenants to comply with the Contractor's performance obligations throughout the term of the Agreement and to perform the Contractor's performance obligations with respect to Recyclable Materials and Green Waste processing and marketing services in accordance with accepted practice for comparable processing facilities, sound management and operations practice, the facility's operation and maintenance manual, plans and specifications, permits, applicable law (including OSHA standards), provisions hereof, and covenants, conditions and restrictions pertaining to the site.

The Contractor shall be responsible for maintaining and renewing all necessary permits, licenses, and clearances necessary to provide the transportation and processing of Recyclable Materials and Green Waste. Contractor shall maintain and renew permits; provided, however, Contractor shall not be responsible for any delays in maintaining or renewing, or failure to maintain or renew, the permits, if Contractor has exercised due diligence in maintaining and/or renewing the permits, and such failure is caused by any action or inaction of the issuing or renewing authority.

The Contractor shall meet all applicable regulations, industrial codes, and all applicable standards of technical societies, either as stated or as in standard industry practice.

The Contractor shall have the responsibility for the sale of recovered materials and collection of payment thereof.

**B. Maintenance and Repair**

The Contractor shall maintain the facility and site in good working order and repair, including maintaining spare parts inventory and performing periodic maintenance in accordance with the operations and maintenance manual, manufacturer's recommendations, accepted practice for comparable facilities, and sound management and operations practice. Contractor shall maintain the aesthetic appearance of the facility and site in a clean and neat manner in accordance with the plans and specifications, with due regard for reasonable control of odors, dust, and noise.

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**C. Safety**

Contractor shall conduct facility operations in a safe manner, in accordance with applicable law, requirements of insurance carried, and standard industry practices in the waste management, composting, organics handling, and materials recovery industry.

**D. Right to Enter and Inspect Facility**

The County and its designated representative shall have the right, but not the obligation to enter, observe, and inspect the processing facility during the receiving hours; meet with the facility manager or his or her representative at any time, and meet with other employees upon request, which request shall not be unreasonably denied. Upon County request, Contractor shall make personnel available to accompany County employees on inspections. Contractor shall ensure that its employees cooperate with the County and respond to the County's reasonable inquiries. Contractor shall make operational and business records available to the County during receiving hours upon County request.

**E. Tours of Facility**

Upon 24 hours request of the County, Contractor shall provide tours of the facility. Such tours shall not unreasonably disrupt facility operation. Contractor shall not be required to conduct such tours more frequently than once per week; provided that tours may be required once per day during the first year of operation, by appointment. County shall not be charged for labor, overhead, overtime, or any other costs associated with such tours. As part of such tours, Contractor shall prepare (subject to County's approval of text and format) and shall distribute an educational brochure, printed on recycled paper, on conservation, recycling, composting, and general solid waste management programs. All persons on such tours will comply with all policies and procedures of Contractor when on Contractor's premises.

**F. Personnel**

The Contractor shall engage and train qualified and competent employees, including managerial, supervisory, clerical, maintenance, and operating personnel, in numbers necessary and sufficient for facility operations and to perform the Contractor's obligation under this Agreement. The Contractor shall train such staff to perform their work in a safe and efficient manner in accordance with the health and safety plan in the facility's operations and maintenance manual.

**G. Transportation of Residue**

The Contractor shall transport and deliver all residue to the disposal facility after its delivery to the facility within the timeframes required by the facility's permits and in no event longer than required by Applicable Law. The Contractor shall select routes from the facility to the disposal facility which minimize inconvenience and disturbance to the public and comply with permits and applicable law. Contractor shall enclose or cover all vehicles transferring residue from the facility to prevent spillage.

**H. Weighing**

The Contractor shall develop and manage a system of weighing materials received from collection vehicles and tracking recovery of incoming materials and disposition of residue. The Contractor shall record tonnages of material received. At a minimum, the recorded data must indicate for each delivery, hauler's name, truck number if applicable, time of delivery, tonnage delivered, vehicle license number, and person receiving the delivery.

1265 The Contractor shall install and maintain state-certified motor vehicles scales in accordance  
1266 with applicable law.

1267

1268 **I. Substitute Scales**

1269 To the extent that all the scales are inoperable, being tested, or otherwise unavailable, the  
1270 Contractor shall substitute portable scales until the permanent scales are replaced or repaired.

1271 The Contractor shall arrange for the scale to be repaired or temporarily substitute scales to be  
1272 used as soon as possible, and in any event, within 48 hours after failure of the permanent  
1273 scales.

1274

1275 **J. Estimating Volumes**

1276 Pending substitution of portable scales, Contractor shall estimate the quantity of materials being  
1277 delivered to the processing facility and residue and recovered materials being transported from  
1278 the processing facility, on the basis of delivery truck and transfer trailer volumes, tare weight,  
1279 broker's weigh records, and data obtained through historical information from the processing  
1280 facility and purchasers of recovered materials using a methodology acceptable to the County.

1281 These estimates shall take the place of actual weighing and shall be the basis for records while  
1282 scales are inoperable.

1283

1284 **K. Testing of Scales**

1285 The Contractor shall test and calibrate all scales in accordance with applicable law, but at least  
1286 every twelve months. Prior to any test, it shall provide at least five days notice thereof to the  
1287 County. Upon County request, it shall provide the County with copies of the test results.

1288

1289 **L. Processing Equipment**

1290 Contractor shall provide processing equipment in number and capacity to efficiently perform the  
1291 work required by the Agreement. The Contractor agrees to maintain each piece of equipment  
1292 used by it in the performance of this Agreement in good order and repair. Contractor shall have  
1293 available sufficient backup equipment to respond to mechanical failures or other difficulties.

1294 **EXHIBIT C**  
1295 **COLLECTION SERVICES AREA**

1296  
1297 *A legal description of the service area, a service area map, a map of the County islands, and*  
1298 *the existing and potential service areas in the County islands is attached.*  
1299

1300 **LEGAL DESCRIPTION**

1301  
1302 NOW, THEREFORE IT IS AGREED AS FOLLOWS.  
1303

1304 1. This agreement shall supersede in its entirety that Franchise Agreement between the  
1305 parties dated December 19, 1972, including all amendments thereto.  
1306

1307 2. Contractor is hereby granted by County an exclusive franchise for Garbage Zone One of  
1308 the Unincorporated Territory of the County of Napa, which said territory is particularly described  
1309 as follows, to wit:  
1310

1311 Being an area in the Southern portion of Napa County, California, and more particularly  
1312 described as follows:  
1313

1314 Commencing at the point formed by the intersection of the boundary line separating Napa and  
1315 Solano Counties, with the center line of the "Napa River"; thence Northwesterly, along the  
1316 center line of said "Napa River" and along the center line of the drainage facility known as "Mud  
1317 Slough" to the point formed by the intersection of the center line of said "Mud Slough" with the  
1318 boundary line separating Sections 8 and 17, T4N, R4W, M.FM.D.B. & M.; thence Westerly,  
1319 along the Southerly line of Sections 8 and 7, T4N, R4W, M.D.B. & M. to the point formed by the  
1320 intersection of the Southerly line of said Section 7 with the boundary line separating Napa and  
1321 Sonoma Counties; thence Northerly, along said Napa and Sonoma County boundary to the  
1322 point formed by the intersection of said boundary line with the center line of the State Highway,  
1323 Route 8, Sign Route 12 and 37, known as "Sonoma Highway"; thence leaving said boundary  
1324 line, Northeasterly, to the point formed by the intersection of the center line of the County Road  
1325 known as "Henry Road" with the Range Line separating R4W and R5W, M.D.B. & M.; thence  
1326 Northerly, along said Range Line to the point formed by the intersection of said Range Line, with  
1327 the Township Line separating T5N and T6N, M.D.B. & M.; thence. from said Township Corner,  
1328 N 45.5° W, 6,500 feet more or less to the point of intersection with a line bearing South from the  
1329 point formed by the intersection of the center line of the County Road known as "Redwood  
1330 Road" with the center line of the County Road known as "Mt. Veeder Road"; thence North, to  
1331 the point of intersection of said "Redwood Road" and "Mt. Veeder Road" thence N 20°E, 13,600  
1332 feet more or less to the point of intersection with the Range Line separating R4W and R5W,  
1333 M.D.B. & M., said point also being the point formed by the intersection of said Range Line with  
1334 the Westerly extension of a line parallel to, and distant 200 feet at right angles Southerly, from  
1335 the center line of the County Road known as "Trubody Lane", thence leaving said Range Line,  
1336 Northeasterly, parallel to, and distant 200 feet at right angles Southerly from the center line of  
1337 said "Trubody Lane" and its Westerly and Easterly extensions, to the point of intersection with  
1338 the center line of the County Road known as "Silverado Trail"; thence Northeasterly, to the  
1339 Southwest corner of Section 3, T6N, R4W, M.D.B. & M.; thence Easterly, along the southerly  
1340 line of said Section 3, 2,640 feet more or less to the Southerly quarter corner of said Section 3;  
1341 thence leaving said Southerly line, Southeasterly, to the Westerly quarter corner of Section 11,  
1342 T6N, R4W, M.D.B. & M.; thence Southerly, along the Westerly line of said Section 11, 2,640  
1343 feet more or less to the Southwest corner of said Section 11; thence Easterly, along the  
1344 Southerly line of said Section 11; to the Southeast corner of said Section 11; thence Southerly,

1345 along the Westerly line of Section 13, T6N, R4W, M.D.B. & M., to the Southwest corner of said  
1346 Section 13; thence Easterly, along the Southerly line of said Section 13, to the Southeast corner  
1347 of said Section 13; thence Southerly, along the Westerly line of Section 19, T6N, R3W, M.D.B.  
1348 & M., to the Southwest corner of said Section 19; thence Easterly, along the Southerly line of  
1349 said Section 19, to the Southeast corner of said Section 19; thence Southerly, along the  
1350 Westerly line of Sections 29 and 32, T6N, R3W, M.D.B. & M., to the Southwest corner of said  
1351 Section 32, said corner also being corner number T13 as shown on a map on file in the office of  
1352 the County Recorder, Napa, California, in the Book of Patents, entitled, "Plat of Tulucay  
1353 Rancho"; thence Easterly, along the grant line of said Tulucay Rancho to corner No. T14;  
1354 thence Southerly, along said grant line to the Southwest corner of Section 5, T5N, R3W, M.D.B.  
1355 & M.; thence leaving said grant line, Southeasterly, to the point formed by the intersection of the  
1356 center line of the County Road known as "Wild Horse Valley Road" with the center line of the  
1357 County Road known as "Shady Brook Lane"; thence Southeasterly, to the Northerly quarter  
1358 corner of Section 17, T5N, R3W, M.D.B. & M.; thence Southerly to the middle quarter corner of  
1359 said Section 17; thence Southwesterly, to the Southwest corner of said Section 17; thence  
1360 Westerly, along the Southerly line of Section 18, T5N, R3W, and Section 13, T5N, R4W, M.D.B.  
1361 & M., and the Westerly extension thereof, to the point formed by the intersection of the  
1362 extension of said Southerly line with a line parallel to, and distant 2,640 feet at right angles  
1363 Easterly from the center line of the State Highway, Route 8, Sign Route 12 and 29, known as  
1364 "Napa-Vallejo Highway"; thence Southeasterly, parallel to, and distant 2,640 feet at right angles  
1365 Easterly from the center line of said "Napa-Vallejo Highway" and continuing Southeasterly,  
1366 parallel to, and distant 2,640 feet at right angles Easterly from the center line of the State  
1367 Highway, Route 74, Sign Route 29, also known as "Napa-Vallejo Highway", to the point of  
1368 intersection with a line parallel to, and distant 2,640 feet at right angles Northerly from the  
1369 center line of the County Road known as "American Canyon Road"; thence Easterly, parallel to,  
1370 and distant 2,640 feet at right angles Northerly from, said "American Canyon Road" to the point  
1371 of intersection with the Northerly line of Section 29, T4N, R3W, M.D.B. & M., thence Easterly  
1372 along said Northerly line, and its extension to the point of intersection with the boundary line  
1373 separating Napa and Solano Counties; thence Southerly and Westerly, along said boundary line  
1374 to the point of commencement; excluding therefrom all area that is within the incorporated limits  
1375 of the City of Napa currently, and areas which are subsequently annexed to the City of Napa at  
1376 such time as they are annexed.

1377  
1378 EXCEPTING THEREFROM any and all lands lying and being within the city limits American  
1379 Canyon and of the City of Napa as said limits now or may hereafter extend. There shall further  
1380 be excepted from such "Garbage Zone One" the area encompassed within the limits of any  
1381 other city as may hereafter be incorporated therein.

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**EXHIBIT D  
SCHEDULE OF INITIAL RATES**

Service Description	With County Fees	
	Year 1 & 2	Maximum Commingled and Green Waste Recycling Fee (1)

**Residential**

Residential with Food Waste Cart Collection in year 3 Proposed Rates in Dollars per Container per Month Solid Waste Cart		
35 gallon	\$ 15.88	\$ -
65 gallon	\$ 23.82	\$ -
96 gallon	\$ 35.73	\$ -

**Commercial**

Commercial/Multi-Family/Mobile Homes Cart and Bin Collection Proposed Rates in Dollars per Container per Month		
35 gallon container	\$ 21.81	\$ -
65 gallon container	\$ 31.93	\$ -
96 gallon container, 1 pickup per week	\$ 51.40	\$ -
96 gallon container, 2 pickup per week	\$ 91.11	\$ -
96 gallon container, 3 pickup per week	\$ 119.12	\$ -
96 gallon container, 4 pickup per week	\$ 134.60	\$ -
96 gallon container, 5 pickup per week	\$ 163.45	\$ -
96 gallon container, 6 pickup per week	\$ 214.85	\$ -
1 cubic yards, 1 pickup per week	\$ 187.13	\$ -
1.5 cubic yards, 1 pickup per week	\$ 239.77	\$ -
2 cubic yards, 1 pickup per week	\$ 321.64	\$ -
3 cubic yards, 1 pickup per week	\$ 450.29	\$ -
4 cubic yards, 1 pickup per week	\$ 514.62	\$ -
6 cubic yards, 1 pickup per week	\$ 754.39	\$ -
1 cubic yards, 2 pickup per week	\$ 339.18	\$ -
1.5 cubic yards, 2 pickup per week	\$ 444.44	\$ -
2 cubic yards, 2 pickup per week	\$ 602.34	\$ -
3 cubic yards, 2 pickup per week	\$ 859.65	\$ -
4 cubic yards, 2 pickup per week	\$ 982.46	\$ -
6 cubic yards, 2 pickup per week	\$ 1,456.14	\$ -

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Service Description	With County Fees	
	Year 1 & 2	Maximum Commingled and Green Waste Recycling Fee (1)

**Commercial (Continued)**

Commercial/Multi-Family/Mobile Homes Cart and Bin Collection Proposed Rates in Dollars per Container per Month		
1 cubic yards, 3 pickup per week	\$ 491.23	\$ -
1.5 cubic yards, 3 pickup per week	\$ 649.12	\$ -
2 cubic yards, 3 pickup per week	\$ 883.04	\$ -
3 cubic yards, 3 pickup per week	\$ 1,269.01	\$ -
4 cubic yards, 3 pickup per week	\$ 1,450.29	\$ -
6 cubic yards, 3 pickup per week	\$ 2,157.89	\$ -
1 cubic yards, 4 pickup per week	\$ 643.27	\$ -
1.5 cubic yards, 4 pickup per week	\$ 853.80	\$ -
2 cubic yards, 4 pickup per week	\$ 1,163.74	\$ -
3 cubic yards, 4 pickup per week	\$ 1,678.36	\$ -
4 cubic yards, 4 pickup per week	\$ 1,918.13	\$ -
6 cubic yards, 4 pickup per week	\$ 2,859.65	\$ -
1 cubic yards, 5 pickup per week	\$ 795.32	\$ -
1.5 cubic yards, 5 pickup per week	\$ 1,058.48	\$ -
2 cubic yards, 5 pickup per week	\$ 1,444.44	\$ -
3 cubic yards, 5 pickup per week	\$ 2,087.72	\$ -
4 cubic yards, 5 pickup per week	\$ 2,385.96	\$ -
6 cubic yards, 5 pickup per week	\$ 3,561.40	\$ -
1 cubic yards, 6 pickup per week	\$ 970.76	\$ -
1.5 cubic yards, 6 pickup per week	\$ 1,263.16	\$ -
2 cubic yards, 6 pickup per week	\$ 1,725.15	\$ -
3 cubic yards, 6 pickup per week	\$ 2,497.08	\$ -
4 cubic yards, 6 pickup per week	\$ 3,321.64	\$ -
6 cubic yards, 6 pickup per week	\$ 4,263.16	\$ -

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Service Description	With County Fees	
	Year 1 & 2	Maximum Commingled and Green Waste Recycling Fee (1)

Commercial Solid Waste Compactor Service Proposed Rates in Dollars per Daily Pickup Per Cubic Yard:		
10 YD	\$ 461.99	\$ 230.99
15 YD	\$ 578.95	\$ 289.47
20 YD	\$ 766.08	\$ 383.04
25 YD	\$ 859.65	\$ 429.82

Commercial Solid Waste Drop Box Service Proposed Rates in Dollars per Daily Pickup Per Cubic Yard:		
10 YD	\$ 251.46	\$ 125.73
20 YD	\$ 347.37	\$ 173.68
25 YD	\$ 403.51	\$ 201.75
30 YD	\$ 453.80	\$ 226.90
40 YD	\$ 571.93	\$ 285.96

### Special Services

Extra Pickup (Residential - See page A-2 of Exhibit A):		
35 gallon cart	\$ 11.70	\$ -
65 gallon cart	\$ 17.54	\$ -
96 gallon cart	\$ 23.39	\$ -
1 CY bin	\$ 46.78	\$ -
1.5 CY bin	\$ 52.63	\$ -
2 CY bin	\$ 64.33	\$ -
3 CY bin	\$ 81.87	\$ -
4 CY bin	\$ 105.26	\$ -
6 CY bin	\$ 163.74	\$ -

Service Description	With County Fees	
	Year 1 & 2	Maximum Commingled and Green Waste Recycling Fee (1)

**Special Services (Continued)**

<b>Miscellaneous:</b>		
Clean or Exchange Bin	\$ 70.18	\$ -
Move Drop Box	\$ 70.18	\$ -
Heavy Waste Surcharge per ton in excess of 400 pounds per yard	\$ 70.18	\$ -

<b>Commercial Roundtrip Charge for On-Call Businesses:</b>		
Up to 35 gallons	\$ 11.70	\$ -
Up to 6 cubic yards	\$ 35.09	\$ -
More than 6 cubic yards	\$ 58.48	\$ -

<b>Non-Curbside Footage Charges:</b>		
5 feet to 130 feet	\$ 14.04	\$ -
131 feet to 330 feet	\$ 18.71	\$ -
331 feet to 660 feet	\$ 23.39	\$ -
661 feet to 1056 feet	\$ 28.07	\$ -
1057 feet to 2000 feet	\$ 35.09	\$ -
over 2000 feet	\$ 46.78	\$ -

<b>Other Charges:</b>		
Backyard/Wheel-Out charge	\$ 11.70	\$ -
On-call bulky items pickup	\$ 11.70	\$ -
Key charges	\$ 5.85	\$ -
Enclosure charges	\$ 5.85	\$ -
Gate service charges	\$ 5.85	\$ -
Maximum charge (2)	\$ 11.70	\$ -

<b>Deposits (3)</b>		
Residential	\$ 116.96	\$ -
Commercial	\$ 584.80	\$ -

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- (1) Commercial - see page A-7 and page A-10 of Exhibit A
- (2) Charges for key, enclosure, gate, and long walk service are not cumulative pickup charges. The contractor's rate for a customer requiring one or more of the four special services will be a maximum rate (as specified in the table above) as adjusted for CPI, per pickup for any combination of the four service categories.
- (3) In the event a customer requests a replacement solid waste container more frequently than once every two years, which replacement shall not be the fault of the contractor, a deposit will be allowed.

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1418 **County Services**

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1420 **Contractor Operations**

1. Undertaking Collection operations during hours outside of allowable collection hours as specified in Article 3.3D: \$250.00 per verified complaint.
2. Failure to complete at least ninety-five (95) percent of a scheduled route on the regular scheduled route day: \$500.00 per uncompleted route.
3. Making changes to routes or route days affecting five (5) percent or more of Customers without notice to County or Customers as required in Exhibit B: \$100.00 per Customer per day.
4. Failure to properly cover materials in Collection vehicles: \$300.00 per incident.
5. Failure to correct leakage of fluids from Collection vehicle upon notice from the County and prior to resuming use of the vehicle within the County: \$300.00 per incident.
6. Failure to clean up spillage or litter occurring during Collection: \$100.00 per occurrence.
7. Failure to have a vehicle properly licensed, registered and inspected: \$100.00 per incident.
8. Exceeding the weight limitations as set forth in the State of California Vehicle Code: \$1,000 per incident.
9. Failure to clean Collection vehicles once per week: \$100.00 per incident.
10. For each occurrence over five (5) per calendar year of excessive noise: \$300.00.
11. Failure to maintain properties, facilities, and equipment in clean, safe, and sanitary manner, upon notice by County: \$100.00 per day.

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1422 **Segregation and Delivery of Collection Materials**

1. Failure to keep Solid Waste and Recyclable Materials segregated once Delivered for Collection by Customers, and without County approval: \$1,000 per incident.
2. Failure to deliver collected Solid Waste to the Designated Disposal or Transfer Facility, and without County approval: \$1,000 per incident.
3. Failure to deliver collected Green Waste and Food Waste to the Designated Green Waste Processing Facility, and without County approval: \$1,000 per incident.
4. Delivery of Collected Recyclable Materials to a disposal facility, rather than to the Designated Recycling Facility or delivery direct to market, and without County approval: \$1,000.00 per incident.
5. Failure to meet the requirement for a maximum of ten (10) percent Residue from total single-stream Recyclables Collected under this Agreement: \$1,000 per incident or amount charged to the County per incident by the Designated Processing Facility , whichever is higher.

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1425 **Contractor Personnel and Liability**

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1. Failure to have a vehicle driver properly licensed: \$100.00 per incident.
2. Failure to repair damage to Customer property or other private property caused by or resulting from actions of the Contractor or its personnel: \$100.00 per incident per location.

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**Diversion Requirements**

1. Failure to achieve a minimum diversion rate (MDR) for collected materials measured every year for the duration of the Agreement and commencing on Oct 1, 2006: \$10,000 per failure during any year period. The MDR (2005) is 40%.  Further, every two years commencing on October 1, 2007 through the Term of the Agreement, the MDR will be adjusted up or down based on the documented median diversion differential for five representative Bay Area communities as defined in Article 4.6.E.  The MDR shall also be adjusted upward based on Article 4.6.F to reflect the implementation of Commercial and Residential Food Waste programs respectively. The Food Waste related adjustment(s) to the MDR will take effect upon County written notice to Contractor to commence each program.
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**Payment and Reporting Requirements**

1. Failure to comply with the substantive requirements of the Lock Box Agreement contained in Exhibit J: \$5,000 per incident.
2. Failure to maintain or submit documents and reports, including customer complaint logs as required under the terms of this Agreement after ten days notice: \$100.00 per incident per day.
3. Failure to maintain a customer complaint log, or fraudulent record keeping or fraudulent information provided by the Contractor with regard to customer complaint logging, tracking and resolution: \$10,000 per incident.

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**All Other Contractor Obligations**

1. Failure to provide customer service levels and route information to County staff upon request for County use related to resolution of customer service, customer billing or other related service issues: \$1,000 per occurrence.
2. Failure to provide detailed route maps and full customer lists to County staff upon request to assist the County in negotiating or procuring future collection services: \$10,000 per occurrence.
3. Failure to perform any other requirements of the Agreement not specifically stated in this Exhibit E, and not corrected or in the process of correction within twenty-four (24) hours of notice from the County: \$200.00 each.

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1437 Above amounts may be adjusted by the County on each October 1, beginning with October 1,  
1438 2007 to reflect changes in the Consumer Price Index for the preceding twelve (12) month  
1439 period.

1440  
1441 In initialing this Exhibit E in the area provide below, representatives of each of the Parties  
1442 confirms their understanding of each of the above damages, and that each Party has consulted  
1443 legal counsel, and obtained adequate explanation of the Liquidated Damages prior to the  
1444 Signature Date.

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1446  
1447 Contractor: \_\_\_\_\_ County: \_\_\_\_\_

1448  
1449 Initial Here: \_\_\_\_\_ Initial Here: \_\_\_\_\_

1450  
1451 Approved as to form:

1452  
1453 Contractor legal counsel: \_\_\_\_\_ County Counsel: \_\_\_\_\_

1454  
1455 Initial Here: \_\_\_\_\_ Initial Here: \_\_\_\_\_

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**EXHIBIT F**  
**INSTRUMENT FOR SECURING PERFORMANCE**

*Contractor's bond or other assurance of performance to be inserted here.*

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**EXHIBIT G**  
**INITIAL INSURANCE CERTIFICATES**

*Contractor's initial insurance certificates to be inserted here.*

**EXHIBIT H  
TRANSITION PLAN**

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**1.1 Financing** (Attachment A - ID. 3)  
(January- April)

**CPCFA** NCRWS has applied to receive California Pollution Control Financing Bonds, on Dec. 14<sup>th</sup> 2004 and the Bond Authority has approved the application. During March, the bonds should be approved for sale on April 1<sup>st</sup>.

**1.2 Equipment Acquisition** (Attachment A - ID. 4 to 7 & 11 to 14)  
(January 1-31<sup>st</sup>)

**A. Vehicles** All of the collection vehicles have been ordered. Vehicles will be received during July and August.

**B. Bins, Carts & Roll Off boxes** All of the containers orders have been placed, containers will start being delivered to a transition yard in June.

**1.3 Bin and Cart delivery to customers** (Attachment A – ID. 15 to 16)

Carts and Containers will be delivered to customers starting in August and ending by October 1<sup>st</sup>. NCRWS will try to coordinate the container exchanges with WM so that customers will only have one company’s containers at any given time, but at the very least, all customers will have their NCRWS containers by Oct. 1<sup>st</sup>.

**1.4 Contingency Plan** (Attachment A – ID. 22 to 27)  
(January- September)

NCRWS will develop contingency plans for the total operation; Vehicles, Employees, facilities, etc.

**1.5 Health and Safety Plan** (Attachment A – ID. 35 to 40)  
(January- September)

NCRWS will develop a Health and Safety plan for all employees and services.

**1.6 Customer Service and Billing** (Attachment A – ID. 45 to 47)  
(January- August)

NCRWS will work with County staff to transfer current customer information from the current provider. NCRWS will use the same customer software and support company, Soft Pak, so the information transfer should easily be accomplished. During February, NCRWS will meet with Soft Pak and WM’s office manager to discuss the transfer of information.

1515 **1.7 Public Education** (Attachment A – ID. 48 to 49)  
1516 (January- September)

1517  
1518 NCRWS is currently interviewing potential candidates to fill the Educational/ Outreach  
1519 position. We anticipate hiring an individual by April 1<sup>st</sup>, 2005. NCRWS will also be  
1520 working with a professional public relations firm on a customer educational and outreach  
1521 campaign.

1522  
1523 Residential, commercial and roll off customers will first receive an educational mailer  
1524 designed to introduce the new company and the new services. Included in the mailer  
1525 will be information about the new single stream recycling service. This information will  
1526 indicate that the customers will initially receive a 95 gallon toter, with a replacement  
1527 option of a 65 gallon toter. Residential customers will received a pre-paid mailer;  
1528 customer will indicate their desired level of refuse service.

1529  
1530 All commercial customers will be contacted directly by an NCRWS representative, they  
1531 will be provided with informational material so that they can select their initial level of  
1532 refuse and recycling services.

1533  
1534 **1.8 Employee Recruitment** (Attachment A – ID. 28 to 34)  
1535 (March- May)

1536  
1537 **A.** NCRWS will interview and recruit from the current collection employees.  
1538 Employees will be selected as needed and trained during the weekends in September  
1539 2005.

1540 **B. Employee interviewing** NCRWS will be interviewing current WM employees  
1541 for potential employment starting in March. Selected future NCRWS employees will be  
1542 notified by May 1<sup>st</sup>, 2005. Future employees will have to complete a pre-employment  
1543 physical, drug test and driving test prior to Oct. 1<sup>st</sup>.

1544  
1545 **1.9 Routing** (Attachment A – ID. 50 to 52)  
1546 (March-September)

1547  
1548 NCRWS will continue to use the same routes that are currently in operation, which will  
1549 help reduce customer confusion. Commercial routes for MSW, Recycling and Green  
1550 Waste will be routed to increase collection efficiencies along with customer demands.

1551  
1552 **1.10 Container Delivery**  
1553 (August-September)

1554  
1555 NCRWS will deliver residential, commercial and roll off containers during August and  
1556 September.

1557

1558 **1.11 Meeting with County Staff** (Attachment A – ID. 41 to 44)

1559 (December-September)

1560

1561 From December through September, NCRWS staff will meet with County Staff to keep  
1562 each other informed and provide updates on the transition and related matters as  
1563 needed. County staff will approve all mailers and other education material prior to  
1564 printing. NCRWS would like to meet with Napa County staff on the 2<sup>nd</sup> Monday of every  
1565 month from March thru July.

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Attachment A

<u>Identification</u>	<u>Deliverables</u>	<u>Start Date</u>	<u>Delivery Date</u>
1	Implementation Plan, including project schedule	12/14/04	1/14/05
2	Contract Award	12/14/04	1/25/05
3	Project Financing	1/25/05	4/1/05
4	Equipment Procurement	12/15/04	10/3/05
5	Order collection vehicles	12/15/04	1/31/05
6	Collection vehicle manufacturing	12/16/04	8/2/05
7	Collection vehicles delivered	7/8/05	9/15/05
8	Shakedown/testing of collection vehicles	7/15/05	9/22/05
9	Driver training on collection vehicles	9/1/05	10/1/05
10	Driver training complete	10/1/05	10/1/05
11	Order collection carts	12/15/04	1/31/05
12	Manufacture collection carts	4/1/05	9/20/05
13	Carts delivered	6/13/05	9/20/05
14	Collection cart assembly	8/1/05	9/20/05
15	Deliver carts to Customers	9/15/05	10/3/05
16	Cart delivery complete	10/1/05	10/1/05
17	Order software, hardware & office equip	12/15/04	3/15/05
18	Supplier manufacturing & shipping	3/15/05	8/23/05
19	Installation & data conversion	8/24/05	9/30/05
20	Startup & training	9/9/05	10/1/05
21	Office training complete	10/1/05	10/1/05
22	Contingency Plan	12/15/04	8/4/05
23	Develop Contingency Plan	12/15/04	4/6/05
24	Provide draft to County	4/7/05	5/6/05
25	County comments	5/9/05	5/26/05
26	Prepare final reflecting County comments	5/23/05	7/29/05
27	Contingency Plan complete	8/4/05	8/4/05
28	Staffing Plans	12/16/04	9/30/05
29	Verify staffing requirements	12/16/04	4/1/05
30	Interviews with existing employees	3/15/05	7/25/05
31	Advertisement for new employees	3/8/05	8/19/05
32	New employee interviews	3/22/05	9/12/05
33	New employee training	9/1/05	9/30/05
34	Employee training complete	9/30/05	9/30/05
35	Health & Safety Plan	12/16/04	8/2/05
36	Develop Health & Safety Plan	12/16/04	5/10/05
37	Provide draft to County	5/11/05	6/16/05
38	County comments	6/17/05	7/4/05
39	Prepare final reflecting County comments	7/4/05	8/1/05
40	Health & Safety Plan complete	8/2/05	8/2/05

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<u>Identification</u>	<u>Deliverables</u>	<u>Start Date</u>	<u>Delivery Date</u>
41	Planning Meetings with County Staff	12/15/04	10/31/05
42	Contract Finalization meetings	12/15/04	3/9/05
43	Implementation & Planning meetings (Bi-Weekly)	1/21/05	8/1/05
44	Implementation & Planning meetings (Weekly)	8/9/05	10/31/05
45	Customer Service and Billing	1/21/05	9/30/05
46	Transfer Customer Information from WMI to NRWS	1/21/05	4/1/05
47	Transfer again	9/30/05	9/30/05
48	Public Education	2/1/05	9/1/05
49	Develop Public Education	2/1/05	9/1/05
50	Routing	2/1/05	9/30/05
51	Develop Routes	2/1/05	4/1/05
52	Re-route	9/1/05	9/30/05

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**EXHIBIT I  
COMPANY GUARANTEE**

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**EXHIBIT J**  
**LOCK BOX AGREEMENT**

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**EXAMPLE**

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This AGREEMENT, dated as of October 1, 2005 ("Lockbox Agreement"), is entered into among Napa County Recycling and Waste Services, LLC, a California Limited Liability Company ("Hauler"), The Vintage BANK, a California bank ("Bank"), and the COUNTY OF NAPA, a political subdivision of the State of California ("County").

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**Preliminary Statement**

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1. Hauler and County are entering into a Franchise Agreement for Solid Waste, Recyclable Materials, and Green Waste Collection ("Franchise Agreement"), of which this Lockbox Agreement is a component. County is granting to Hauler an exclusive franchise to provide garbage collection and recycling services for the businesses and residents of a designated portion of the County.

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2. Hauler and County wish to establish an accounts receivable lockbox account ("Lockbox Account") into which are to be deposited all payments made by the residents and businesses in the portion of the County for which garbage collection and recycling services are provided by the Hauler.

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3. In order to provide for the orderly deposit of funds into the Lockbox Account, and in order to provide for disbursement of moneys from the Lockbox Account, the parties hereto wish to enter into this Lockbox Agreement.

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NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Hauler, the County, and the Bank hereby enter into this Lockbox Agreement.

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**Agreement**

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1. The Bank shall provide to Hauler and County the following minimum services, and as more particularly set forth in attached Schedule A, and shall make disbursements from the Lockbox Account in conformance with Section 2 hereof. The minimum services are, and shall be based on the following:

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a. With respect to all commercial and residential customers, Hauler will be responsible for issuing bills, monthly statements, and maintaining an accounts receivable record.

b. Hauler or Bank will obtain a post office box lockbox address from the United States Post Office in Los Angeles. Hauler will direct all customers to mail all payments, payable to Hauler, to the Lockbox address. Hauler and Bank shall establish a procedure where electronic payments and credit card payments are credited to the Lockbox Account. Bank (including any subcontractor of Bank) will have exclusive access to the Lockbox.

- 1629 c. Hauler will instruct its Customers not to send cash to the Lockbox.  
1630  
1631 d. Each business day, Bank or its subcontractor will pick up at, and transport from,  
1632 the Lockbox to the processing site designated by Bank, all payments addressed to the Lockbox.  
1633  
1634 e. Hauler authorizes Bank to endorse checks and other payment instruments  
1635 received at the Lockbox, and to deposit them into the Lockbox Account which will be a demand  
1636 deposit account that is owned by the Hauler and maintained under the Tax identification of the  
1637 Hauler.

1638  
1639 2. With respect to the Lockbox Account:  
1640

1641 a. Hauler shall make an initial deposit to the Lockbox Account of \$25,000 to cover  
1642 initial and recurring expenses that exceed funds available in the Lockbox Account. This sum  
1643 shall be maintained at all times in the Lockbox Account, increased annually by the same  
1644 inflationary index used to increase rates to Customers as set forth in the Franchise Agreement.  
1645 Hauler and County will jointly notify Bank of any such increase. Said deposit amount shall be  
1646 reimbursed to Hauler at the expiration or termination of the Franchise Agreement.  
1647

1648 b. Based on specific dollar amount instructions from the Hauler, the Bank shall  
1649 disburse remaining moneys on hand in the Lockbox Account on a monthly basis within three (3)  
1650 business days of receipt of instructions from Hauler for the following purposes, and in the  
1651 following order and priority set forth below:  
1652

- 1653 (i) Amounts invoiced to either the County or the Hauler by the Napa-Vallejo  
1654 Waste Management Authority for the use by Hauler of the Devlin Road  
1655 Transfer Station.  
1656  
1657 (ii) Amounts invoiced to either the County or the Hauler by the Material  
1658 Diversion Facility or other processing facilities utilized by Hauler and  
1659 agreed to by County.  
1660  
1661 (iii) Bank service charges associated with providing the Lockbox and Lockbox  
1662 Account services.  
1663  
1664 (iv) The Franchise fee and Surcharge fee owing to County as provided for in  
1665 the Franchise Agreement.  
1666  
1667 (v) The remainder, less the retained minimum balance, to Hauler.  
1668

1669 Upon termination of the Franchise Agreement, and without a waiver of Hauler's rights  
1670 thereunder, Bank and Hauler acknowledge and agree that Hauler shall have no rights to any  
1671 moneys on deposit in the Lockbox Account except for amounts payable to Hauler under  
1672 paragraph (b)(v) of this Section 2.  
1673

1674 3. The Bank shall not be liable for any damage, loss or liability (including attorneys'  
1675 fees and expenses) arising from the use of the Lockbox Account except to the extent that said  
1676 damage, loss or liability (including attorneys' fees and expenses) arises from the Bank's own  
1677 bad faith, willful misconduct, negligence or breach of this Agreement.  
1678

1679 4. This Lockbox Agreement expires without action by any of the parties hereto on

1680 termination of the Franchise Agreement, either by term expiration or termination for cause  
1681 (“Expiration Date”). The parties hereto may, by mutual agreement, terminate this Lockbox  
1682 Agreement prior to the Expiration Date upon written notice received 30 days prior to the  
1683 requested date of termination; provided, however, that Hauler and County may terminate this  
1684 Lockbox Agreement on 3 days’ notice in the event (i) Bank fails to disburse moneys from the  
1685 Lockbox Account as set forth in Section 2 or (ii) Bank fails to adequately account for moneys in  
1686 the Lockbox Account, either as required by Section 5 or as reasonably requested by the Hauler  
1687 or County from time to time. In the event that the County submits a Termination Notice to Bank,  
1688 this Agreement shall not terminate if the Bank cures the breach specified in the Termination  
1689 Notice within the 5 business day notice and cure period.

1690  
1691 5. Bank shall provide Hauler and County with the following information on the  
1692 following schedule:

- 1693  
1694 a. On or before the fifth Business Day of each month, a statement of:
- 1695  
1696 i) Amounts on deposit in the Lockbox Account prior to any disbursements  
1697 from the Lockbox Account on the first Business Day of the current month.
  - 1698 ii) Revenues received from and after the date of the last monthly statement  
1699 through and including the first Business Day of the current month.
  - 1700 iii) Disbursements made during the current month.

1701  
1702 b. On or before the fifth Business Day after the termination date or Expiration Date  
1703 of this Agreement, which obligation shall survive expiration or termination of this Lockbox  
1704 Agreement, a statement of the information described in clauses (i) through (iv) of the preceding  
1705 paragraph 5(a) for the period since the last monthly statement.

1706  
1707 6. The parties acknowledge that time is of the essence in performance of each and  
1708 all of the terms and conditions of this Lockbox Agreement.

1709  
1710 7. This Lockbox Agreement shall be binding upon, and inure to the benefit of, the  
1711 parties hereto and their respective successors and assigns.

1712  
1713 8. This Agreement may be executed in two or more counterparts that shall be  
1714 deemed to have become effective when and only when one or more of such counterparts shall  
1715 have been signed by or on behalf of each of the parties hereto, although it shall not be  
1716 necessary that any single counterpart be signed by or on behalf of each of the parties hereto,  
1717 and all such counterparts shall be deemed to constitute but one and the same instrument.

1718  
1719 9. This Agreement is made in Napa County, California, and shall be governed,  
1720 construed and enforced in accordance with the laws of the State of California. The venue for  
1721 any legal action in state court filed by any party to this Agreement for the purpose of interpreting  
1722 or enforcing any provision of this Agreement shall be in the Superior Court of California, County  
1723 of Napa. The venue for any legal action in federal court filed by any party to this Agreement for  
1724 the purpose of interpreting or enforcing any provision of this Agreement lying within the  
1725 jurisdiction of the federal courts shall be the Northern District of California. The appropriate  
1726 venue for arbitration, mediation or similar legal proceedings under this Agreement shall be Napa  
1727 County, California; however, nothing in this sentence shall obligate any party to submit to  
1728 mediation or arbitration any dispute arising under this Agreement.

1729  
1730 10. Any notices or other communications given or required to be given under this

1731 Agreement shall be effective only if rendered and given in writing, sent by registered or certified  
1732 mail, or delivered personally or by overnight courier service, addressed to the parties at their  
1733 respective addresses as set forth below:

1734  
1735

1736 THE HAULER: Napa County Recycling and Waste Services, LLC  
1737 3216 Vichy Avenue  
1738 Napa, CA 94558  
1739 Attn: Mr. Greg Kelley

1740  
1741

1742 COUNTY: County of Napa  
1743 Auditor-Controller  
1744 1195 Third Street, Suite B-10  
1745 Napa, CA 94559

1746  
1747

1748 BANK: The Vintage Bank  
1749 1500 Soscol Avenue  
1750 Napa, CA 94559-1314  
1751 Attn: Mr. Dave Dillabaugh, Sr. Vice President

1752  
1753

1754 Any notice sent by mail in the manner prescribed by this paragraph shall be deemed to  
1755 have been received on the date noted on the return receipt.

1756  
1757

1758 11. In the case that any provision of this Lockbox Agreement shall be deemed invalid, illegal  
1759 or unenforceable, the validity, legality, and enforceability of such provisions in other contexts  
1760 and the remaining provisions hereof, shall not in any way be affected or impaired thereby.

1761  
1762

1763 12. This Lockbox Agreement may not be modified without the prior written consent of  
1764 all of the parties hereto by an instrument in writing executed by all of the parties hereto. No  
1765 requirement hereof may be waived at any time except by writing signed by the party against  
1766 whom such a waiver is sought to be enforced, nor shall any waiver be deemed a waiver of  
1767 any subsequent breach or default.

1768  
1769

1770 IN WITNESS WHEREOF, the Bank, the Hauler, and the County have caused this  
1771 Lockbox Agreement to be duly executed and delivered as of the day and year first above  
written.

1771 //

1772  
1773  
1774  
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1776  
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1780

**BANK**

By: \_\_\_\_\_  
Name: Mr. Dave Dillabaugh  
Title: Sr. Vice President

**HAULER**

By: \_\_\_\_\_  
Name: Mr. Greg Kelley  
Title: Managing Partner/General Manage

**Approved by the Napa County**

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**COUNTY OF NAPA**

By: \_\_\_\_\_  
Name: DIANE DILLON  
Title: Chair of the Board of Supervisors

**ATTEST:**

PAMELA A. MILLER  
Clerk of the Board

By: \_\_\_\_\_

<b>Board of Supervisors</b>
Date: _____
Processed by: _____
Deputy Clerk of the Board

<b>APPROVED AS TO FORM Office of County Counsel</b>
By: _____
Deputy County Counsel
Date: _____

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## Schedule A

### LOCKBOX SERVICES

1. Collection of Mail from Post Office

The mail will be collected from the postal center daily by bonded bank or its subcontractor messenger.

2. Sorting and Opening Mail

The envelopes will be examined for proper addressee.

3. Removal and Verification of Contents

Contents of the envelopes will be removed and inspected. Remittance checks will be examined for regularity to see that:

- a. Checks are payable to the company which provided services
- b. Written and figure amounts on the checks agree; and
- c. Checks are not post-dated and contain no qualifying endorsement or statements.

4. Minor Errors on Remittance Checks

Minor errors on remittance checks, such as differences between the written and figure amounts, will be guaranteed and processed if the correct amount can be determined. Otherwise, such checks will be held for disposition.

5. Post Dated Checks

Post-dated remittance checks will be processed and forwarded for presentation if they will reach the drawee banks on or after the date of the check. Otherwise, such checks will be mailed to Hauler for disposition.

6. Detachable Vouchers, Remittance Advices, etc.

All detachable vouchers, remittance advices and other material received will be stapled to the corresponding remittance envelope and forwarded to Hauler.

7. Balancing

Invoices will be listed and balanced along with the checks. A copy of the invoice tape will be stapled to a copy of the deposit ticket and forwarded to Hauler with the daily support documents. The daily package will be sent to Hauler via regular United States mail.

8. Endorsement and Deposit of the Checks

The remittance checks will be endorsed "Credited to the account of within-named

1856 Payee” and credited to Hauler's lockbox account.

1857

1858 9. Packaging and Mailing Material

1859

1860 The copy of the deposit ticket and all supporting detail will be forwarded to Hauler each  
1861 banking day via the United States mail.

1862

1863 10. Miscellaneous

1864

1865 a. Items deposited to account will be credited subject to the Bank's published  
1866 availability schedule.

1867

1868 b. Processing days will be Monday through Friday with the exception of Bank holidays.

1869

1870 c. Processing for electronic payments and credit cards must be processed and posted  
1871 to the Lockbox Account within 48 hours.

1872 **EXHIBIT K**  
1873 **COUNTY FACILITIES**

1874  
1875 The following County facilities will be provided solid waste and recycling free of charge  
1876 by the contractor. The County reserved the right to add additional facilities at any time  
1877 during the term of this Agreement. The following are the existing levels of service at  
1878 these locations. The Contractor shall work with the facilities to determine the  
1879 appropriate level of solid waste and recycling once the contract is awarded.

1880  
1881 **Sheriff's Facilities located at 1335 Airport Boulevard**

1882  
1883 Requested Services

- 1884 • One three yard front loader bin for solid waste picked up once per week
- 1885 • One three yard front loader bin for cardboard picked up once per week
- 1886 • One 96 gallon cart to be picked up once a week for single-stream recyclables.

1887  
1888 **Cutting's Wharf Dock Area**

1889  
1890 Current Service

- 1891 • Two 96 gallon carts of solid waste collected twice a week

1892  
1893  
1894  
1895

1896 **EXHIBIT L**  
1897 **PUBLIC EDUCATION AND DIVERSION PLANS**

1898  
1899 **Public Education**

1900  
1901 The following describes NRWS' plan for education during the transition period and public  
1902 education activities that will be on-going throughout the term of the contract.

1903  
1904 **Start-Up Transition Education (Apr 1<sup>st</sup>-Oct 1st)**

1905  
1906 NRWS will implement a multi-pronged education process aimed at informing all  
1907 customers of the transition to a new service provider. The following public education  
1908 activities will take place between April 1st and the start-up date of October 1st.

1909  
1910 Our first priority during the transition period between April 1st and October 1st is to begin  
1911 educating the customers and to start establishing good customer relations. It is our belief that  
1912 the best way to build positive customer relations is through clear and helpful communication  
1913 about the changes that are taking place and the service improvements that will result. We will  
1914 reach out to the Napa County community in several ways.

1915  
1916 **A. Information Notices**

1917 A customer survey and educational information will be mailed on May 1, 2005 to customer to  
1918 begin educating the community on the change in service that will be effective October 1, 2005.  
1919 The educational materials that will be included with the survey will explain cart sizes and rates,  
1920 customer service information, set out and recyclable materials requirements and other pertinent  
1921 information. Recipients will be asked to select the appropriate cart for their service and return it  
1922 to NCRWS (postage paid). From this survey, NCRWS will plan its cart transition and  
1923 distribution.

1924  
1925 **B. Work with the County Staff**

1926 We believe that regular meetings with the appropriate County staff are essential to ensuring the  
1927 success during the transition period and throughout the term of the agreement. Coordination of  
1928 activities, reporting and customer service issues will be routinely discussed to develop action  
1929 plans that work. Input from the County staff will figure prominently in our transition education  
1930 efforts.

1931  
1932 **C. Public Education Coordinator**

1933 Starting in April, NCRWS will designate one person who will work exclusively on the transition  
1934 effort. The PEC would be integrally involved in all public education efforts associated with the  
1935 transition to ensure that our transition education efforts are effective and as on-target as  
1936 possible.

1939 **D. Personal Outreach to Customers**

1940 Throughout the transition period of April through October 1, 2005, Operations staff  
1941 members and the Public Education Coordinator will identify and meet with commercial  
1942 and multi-family customers currently receiving special services including back  
1943 yard/wheel-out service for medical reasons, back yard/wheel-out service for a fee, and  
1944 non-curbside footage

1945  
1946 **E. Business Outreach**

1947 We will visit with businesses owners to explain the new services; review set out requirements  
1948 and identifies appropriate designated collection locations for their carts, cans and/or bins.

1949  
1950 **F. Attend Chamber of Commerce and Other Business Associations**

1951 We will attend Chamber of Commerce and other business association groups as a part of our  
1952 transition efforts to educate Napa businesses on the change in service, discuss maximizing  
1953 business recycling efforts, answer questions, etc. Additionally, our efforts during the transition  
1954 period will include identifying other groups that may benefit from a more comprehensive  
1955 program.

1956  
1957 **G. Local Advertising/Media Campaign**

1958 Napa County Recycling & Waste Services will run a series of notices and advertisements in the  
1959 Napa Register, informing and educating about the change in service coming to Napa County  
1960 customers.

1961  
1962 **H. Customer Service Transition Support**

1963 Starting on September 1, 2005, NCRWS will be prepared and readily available to receive  
1964 customer service inquiries and provide information about the change in service in Napa County.

1965  
1966 **I. Customer Collection Day Changes**

1967 As mentioned elsewhere in this proposal and the Transition Plan, our goal is to maintain the  
1968 current collection day for each residential customer. If the collection day must change, we will  
1969 notify the customers of this during the transition period. When the new carts are delivered to  
1970 customers in August and September, we will have informational fliers placed on the customers'  
1971 carts.

1972  
1973 The primary focus of the transition period's public education activities described above is to  
1974 clearly communicate the changes that will take place when the new service is implemented in  
1975 October; thus, getting the new service off to a good start. In fact, many of the components  
1976 described in the Start-up/Transition Activities will also be part of the Napa County Recycling &  
1977 Waste Services Public Education Program that will be provided throughout the term of the  
1978 agreement, which is described in the next section.

1979  
1980  
1981 **2. ON-GOING PUBLIC EDUCATION PROGRAM**

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**School Outreach Services**

Our school outreach activities include but are not limited to:

- Tours of Napa City Materials Diversion Facility.
- Classroom presentations.
- Working with student representatives to establish on-campus recycling programs.
- Partnering with schools on various hands-on projects such as on-campus compost projects.
- Monetary or in-kind contributions to or sponsorship of special events at schools.

Each year, we will send a letter to the public and private schools in our service area announcing the availability of tours of our facilities available throughout the year. Tours will capture the interest of the classes going through.

**Monthly Billing Inserts**

Each month, customers will receive 2 educational inserts along with their monthly bill. These inserts will be developed to inform our customers about new and on-going programs and educational material. Listed below are samples of inserts. NCRWS Educational Website, Single Stream Recycling and Yard Waste, 939 Recycling Goals, Used Oil & Filter recycling, Holiday Greenery Collection, Home Composting, Xeriscaping/Grasscycling, Food Reuse & Collection drive “ Spring into Action”, Lawn Mower Exchange, Earth Day, Napa County Fair, Home & Garden, Business Show Case, E-Waste Collection, Cell Phone Collection, Telephone Book Recycling, Ink Cartridge, Tire Amnesty, Clean Up Day.

**Community Relations**

The officers and staff of Napa County Recycling & Waste Services routinely speak to community groups, service clubs, etc. about the importance of proper waste management and recycling, as an ongoing part of our Public Education Program.

We have a 50-year track record of taking an active role in community service and events by participating in fairs, art festivals, and parades. The NCRWS presence at such events reminds residents to think about their personal refuse and recycling practices, whether or not the event is tied to solid waste.

We attend and participate in public forums. We seek opportunities to partner with local governments on key waste collection issues.

2021

2022 **Recycling Literature**

2023 NCRWS will develop and print brochures for Residential, Commercial and Industrial customers

2024 that describe available Solid Waste and Recycling programs.

2025

2026 **Annual Customer Notification**

2027 Direct mail notification to each Commercial and Residential Customer of brochures that will

2028 describe available Solid Waste and recycling programs.

2029

2030 **Annual Phone book Recycling guide**

2031

2032 **Website**

2033 NCRWS will maintain a web site that lists all services available and provide expanded

2034 educational and program information as it relates to Solid Waste and Recycling programs.

2035

2036 **Special Events/Public Events**

2037 NCRWS will work with event coordinators to facilitate recycling at special events.

2038

2039 **Commercial Technical Assistance**

2040 NCRWS will be available to meet with any and all commercial and industrial customers to

2041 perform Waste audits and prepare recycling plans. Annually, NCRWS will perform Waste

2042 Audits and Recycling plans for (10) percent of commercial accounts. Annually, NCRWS and

2043 County staff will target businesses for audits and plans.

2044

2045 **HOAs and Multi-family complexes**

2046 Annually, NCRWS will notice and meet with every manager in regards to solid waste and

2047 recycling programs. These complexes will be treated as commercial accounts.

2048

2049 **Promotional Signs on Collection Vehicles**

2050 All collection vehicles shall have a sign that will be kept current to promote recycling programs

2051 and information.

2052

2053 **Annual Awards**

2054 Starting in 2007, annual award for businesses, multi-family, mobile home parks, and property

2055 managers who achieve the highest levels of recycling and have minimized contamination

2056 determined by County Representative. NCRWS will publish a half page advertisement in the

2057 local daily newspaper recognizing the winners.

2058

2059 **Non-Billing Mailing List**

2060 NCRWS will create and maintain a mailing list of all accounts that are non-billing customers.

2061 This list shall be available by January 2006 to ensure public outreach materials will reach all

2062 customers.

2063

2064 **Reporting**

2065 A report on public education and information activities undertaken during the year will be  
2066 included as part of the Annual Report submitted to the County in February. The County will  
2067 work with the NCRWS to establish a schedule of progress reports on the public education  
2068 programs.

2069

2070 **AB 939 Goals**

2071 NCRWS will provide all of the diversion programs that have describe in the County of Napa's  
2072 Service Agreement for Solid Waste, Recyclable Materials and Green Waste Collection, with  
2073 attendant public education and customer service programs. NCRWS and the County of Napa  
2074 will work together to achieve and maintain a level of diversion for the County of Napa that is in  
2075 compliance with the State's goal of fifty percent diversion.

2076

2077

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**EXHIBIT M**  
**CONTRACTOR'S PROPOSAL**

Incorporated herein by reference in full as Exhibit M is Contractor's Proposal identified as "Proposal to Napa County for Solid Waste, Recyclables, and Green Waste Collection – Napa Recycling & Waste Services" dated October 2004 a full and complete copy of which is on file with the Clerk of the Board of Supervisors.

---

Proposal to Napa County  
for  
Solid Waste, Recyclables, and Green  
Waste Collection

---



**Napa Recycling & Waste Services**

October 2004





## Napa Recycling & Waste Services

3216 VICHY AVENUE, NAPA, CALIFORNIA 94558 • 707-252-4312

October 18, 2004

Mr. Greg Pirie  
County of Napa  
County Executive Office  
1195 Third Street, Suite 310  
Napa, CA 94559

Dear Mr. Pirie:

**Napa Recycling & Waste Services, LLC** is pleased to submit a proposal, proposal forms and accompanying materials to provide the services requested in the County of Napa's, *Request for Proposals for Solid Waste, Recyclable Materials and Green Waste Collection* dated September, 2004. We are including a short video presentation about our company on a DVD disk which is enclosed separately in the Executive Summary. A second DVD is enclosed that provides the background details of three of the companies that are part of NRWS.

The four firms that make up Napa Recycling & Waste Services, which is a limited liability company, are:

- **Upper Valley Disposal Service, Inc.** providing recycling and waste collection for the communities and unincorporated area of Upper Napa Valley and parts of Lake County.
- **Recovery Products & Services, Inc.** providing commercial recycling services locally. Greg Kelley is a principal in Recovery Products and will be the NRWS General Manager.
- **Marin Sanitary Service** providing recycling and disposal service to much of Marin County and is one of the country's leading recycling and waste management companies.
- **Garaventa Enterprises, Inc.**, providing recycling and disposal service to the City of Concord and other incorporated and unincorporated communities in Contra Costa and Solano Counties.

These four companies have teamed together to provide a proposal to the County of Napa for services similar to those included in this RFP.

The name of the entity that would contract with the County is Napa Recycling & Waste Services, LLC. The key contact for NRWS is:

Mr. Greg Kelley  
General Manager

Napa Recycling & Waste Services  
3216 Vichy Avenue  
Napa, California 94558  
(707)287-1961/ (707)252-4312 (Phone)  
(707) 257-6852(Fax)

NRWS has reviewed the RFP, its enclosures, and all addenda as noted below:

- Request for Proposal – Dated September, 2004, received September 7, 2004
- Attachment 1 – Exhibit A – N, received September 7, 2004
- Attachment 2 – Cost Forms, received September 7, 2004
- Attachment 1 – Service Agreement for Solid Waste, Recyclable Materials and Green Waste Collection, received September 7, 2004
- Attachment 2 – Cost Forms 3 – 12, received September 7, 2004
- Attachment 3 – Optional Discounted Rate Schedule, received September 7, 2004

Based on the service we are now providing to county residents in the Upper Valley area and the service that Mr. Kelley has provided to the County, we are confident that you know we can, and will, provide you with services you can be proud of.

The person signing this Proposal on behalf of NRWS is authorized to do as described in Section 6.2 of the RFP.

Sincerely,

Napa Recycling & Waste Services

By: \_\_\_\_\_

Name: Greg Kelley

Title: General Manager

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# 1 Qualifications

The requirements of the RFP have been followed in preparing this proposal. We have prepared an Executive Summary, which is packaged separately for the reader's convenience. The Executive Summary includes text that describes our capabilities and two DVD disks. One is a short summary (only 4.5 minutes) of the qualifications of each of the firms highlighting the synergies produced by their combined efforts. The second disk has short video summaries of three of the partners in NRWS.

## 1.1 Basic Information

This proposal is submitted in response to the Request for Proposals (RFP) from Napa County for solid waste, recyclables, and green waste collection. Napa Recycling & Waste Services (NRWS), a limited liability company comprised of four highly qualified partners, is the proposer. The articles of incorporation are in the Attachments. This section discusses the qualifications of the partners and also discusses how they will bring their individual strengths to Napa County to provide world-class service.

The partners in NRWS are:

- Recovery Products & Services, Inc., which provides commercial recycling services locally. Greg Kelley is a principal in Recovery Products and will be the NRWS General Manager.
- Upper Valley Disposal Service, Inc., which provides recycling and waste collection for the communities and unincorporated area of Upper Napa Valley and parts of Lake County.
- Marin Sanitary Service, which provides recycling and disposal service to much of Marin County, is one of the country's leading recycling and waste management companies, and has achieved 71 percent diversion rate.
- Garaventa Enterprises, Inc., which provides recycling and disposal service to the City of Concord and other incorporated and unincorporated communities in Contra Costa and Solano Counties. Their services for the City of Concord have been ranked first by city residents for the past six years in a row.

All four of these companies are local. The NRWS headquarters is here in Napa and the decisions are made here. All decisions made are based on local considerations.

NRWS is a standalone company that is operated independently of the four companies. It is managed by one individual, Greg Kelley, who is responsible for all decisions.

The other companies are resources for information, problem solving, and support facilities. The management of these four companies have a combined 227 years of experience in collection and processing that will support Napa County.

With this team, the County will have a responsive company that understands how to provide the service the County is seeking. The principals have been providing those services to Napa County and to other jurisdictions for many years. They are all highly regarded by the jurisdictions they serve and have the recognition to show for these efforts (see accompanying letters of recommendation).

The contact information for NRWS, the entity that will sign the agreement, is shown below.

<b>Company Name</b>	<b>Napa Recycling &amp; Waste Services</b>
Contact Person:	Greg Kelley
Address:	3216 Vichy Avenue, Napa, CA 94574
Telephone:	(707) 252-4313 (707) 287-1961
Fax:	(707) 257-6852
Email address:	kelleys5@pacbell.net
Type of Entity:	LLC

Substantive contract responsibilities will be shared among Upper Valley Disposal Service (UVDS), Marin Sanitary Service (MSS), Garaventa Enterprises, and Recovery Products & Services (RPS).

UVDS will provide the following:

- Processing for the single-stream materials.
- Composting service for the green waste and food waste (when implemented).
- Customer service and billing center.
- Management support, both during and after the transition.
- Expertise to resolve the problems that may arise.

MSS will provide the following to support the NRWS operation:

- Management support, both during and after the transition.
- Access to backup equipment.
- Expertise to resolve problems that may arise.
- Backup material recovery facility (MRF).
- Experience necessary to reach 71 percent diversion.

Garaventa Enterprises will provide support, as follows:

- Management support, both during and after the transition.
- Access to backup equipment.
- Backup MRF.
- Expertise to resolve problems that may arise.

RPS will provide the following support:

- Vehicle yard for storage and vehicle maintenance facility
- Backup vehicles.
- Backup containers.

## **1.2 Designated Service Coordinator**

Mr. Greg Kelley is the General Manager of NRWS and will be the individual responsible to coordinate services with Napa County. It is our intention that Mr. Kelley will be in this position for the entire duration of the agreement.

Mr. Kelley's resume follows.

### **GREG KELLEY**

Napa Valley Disposal Service  
General Manager  
Recovery Products & Services  
President

### **EXPERIENCE**

Mr. Kelley was the General Manager of Napa Valley Disposal Service. He was the primary service coordinator for the garbage and recycling operations for Napa County and for the Cities of Napa and American Canyon. He also managed the curbside recycling contract for the City of Vallejo. In that job he was responsible for:

- Administering franchise agreements and negotiating revisions.
- Making presentations to the Board of Supervisors and others.
- Providing a liaison between the company and the Board of Supervisors and County staff.
- Overseeing operating costs, collection operations, finances accounting, rate review, and business growth.
- Maintaining compliance with operating permits and environmental and safety laws and regulations.

### **TECHNICAL EXPERIENCE**

Extensive experience in design, implementation, and monitoring recycling and solid waste systems for communities.

Responsible for negotiating government and municipal service contracts covering the full range of solid waste services.

Negotiated many collective bargaining contracts. Experience in both union and non-union

operations.

## **EDUCATION**

University of Oregon — BA in Economics

## **SKILLS NECESSARY FOR THIS PROPOSAL**

As the former General Manager of Napa Valley Disposal Service, Mr. Kelley knows the Napa County community. He has provided the service to the area for many years and was responsible for various other activities prior to his last assignment. He is in a unique position to bring to Napa County the kind of service it expects without having to learn the system, he know its concern and understands the important issues. With almost 20 years of experience in the industry, nearly all of it in Napa County, Mr. Kelley is an excellent choice to head waste collection and diversion operations in Napa County.

### **1.3 Staff Responsibilities**

Mr. Kelley will be assisted in serving Napa County by two people that have been part of his team in the past and are currently employed by Mr. Kelley's current firm. Mr. Steve Manasse will head the commercial collection operation. Mr. Gus Vasquez will head residential collections and the maintenance operation. His experience will aid Napa County in lowering maintenance costs. Their resumes are on the following pages.

Ms. Linda Sereni, who is the office manager at UVDS, will assist the new company with setting up billing and customer service, and will provide important advice and direction during its early operations.

**STEVE MANASSE**

Napa Valley Disposal Service  
Commercial Collection Manager  
Recovery Products & Service  
Operations Manager

**EXPERIENCE**

- Planned daily route assignments to ensure customers were serviced per company standards and agreements.
- Ensured that drivers were available and assigned on a daily basis.
- Conducted driver ride-alongs and driver training.
- Ensured that drivers complied with physicals, drug, and alcohol testing.
- Conducted regularly scheduled staff meetings and safety tailgates.
- Used software applications to perform daily work, including Kronos, Aims, Smart, and the Alive System.

**TECHNICAL EXPERIENCE**

Proven ability to maintain a good working relationship with the Napa County staff.

Excellent working relationship with coworkers and vendors.

Successfully operated the compost facility for five years without any accidents or injuries.

Ensured compliance with local and federal laws and use permits.

**EDUCATION**

College of Notre Dame — BS in Business Administration, Minor in Economics

**SKILLS NECESSARY FOR THIS PROPOSAL**

Mr. Manasse has had experience directly applicable to this proposal in working for Napa Valley Disposal Service. He has first hand familiarity with the commercial collection operations in Napa County.

**GUS VASQUEZ**

Napa Valley Disposal Service  
Maintenance Manager  
Recovery Products & Services  
Maintenance Manager and Commercial Collection Supervisor

**EXPERIENCE**

- Supervises the maintenance staff.
- Budgeting for equipment and staff.
- Schedules maintenance and service for the entire collection fleet.
- Identifies the need for new equipment and estimates the cost.

**TECHNICAL EXPERIENCE**

Established a high level of availability for the collection fleet for the Napa County.

Streamlined the purchasing of supplies and equipment to support the maintenance department.

Established procedures that increased the level of safety in the maintenance operations.

**SKILLS NECESSARY FOR THIS PROPOSAL**

While he was with Napa Valley Disposal Service, Mr. Vasquez became intimately familiar with maintaining the collection equipment for the County's program. Mr. Vasquez is also bilingual in Spanish which is helpful when working with the Hispanic community and work force.

**LINDA K. SERENI**

Upper Valley Disposal & Recycling  
Director of Office Services and Human Resources

**EXPERIENCE**

1978 to Present — Upper Valley Disposal & Recycling, St. Helena, CA

**TECHNICAL EXPERIENCE**

Ms. Sereni is the Administrative Manager and Human Resources Director for Upper Valley Disposal & Recycling, Clover Flat Landfill, and South Lake Refuse & Recycling. She is responsible for all activities associated with Human Resources including, payroll, employee benefits, workers compensation, and staff issues. She oversees the staff regarding customer service, billing, and dispatch. Ms. Sereni's billing experience is important to enable the NRWS team to provide the high quality of customer service our member teams and the County expect from the first day of the contract.

**SKILLS NECESSARY FOR THIS PROPOSAL**

Ms. Sereni has more than 25 years experience with Upper Valley Disposal & Recycling. With her experience in the area of human resources, customer services, billing, and dispatch comes the ability to help ensure a smooth transition period and superior ongoing services. Ms. Sereni also has experience with the same software that the current provider uses.

## 1.4 Company Qualifications

The RFP asks for a summary of the qualifications of the companies that make up NRWS. This section discusses those qualifications for each company.

All of the firms are family owned, are locally managed, and have a second generation of trained individuals who have or who are ready to step into, or already assuming leadership roles.

Table 1, Overview of Services Provided summarizes the information that is detailed below. We have provided the references for all of these jurisdictions later in this section.

Services have been provided from the date shown as *date service started* to the present.

**Table 1 – Overview of Services Provided**

<b>Company</b>	<b>Jurisdiction</b>	<b>Material</b>	<b>Date Service Started</b>
RPS (Bacigalupi family)	Napa County (portion)	Debris box waste and recycling	1916
	City of Napa	Debris box waste and recycling	1916
	City of American Canyon	Debris box waste and recycling	1916
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UVDS	Town of Yountville	MSW, recycling, green waste & used oil	1963
	Napa County (portion)	MSW, recycling, green waste & used oil	1963
	City of St. Helena	MSW, recycling, green waste & used oil	1965
	City of Calistoga	MSW, recycling, green waste & used oil	1966
	Lake County (portions)	MSW, recycling, green waste & used oil	1980
	-----		
MSS	San Anselmo	MSW, recycling, & green waste	1/12/2002
	Town of Fairfax	MSW, recycling, & green waste	7/3/2004
	Las Gallinas Valley Sanitary District	MSW, recycling, & green waste	1966
	Ross Valley Sanitary District-North	MSW, recycling, & green waste	11/26/2002
	Ross Valley Sanitary District-South	MSW, recycling, & green waste	1960
	Town of Ross	MSW, recycling, & green waste	1960
	City of San Rafael	MSW, recycling, & green waste	1948
	City of Larkspur	MSW, recycling, & green waste	1948
	County of Marin (portions)	MSW, recycling, & green waste	1948
	-----		
Garaventa Enterprises	City of Concord	MSW, recycling, green waste & C&D	1934
	City of Rio Vista	MSW, recycling, green waste & C&D	1974
	City of Pittsburg	MSW, recycling, green waste & C&D	1980
	Ironhouse Sanitary District	MSW, recycling, green waste & C&D	1976
	Byron Sanitary District	MSW, recycling, green waste & C&D	1985
	Contra Costa County (portions)	MSW, recycling, green waste & C&D	1985
Solano County (portions)	MSW, recycling, green waste & C&D	1974	

## Upper Valley Disposal Service

### Background

UVDS holds the franchise for collection and processing of recyclables for the Upper Valley Waste Management Agency. Working with that Agency, we were the first service provider in the Napa Valley to reach the 50 percent diversion goal. This goal was reached prior to the AB939 mandate of 2000. The UVDS service area has achieved greater than 50 percent diversion in every year since 2000. We are confident that our experience in the Upper Valley area will ensure that, working with the County of Napa, we will continue to achieve a diversion rate in excess of 50 percent.

In 1963, UVDS began franchised collection of waste in parts of the unincorporated area of Napa County. We currently provide residential, commercial, and industrial waste and recyclable collection, green waste collection, and used oil collection. South Lake Refuse – Recycling, Inc., an affiliated entity, collects recyclables and refuse from residential and commercial customers in southern portions of Lake County.

Also in 1963, we became the franchised collector for the Town of Yountville. We provide the following services to the Town — residential, commercial, and industrial waste and recyclable collection, green waste collection, and oil collection.

UVDS has provided St. Helena with franchised waste collection services since 1965. The franchise agreement provides for residential, commercial, and industrial waste and recyclable collection, green waste collection, and used oil collection.

In 1966, we became the franchised hauler for the City of Calistoga. Having increased the services since the beginning of the franchise, we now provide — residential, commercial, industrial waste, single-stream and source separated recyclables collection, green waste collection, used oil collection, and several special services including the collection of City cans and a special leaf collection program each fall.

Clover Flat Landfill, an affiliate of UVDS, owns and operates our landfill near Calistoga. The landfill has diversion facilities for processing clean green material. That material is ground at the landfill and brought back to the composting site at our Upper Valley facility to be composted with the grape pomace.

In Lake County, we have been the franchised hauler for a portion of the unincorporated area of the County since 1980. We provide residential, commercial, and industrial waste and recyclable collection, green waste collection, and used oil collection. Additionally we are in the final stages of permitting a mixed C&D waste recovery facility.

### **Processing Services**

Upper Valley Recycling, Inc. owns and operates our material recovery facility (MRF). We developed our MRF at our Upper Valley facility in 1995 to process the curbside materials collected from our other accounts. That facility was upgraded in 2002 to process materials collected in a single-stream program. The UVDS staff prepared the conceptual design of the MRF, both when the facility was first built and later when it was upgraded to become a single-stream facility.

### **Diversion Services**

UVDS has been a leader in recycling programs in Napa County. The firm implemented the first single-stream collection program in the County and processed the material through a single-stream MRF that has one of the lowest residual rates (four percent) of single-stream MRFs in the nation. Our composting facility is one of the first in California that processed grape pomace. With the addition of green waste we not only provide diversion services for our solid waste customers, but also expanded the materials available to our compost customers, many of whom are the operators of the vineyards that produce the pomace.

### **Recovery Products & Services**

Recovery Products & Services (RPS) is owned by Greg Kelley and William Bacigalupi. RPS provides commercial recycling and recycling material brokerage services throughout northern California and Nevada.

The Bacigalupi family has been a part of Napa County waste disposal and recycling history since 1916, when Archangelo Bacigalupi started collecting waste and recycling with a single horse and wagon. As you have grown, the family business has grown with it.

The company has grown from collecting and recycling bottles, cans, wool clothing, and rags, and disposing of trash. It expanded in 1920 to recycled food scraps with its herd of pigs. That activity lasted until 1950.

Prior to the current service provider, the managers of RPS expanded daily commercial recycling of glass and cardboard routes in the County in 1987. In 1988, they started a pilot curbside recycling program for the County in Monticello Park and continued that program until 1991 when the program was expanded to include all customers. They started the curbside recycling and green waste collection from all residential customers in 1991. The company processed and sold all of the recyclables and compost. The transition to automated collection of residential garbage took place in 1997 under Mr. Kelley's leadership.

## **Marin Sanitary Services**

### **Background**

Marin Sanitary is one of the very few organizations in California to achieve a 71 percent diversion rate (significantly exceeding the State's mandate of 50 percent) for the regional agency we service. This milestone was achieved through our personal commitment to recycling and by working closely with our customers.

Three separate companies make up the corporate structure for Marin Sanitary Service (MSS). All three are the result of the hard work and industry of five scavengers who moved to Marin County in 1948 to purchase one of Marin's existing garbage companies. These entrepreneurial scavengers were named Garbarino, Segale, Zappetini, Marconi, and Zanotti. In those days, the Company was focused exclusively on garbage pickup. Currently, the two remaining partners are Joseph J. Garbarino ("Joe Jr.") and Joseph Garbarino ("Joe Sr."). Joe Sr. is one of the original founders of the company. Joe Jr. became a partner in 1956.

In the early years, our business focused exclusively on garbage pickup. Even then, recycling was an integral part of our business. Of course, we didn't call it recycling at that time, but re-use of materials such as rags, paper, bottles, and eyeglasses represented the beginnings of modern recycling. Today, our company provides solid waste, recyclable and green waste collection, and landfill diversion services through three Companies: Marin Sanitary Service, Marin Resource Recovery Center, and Marin Recycling Center.

MSS owns a multi-faceted waste management operation located on a 103-acre parcel in east San Rafael. In addition to a business office and a corporation yard, the facility includes the 128,000 square foot Marin Resource Recovery Center, the 23,720 square foot Marin Recycling Center with an additional 20,000 square foot outdoor glass and plastic processing area, and the 37,434 square foot Marin Sanitary Service Transfer Station, which is fully permitted by the State of California.

MSS has been on the cutting edge of all aspects of solid waste management, particularly recycling, since its inception. In 1981, MSS designed and built the Marin Recycling Center to process residential recyclables collected at curbside thus initiating the first county-wide curbside recycling program in the United States. In that first year, 2,000,000 pounds of material were recycled and diverted from the landfill. In 1987, the Marin Resource Recovery Center was built to process mixed C&D, commercial, wood and green waste, and self-haul loads. This facility was the first of its kind in the country. Today, over 580 tons per day are recovered, reused, or recycled by these two facilities resulting in a 71 percent diversion rate.

The Household Hazardous Waste Facility (HHWF) is Marin Sanitary Service's latest step to maximize recycling in Marin County. The HHWF opened in 1998, and is a public/private partnership between our company and the San Rafael Fire Department. This facility allows customers to safely dispose of paints, adhesives, auto fuel, oil, batteries, and a myriad of other hazardous wastes. Approximately 21,400 customers used this facility in the 2003 – 2004 fiscal year to properly dispose of almost 1,500,000 pounds of material.

### **Diversion Services**

Our collection experience started in Marin County over 56 years ago. The first major change to residential refuse collection occurred in 1981 when MSS implemented residential curbside recycling. At the time, it was the first county-wide curbside recycling program in the country. Recyclables were collected at the curb utilizing 5-gallon plastic buckets with segregation of three different streams: glass, cans, and newspaper/cardboard. Side-loading trucks were used that contained separate compartments for the three different streams. Over the years the curbside recycling program has been improved with the inclusion of additional recyclables (for example, junk mail and additional plastics) and more efficient collection vehicles. The current method of curbside recycling collection fits well with the hilly terrain of Marin County and provides a clean, high value product for the markets that purchase the recyclables.

In conjunction with the curbside recycling program, MSS implemented commercial recycling. Businesses were afforded the opportunity to segregate cardboard, cans, and glass for collection by a separate recycling truck. Rear-load bins were used for the separate commodities and cardboard was collected loose.

In the late 80's and early 90's, Marin Sanitary continued to lead the way in providing innovative programs to enhance the services provided to its customers. Refuse carts, provided by the Company, were delivered to homes and businesses throughout our service area. The wheeled carts with attached lids were an instant success. Customers enjoyed the convenience and the Company improved its route efficiencies by utilizing rear-load collection vehicles with cart tippers to empty the cans.

MSS also implemented green waste collection during this time. Customers were provided 64-gallon carts for yard trimmings and small branches. The carts were serviced by a rear-load collection vehicle with cart tippers.

### **Processing Facility History**

Our processing facility history started with the two distinct and separate processing facilities at MSS. The Marin Recycling Center is a "clean" MRF that processes the curbside recycling volume delivered by MSS residential recycling trucks. This facility also processes cans, bottles, and newspapers collected by MSS commercial recycling trucks and operates a public buy-back and drop-off operation that is heavily used by the residents of Marin County and is certified by the State of California.

The other processing facility is the Marin Resource Recovery Center (MRRC). This facility is a "dirty" MRF and is also referred to as the "indoor dump." MRRC processes a wide variety of materials from various incoming sources. These sources include the public (both self-haul and commercial), other debris box haulers and garbage companies, MSS green waste loads, MSS debris box loads, and MSS commercial refuse loads. This facility recycles approximately 70 percent of the incoming volume.

In 1981, MSS started a curbside recycling program for all of its customers. The program allowed residents to set out cardboard, newspaper, cans, plastic, and glass for collection by a dedicated

recycling truck. Five-gallon plastic containers were delivered to homes along with educational materials to explain the new program.

MSS built the Marin Recycling Center to process and market the recyclables that were collected. The recycling program and processing facility were one of the first established in the U.S. and put Marin County in the lead for diversion of materials from landfills.

The next, and most significant, diversion program was the design and construction of the Marin Resource Recovery Center in 1987. While not a “program” in the traditional sense, the construction of this facility was truly a break-through in the goal of diverting waste from the landfill. The first of its kind, MRRC was the ultimate expression of Joe Garbarino’s vision of recycling, reuse, and landfill diversion. The huge “indoor dump” is not a dump at all, but rather a sophisticated operation encompassing conveyor systems, sorting lines, shakers, screens, and grinding equipment that recycles over 70 percent of the incoming volume.

In conjunction with the opening of the Marin Resource Recovery Center, MSS was able to introduce a green waste recycling program to its residential customers. 19,000 64-gallon carts were delivered to customers and an extensive education program was launched to ensure a successful program. Today over 13,000 tons of green waste are collected annually through this program.

## **Garaventa Enterprises**

### **Background**

Garaventa Enterprises operates hauling franchises in the Cities of Concord, Pittsburg, and Rio Vista, provides recycling and collection service in the Sanitary Districts of Ironhouse (Oakley area) and Byron and in the Counties of Contra Costa and Solano. The franchise services include residential and commercial refuse removal, residential curbside recycling and green waste, commercial recycling, construction and demolition, industrial waste, and debris box services. The operations are performed in conjunction with a recycling processing and buy-back center and the Recycling Center and Transfer Station (RCTS).

The quality of service provided has always been a company strength. The City of Concord, for the past several years, have surveyed the residents on services provided by the City, including but not limited to police, parks, permitting, and garbage and recycling services. The results of those surveys have ranked Garaventa Enterprises services as the best of all services provided within the City of Concord. We realize this does not happen without the hard work of many employees and a committed team, not only to the company, but more importantly to the Community in which we serve.

Our executive committee is Silvio Garaventa, Jr., Joseph Garaventa, and Clark Colvis, with combined experience of 80 years. The General Manager, Gary Lazdowski, has been with the family business for 35 years.

### **Diversion Programs**

Garaventa Enterprises family roots go back to the 1930’s when Andrea Moresco was operating

the one horse and buggy rubbish pick up for the country town of Concord. We have come a long way since then. Moresco's son-in-law, Silvio Garaventa, Sr., took the small town operation and built an enterprise that included multiple municipal franchises. From the City of Concord's infancy of a population of 3,500 to today, Garaventa Enterprises serves over 250,000 people in Contra Costa and Solano Counties. Garaventa Enterprises (Concord Disposal) has serviced the City of Concord since 1934.

Mt. Diablo Paper Stock was founded in 1962 to specifically handle the processing and remarketing of recyclable materials. Operating a public buy-back facility before recycling was a household word; Mt. Diablo Paper Stock has been remarketing recyclables for 40 plus years. Newspaper and cardboard collection, baling, and marketing have been the main-stay since the inception.

Today, the company's range goes far beyond the initial expectations. Newsprint, high-grade papers, cardboard, tin, glass, aluminum, and plastics are all handled by Mt. Diablo Recycling.

In 1984, we opened a new facility to sort and separate the different grades of recyclables. We bale and deliver these products to a variety of different markets within and outside the State of California. We are currently the largest recycling company in Contra Costa County, marketing thousands of tons per month of reusable products.

The programs and facilities the company has implemented include:

- Numerous Charitable "Drop-Off" locations since the 1960's, beginning with the Boy Scout Paper Drives.
- Buy-Back facility for paper, cardboard, and high grades in the 1970's.
- Establishment of Curbside Recycling Programs in 1988.
- CRV Buy-Back Center in the 1990's.
- Recycling Center and Transfer Station (RCTS) extensive floor sort program in 1997.

Table 2, References, lists the jurisdiction names and the name of our contact and their phone number for the municipal clients to whom we provide services. These jurisdictions are the ones that were listed in Table 1, Overview of Services Provided.

**Table 2 – References**

<b>Company</b>	<b>Jurisdiction</b>	<b>Name</b>	<b>Phone Number</b>
RPS (Bacigalupi family)	Napa County (portion)	Greg Pirie, County Administrative Officer	(707)253-4144
	City of Napa	Kevin Miller, Recycling Coordinator	(707)257-9514
	City of American Canyon	Mark Joseph, City Manager	(707)647-4352
UVDS	Town of Yountville	Bill Dutton, City Manager	(707)944-8851
	Napa County (portion)	Mark Luce, Chair – Napa County Board of Supervisors	(707)253-4471
	City of St. Helena	Diane Dillon – County Supervisor	(707)944-8280
	City of Calistoga	Ken Slavens, Mayor	(707)967-2792
	Lake County (portions)	Karen Slausser	(707)942-2754
MSS	Town of San Anselmo	Kim Clymire, Director of Solid Waste	(707) 262-1618
	Town of Fairfax	Debra Stutsman, Town Administrator	(415)258-4600
	Las Gallinas Valley Sanitary District	Alan Benygal, Town Administrator	(415)458-2345
	Ross Valley Sanitary District-North	Al Petrie, District Manager	(415)472-1734
	Ross Valley Sanitary District-South	Barry Hogue, District Manager	(415)461-1122
	Town of Ross	Barry Hogue, District Manager	(415)461-1122
	City of San Rafael	Gary Broad, Town Administrator	(415)453-1453
	City of Larkspur	Rod Gould, City Manager	(415)485-3075
	County of Marin (portions)	Jean Bonander, City Manager	(415)927-5110
		Jeff Rawles, Program Manager	(415)499-6548
Garaventa Enterprises	City of Concord	Peter Dragovich, Director of City Management	(925)671-3000
	City of Rio Vista	Brad Baxter, City Manager	(707)374-6451
	City of Pittsburg	Laura Wright, Recycling Coordinator	(925)252-4850
	Ironhouse Sanitary District	Denise Nunn,	(925)625-2279
	Byron Sanitary District	Bob Byers, Board Member	(925)634-3147
	Contra Costa County (portions)	Mark DeSaulnier, Supervisor District IV	(925)646-5763
	Contra Costa County (portions)	Federal Glover, Supervisor District V	(925)427-8138
Solano County (portions)	Narcisa Untal, Senior Planner Waste Management	(707)421-6765	

Letters of recommendations from several of the jurisdictions we serve are in Attachment.

## 1.5 Billing Experience

Table 3, Billing Experience, identifies the type of solid waste services provided and number of accounts where monthly billing service was required. We have included in Attachment 1 a copy of a sample bill for residential and for commercial customers in three of our jurisdictions.

**Table 3 – Billing Experience**

Company	Jurisdiction	Material	# of Accounts Billed
RPS (Bacigalupi family)	Napa County (portion)	MSW, recycling & green waste	4,000
	City of Napa	MSW, recycling & green waste	21,000
	City of American Canyon	MSW, recycling & green waste	3,850
UVDS	Town of Yountville	MSW, recycling, green waste & used oil	836
	Napa County (portion)	MSW, recycling, green waste & used oil	2,203
	City of St. Helena	MSW, recycling, green waste & used oil	1,915
	City of Calistoga	MSW, recycling, green waste & used oil	1,297
	Lake County (portions)	MSW, recycling, green waste & used oil	5,159
MSS	San Anselmo	MSW, recycling & green waste	4,579
	Town of Fairfax	MSW, recycling & green waste	2,600
	Las Gallinas Valley Sanitary District	MSW, recycling & green waste	7,999
	Ross Valley Sanitary District-North	MSW, recycling & green waste	1,229
	Ross Valley Sanitary District-South	MSW, recycling & green waste	2,277
	Town of Ross	MSW, recycling & green waste	816
	City of San Rafael	MSW, recycling & green waste	9,890
	City of Larkspur	MSW, recycling & green waste	2,834
	County of Marin (portions)	MSW, recycling & green waste	660
	San Anselmo	MSW, recycling & green waste	4,579
MSS	City of San Rafael	MSW, recycling & green waste	9,890
	City of Larkspur	MSW, recycling & green waste	2,834
	County of Marin (portions)	MSW, recycling & green waste	660
	City of Concord	MSW, recycling, green waste & C&D	30,730
Garaventa Enterprises	City of Rio Vista	MSW, recycling, green waste & C&D	5,164
	City of Pittsburg	MSW, recycling, green waste & C&D	14,322
	Ironhouse Sanitary District	MSW, recycling, green waste & C&D	8,826
	Byron Sanitary District	MSW, recycling, green waste & C&D	141
	Contra Costa County (portions)	MSW, recycling, green waste & C&D	8,154
	Solano County (portions)	MSW, recycling, green waste & C&D	96

## 1.6 Litigation History

Recovery Products and Services has no litigation to report.

Upper Valley Disposal Services has no litigation to report

Within the past five years, Garaventa Enterprises has been named along with numerous parties, in our view, in unmeritorious lawsuits involving our past ownership of certain real property. All such litigation has been formally settled or settlement is pending. We have denied and continue to deny any liability and no liability has been proved.

This will advise that Marin Sanitary is currently a party to an action pending in the Marin County Superior Court entitled City of San Rafael v. Las Gallinas Sanitation District and Marin Sanitary Service, Case No. 041792. The case involves a boundary issue addressing the legal question of whether the City of San Rafael or the Las Gallinas Sanitation District is legally empowered to contract with the company for the collection of refuse in certain areas of northern San Rafael. The company is simply named as a necessary party defendant so that the Court's ruling will be binding upon it; however, no relief is sought from the company and, since the case involves a boundary dispute between third parties, the company has taken a neutral position in the suit.

## 2 Technical

### 2.1 Collection Methods and Procedures

We selected the vehicles and containers for the different residential services based on our 80-years of experience collecting recycling and waste in Zone 1 of Napa County. The use of larger trucks with heavier payloads increases driving hazards on the narrow, steep roads and driveways that are prevalent in this area. In Napa County, much of the housing growth has occurred in the hills rather than the valley floor. Everyday there is an increase in demand for special collection at multi-million dollar estates with their narrow lanes.

#### 2.1.1 Residential

**NRWS will provide a fully automated weekly MSW, single-stream and green waste curbside collection system.**

The RFP states that 198 accounts are identified as *special backyard or footage* accounts. Based on our experience servicing these areas, the number is closer to 800 such accounts, and we know that the number will only grow.

The customers will place their cart at the curb before 6:00 a.m. Collection will start at 6:00 a.m. All containers are color coded and will have either a molded graphic or hot stamp indicating the type of material to be placed inside.

Customers will be provided a gray cart for MSW. They will have the choice of a 35-, 65-, or 95-gallon container. NRWS will have two vehicles collecting MSW daily, a 31-cubic yard three axle vehicle and a 12-cubic yard single axle vehicle. The 31-yard vehicle will service the customers located on the valley floor. The 12-yard truck will service customers with backyard or footage service and all of the customers on the narrow, mountainous roads such as Mt. Veeder, Redwood Road, Dry Creek, Soda Canyon, Atlas Peak, Monticello Road, Wild Horse, and Green Valley. The 12-yard truck is equipped with an automated arm and can also provide semi-automated and manual collection services.

Single-stream recycling will be collected using either 65- or 95-gallon carts. The carts will be blue. NRWS will use two vehicles each day for this service. A 31-cubic yard three-axle automated side loader will be used to collect material automated, semi-automated, or manually. The ability to collect materials manually is important because customers sometimes have more material than their container can hold or material larger than will fit in the container (for example, large pieces of cardboard.) Our second vehicle is a 17-cubic yard split body truck. This truck will collect single-stream recyclables and green waste. The 17-yard vehicle will service customers with backyard or footage service and all of the customers on the narrow, mountainous roads.

Green waste collection service will be weekly in a brown cart. We will provide either one 65- or

96-gallon cart to each customer. The green waste pickup will take place on the same day as solid waste collection. Customers may request up to three additional carts at no charge. From past experience, NRWS estimates that 2.5 carts will be needed per residential account. Zone 1 currently has customers placing more than ten cans out each week.

Collection will be fully automated wherever possible. When full automation is not possible, then collection will be performed with semi-automated or manual feature of the collection truck. The truck is a 17-yard split body (for collecting both single-stream materials and green waste). A front loader with a work bucket and an automated arm is used to collect all residential and commercial green waste on the Valley floor.

We will provide up to four 95-gallon green waste carts. If a customer wants more than four carts, the additional charge will be 50 percent of the solid waste fee. During the months of February and August we will send a coupon that can be used during those months, allowing free drop-off of green waste at the County-designated processing center.

Oil and oil filters will be collected weekly from all residential customers; we will provide used oil and oil filter collection containers to all residents who wish to participate in the program. We will exchange the full used motor oil containers and oil filter bags for empty containers on the same day as scheduled solid waste collection. All residential collection vehicles are equipped to collect used oil and filter bags.

We will submit a sample of the oil containers and filter bags for County approval prior to purchase.

All basic residential services will be provided to those residents with backyard/wheel-out service. We will provide backyard service at no charge for accounts where the resident has a medical note on file from a physician confirming there is a medical reason that prevents the resident from moving solid waste, recycling and green waste carts and other materials to the curb. For customers who want the backyard/wheel-out service but cannot provide a medical note, the customer will be charged for the additional distance between the curb and the cart.

## Multi-Family Residences/Mobile Home Parks

**NRWS will meet individually with the manager of every multi-family location to determine the best service options for their situation.**

Multi-family residents have two collection options: cart service, which provides each dwelling with a container and centralized service where the materials are placed in a larger bin. The collection frequency will be determined by NRWS to maximize service and recycling. Containers will be color coded and labeled properly to minimize contamination. If contamination exceeds ten percent in single-stream, the NRWS and the property manager will work with the on-site property manager to reduce contamination. Complexes with 50 or more units will be offered a separate collection container for cardboard to further reduce contamination.

We will provide a fully automated weekly MSW, single-stream recycling, and green waste collection system to gated developments and gated mobile home parks. The program includes used oil collection. The Homeowners Association or property manager of the gated community will select whether they receive individual service or bring their materials to a central collection location. In either case, the type of service will be the same as received by single family residences, but will be customized for the situation they choose. Based on our experience servicing those accounts, we know that customizing service is important in areas like the Silverado County Club where each development is different. Individual carts will be collected by smaller vehicles. Most private roads and parking lots are not designed for large commercial vehicles.

## 2.1.2 Commercial

**NRWS will offer single-stream recycling to all commercial, industrial, and institutional customers.**

Commercial recycling, solid waste and green waste collection will be fully automated or semi-automated wherever feasible. Manual collection will only be used when semi-automated or automated collection vehicles are too large. Collection of commercial MSW, single-stream and green waste will be done with a front loader. The basic level of service for a commercial customer includes:

- Regularly scheduled automated collection of solid waste.
- Automated collection of single-stream recyclables.
- Regularly scheduled automated collection of green waste.

Single-stream recycling collection is by cart or bin and accepts same material types collected in the residential program. The County currently allows businesses to share recycling bins if it is most efficient and wishes to maintain that option for the businesses. Single-stream recycling is permitted for weekly loads from 35-gallon up to six-cubic yards. NRWS will offer recycling to every commercial business as we have done in the past.

Some businesses have source-separated collection for cardboard, green waste, office paper, metal, wood, concrete, containers only, or glass. Any source-separated recyclable material will be collected at no additional cost to customers of the basic waste service and the container size is a six-cubic yard bin or less. Cardboard collection will stay separate as determined by NRWS in consultation with the customer on case-by-case basis. All containers are color coded and clearly marked to help minimize contamination. All commercial bins are equipped with a locking bar to help minimize contamination and illegal dumping.

Recyclables that are source-separated, clean, and compacted will be collected at no additional cost to the customer as long as they take basic solid waste service and the container is compatible with the Contractor's equipment. This service includes clean-baled film plastic and any other material that has a positive market value.

Green waste services are offered to all commercial, industrial, and institutional customers. Green waste is collected in 65- or 96-gallon carts or bins for customers. For containers in excess of six-yard bins, the customer will be charged 50 percent of the solid waste rate based on the container sized utilized.

## 2.1.3 Excess Materials

Excess single-stream materials and green waste from both residential and commercial customers

will be picked up. Customers do not need to call in advance. If a customer constantly has excess material, they will be provided additional containers as needed.

NRWS collection vehicles are equipped to collect materials using automated, semi-manual, and manual methods. The only problem that is created by excess materials is increased route time.

Residential and commercial customers with excess MSW can call 24 hours before their next scheduled collection day. We will notify the driver on a daily basis about all the excess collections. If a driver encounters excess MSW and it is not listed on their daily work papers, they will contact the office, who will contact the customer to authorize collection. Unless an account is marked in the computer with a statement to never collect extras, the driver will be instructed to collect extras even without customer approval.

### **2.1.4 Public Education**

All residential customers will receive a “starter kit” prior to the start of service. The kit will include information about types of collection containers, placement of containers for collection, collection route days of service, CSR contact numbers. For each type of collection; MSW single-stream and green waste collection, there will be description of each program, describing allowed material and non-allowed material. All printed material will be approved by the County before distribution to customers.

All commercial and multi-family customers will receive written and verbal instruction. These accounts will be contacted in person by Greg Kelley, Steve Manasse or the NRWS Education Coordinator, to address each account's individual needs.

Our company recognizes the importance of public education to a successful recycling program. We have included monthly billing messages as well as several other activities (as described in Section 5) to encourage our customers to recycle and minimize contamination.

We will also promote public awareness through offering tours of our facilities. We will contact the schools and offer educational programs to help promote public awareness in that venue.

The school tours have been a very successful component of the education program in Upper Valley, Marin Sanitary, Concord, and at Napa Garbage Service when Mr. Kelley was the General Manager. Over the past 5 years, thousands of children, teachers, and parents have toured our facilities. We discuss the various types of recyclables, the sorting process, and view the baled finished products. We make classroom presentations and work with student representatives to establish on-campus recycling programs. We have been particularly successful partnering with schools on hands-on recycling projects, such as on-campus composting. In addition, we make monetary contributions, provide in-kind services, or sponsor special ecological events at schools.

## **2.2 Collection Schedule and Accounts**

### **2.2.1 Collection Schedule**

The collection details are summarized in Table 4, Collection Details. The information in this table is taken from the table in Form 12 (located in the cost proposal, which is at the end of this document).

**Table 4 – Collection Details**

<b>Item</b>	<b>Residential</b>	<b>Commercial</b>	<b>Debris Box</b>
Number of full time positions, including standbys	5	1	2
Number of collection trucks	5	1	2
Number of spare collection trucks	0.5	0.5	-
Estimated annual truck hours	10,400	2,080	4,160
Number of routes	5	1	2
Crew size	1 per truck	1	1 per truck
Stops per route	600 (large vehicles) 200 (small vehicles)	75	8
Daily/hourly wage of drivers	\$22.68	\$22.68	\$22.68
Estimated annual man hours	10,800	2,160	4,320
Estimated annual tonnage	MSW – 4,000 Single-stream – 2,200 Green waste – 3,000	MSW – 2,200 Single Stream– 600 Green waste – 120	MSW - 9800 Single Stream– 240 2400 Source sep 4200

### **2.2.2 Allocation Assumptions**

In preparing our collection plan, we have made the following cost assumptions in allocating between residential and commercial service:

- All cost assumptions are derived from the direct costs based on the number of employees, the equipment, and containers.
- The number of employees and vehicles needed was derived from our past experience and future growth plans.

## 2.3 Collection Containers

The type of containers that will be provided to each type of customer is summarized in Table 5, Collection Containers. Container design and manufacturing is located in attachments.

**Table 5 – Collection Containers**

Container Size	Residential			Commercial		
	Waste	Recyclables	Green Waste	Waste	Recyclables	Green Waste
35-gallon	2,150					
65-gallon	2,150	900		100		
96-gallon	225	3,600	9,000	100	200	200
1-yard						
1.5-yard				25		
2-yard				72	20	10
3-yard				30	20	
4-yard				30	40	
6-yard				30	40	

All four NRWS parent companies will offer support during the container delivery. Residential distribution will take approximately ten days. The cart manufacturer will assist in distribution carts to the Valley floor customers. Company employees will distribute carts to our outlying customer base. Between February 1 – April 1, customers will choose their MSW cart size.

Commercial containers will also be distributed starting September 1, 2005. Commercial customers will be contacted personally to help in container selection. Commercial containers will be delivered with the flatbed truck, roll-off trucks, and bin delivery vehicles.

If a container is lost, stolen, or damaged, it will be replaced as needed.

NRWS will provide all residential containers at no additional cost. We will provide one replacement container annually at no additional cost, regardless of the reason for replacement, including a change in service level. We reserve the right to charge a fee for any replacement containers thereafter.

For commercial customers, NRWS will provide all containers as needed. All containers will be kept in serviceable order and will be clearly labeled.

## 2.4 Collection Equipment

Table 6, Collection Equipment, lists the vehicles that will be used for residential and commercial collection. This table takes data from the cost forms.

**Table 6 – Collection Equipment**

Type of Vehicle	Capacity	Model/Year	Intended Use
Wittke Front loader	40 yard	Expert 2000/2005/6	Commercial bin & cart collect, MSW, Recycling & Green Waste
Wittke Front loader	40 yard	Expert 2000/2005/6	Residential/Commercial & Green Waste
Labrie Automated Sideloaders	31 yard	Expert 2000/2005/6	Residential, Single Stream, MSW, Recycling
Labrie Automated Sideloaders	31 yard	Expert 2000/2005/6	Residential, MSW, S.S.
Labrie Automated Sideloaders	17 yard split body	Expert 2000/2005/6	Residential S.S. , Green Waste
Labrie Automated Sideloaders	12 yard	Expert 2000/2005/6	Residential, MSW
Wittke Front loader	40 yard	Expert 2000/2005/6	Spare Residential, Commercial
Flatbed	14 ft	Ford 350/2005/6	Bin, Cart Delivery, Bulk Goods Collection
Pick-up	N/A	Ford 250/2005/6	Supervisor/Cart Delivery
Roll-Off	10-40 yd roll-off box	Nor Cal/2005/6	Commercial, Residential, MSW, Recycling, Green Waste
Roll-Off	10-40 yd roll-off box	Nor Cal/2005/6	Commercial, Residential, MSW, Recycling, Green Waste
Pick-up	Service	Ford 250/2005/6	Vehicle/Bins - on road service

In vehicle selection, NRWS has taken into account current customer needs, terrain, distances, weight laws, road and private driveway conditions. There are a number of accounts who own their own containers and drop boxes; NRWS has made sure that our vehicles will accommodate these containers. Napa County has always run narrow rails on drop boxes, which is not common in the Bay area.

### 2.4.1 Residential

NRWS will have two vehicles collecting MSW daily, a 31-cubic yard three axle vehicle and a 12-

cubic yard single axle vehicle. The 31-yard vehicle will service the customers located on the Valley floor. The 12-yard truck will service customers with backyard or footage service and all of the customers on the narrow, mountainous roads such as Mt. Veeder, Redwood Road, Dry Creek, Soda Canyon, Atlas Peak, Monticello Road, Wild Horse, and Green Valley. The 12-yard truck is equipped with an automated arm and can also provide semi-automated and manual collection services.

### **2.4.2 Commercial**

The 40-yard truck we will use for commercial collection is capable of loading containers ranging from a 35-gallon cart to a 6-yard bin. The residential 31-yard, 17-yard, and 12-yard trucks will also be used, depending on their location and the service needed. Two roll-off trucks will also be used on roll-off accounts.

Vehicles will be maintained to manufacture standards. Monthly and hourly preventative management will be performed. Daily vehicle inspection reports are provided from the drivers to the maintenance staff. Vehicles that are over used during the day will be cleaned the same day. All vehicles have a life experience greater than ten years.

## **2.5 Contamination Control**

Contamination control is done for two types of materials. Hazardous waste in the trash is an issue that we have developed processes with our drivers to control. Contamination of the recyclables in the single-stream collection and in the green waste collection is the second area where our drivers have been trained to reduce contamination. In both cases, the key element of our program is customer education.

The education program includes our drivers, customers, and processors. We encourage the drivers to talk with customers, if the customers wish, and explain all available programs.

Drivers are trained to avoid accidental collection of hazardous materials in the solid waste collection carts or cans and, when possible, will attempt to identify hazardous materials during their route. If substances are observed which are believed to contain hazardous waste, we will immediately contact the customer and notify them about the correct disposal method and location. If the customer cannot be contacted, we will contact the appropriate regulatory agency and the County. **All commercial bins are equipped with locking bars, which help control contamination and illegal dumping.**

### **2.5.1 Single-Stream, Green Waste, and Other Recyclable Contamination Control**

All customers receive a “starter kit” describing all services and the correct method for their handling of recycling, MSW, and green waste. All carts are color coded and labeled to identify the proper use. All single-stream carts have a message molded into the lid. A color graphic picture on the lid clearly identifies the allowable recyclable material and the prohibited materials.

The majority of recyclable materials are collected by dedicated collection vehicles, eliminating cross contamination between products. One vehicle will be collecting one product.

If recyclables are contaminated with solid waste, or if hazardous waste is found in a container, the customer is notified in writing with a two inch by six inch tag attached to the container, which gives the reason why the collection was not made, lists the telephone number for the Napa County Department of Environmental Management, and identifies the appropriate recycling materials.

At least once a year, we will notify all customers that hazardous materials are not accepted and that it is the obligation of each customer to provide for the proper handling and disposition of hazardous waste. Customers will be notified about current collection centers.

If we accidentally collect any hazardous waste, we will separate out the hazardous waste and arrange for transportation and disposal to the appropriate facility of our choice.

We will ensure that our employees are properly trained through an employee training program. Proper documentation identifying the training will be maintained.

Contamination control in the single-stream collection program is done first by the driver. They can observe material as it is emptied into the vehicle. The driver can notify the customer service representatives (CSRs) who will also notify the customer. If we notice a higher percentage of contamination from certain routes, our route supervisor will make random checks before the collection vehicles.

Contamination control in the green waste collection program is done first by the driver. They can observe material as it is emptied into the vehicle; the driver can notify the CSRs and they notify the customer. Additionally, all containers are labeled, describing what material is accepted in each container.

### **2.5.2 Household Hazardous Waste (HHW)**

Napa County residents can bring all recyclable and non-recyclable HHW to the DRTS Permanent Household Hazardous Waste Collection Facility (HHWCF). NRWS will include a billing insert once per year describing where material is collected. The public is able to transport 15 gallons or a maximum 125 pounds per trip. During regular business hours the HHWCF accepts toxic, flammable, corrosive, or reactive products such as:

- Insecticides.

- Paints and paint thinner.
- Solvents.
- Cleaners.
- Propane tanks.
- Old gasoline.
- Batteries.
- Automotive fluids.

Currently, the DRTS accepts the following items at no charge:

- Auto batteries.
- Latex paint.
- Anti-freeze.
- Used motor oil and oil filters.

## 2.6 Bulky Goods

Residential customers, commercial customers, and the County may request collection of bulky items 48 hours in advance and collection will occur on or before the customer's next regularly scheduled garbage collection day no earlier than 7 a.m.

NRWS will provide each residential premise one bulky goods collection (up to four items) annually. There is no charge for the first collection. After the initial collection, a fee established by the County will be collected.

One flat bed truck will be designated for Bulky Goods Collection. That same vehicle will be used for other special materials to provide collection efficiencies.

In addition, we will generate a coupon for free bulky goods drop-off. The coupon will be sent as a bill insert, and will be valid for one year from date of issuance. Residents present the coupon with a driver's license having a Napa County address to get the free service. Non-hazardous bulky goods, such as ovens, water heaters, or mattresses, will be accepted free at the County-designated MRF with presentation of this coupon.

Acceptable bulky goods are as follows:

- Furniture (such as, sofas, chairs, and mattresses).
- Appliances (such as, stoves, washer/dryer, water heater).
- Toilets.
- Sinks.
- Porcelain products.
- Tires.

Items not currently accepted are:

- Household solid waste.
- Paint.
- Household Hazardous Waste (HHW).
- Green waste of any kind.
- Refrigerators.

## 2.7 Holiday Greenery

This program will be coordinated with a local non-profit agency and held annually on the first Saturday following New Years Day.

The local non-profit agency will pick up whole trees at the curb and bring them to a centrally located roll-off container(s) that NRWS provides, at no charge to the local non-profit agency. The residents can give the local non-profit agency a donation for the service. The following week, only NRWS will collect trees from customers on their regular service day if the tree is placed at the curbside next to the carts.

Trees can be a maximum height of five feet. Residents will be encouraged to cut trees, over this size, in half. The trees that have been flocked or decorated (contaminated with tinsel) can be delivered to the Transfer Station or collected as MSW.

We have partnered with the Fire Departments in some of the jurisdictions that we serve and established Christmas tree drop-off locations. We also plan to do that in Napa County.

Single-family residents and multi-family residents will be asked to place their Christmas trees at the curbside the night before collection. The Christmas trees will be manually loaded into the green waste collection vehicle on the regularly scheduled collection day.

No containers will be used as the material will be collected loose at the curb. During the two week period of the program an additional one to two collection trucks will be needed.

Contamination in the holiday greenery program has not been an issue with the program at NVDS under Mr. Kelley's leadership or at our other programs. We plan to minimize the contamination with outreach to all commercial and residential (both single-family and multi-family) customers through newspaper ads, bill inserts, and web page announcements. The announcements will provide the details of how to prepare the material and the contamination that is prohibited. We will enlist the County's aid in the education program as elimination of contamination is so important to recycling materials.

The material will be ground into mulch and sold with our other mulch. We would also be prepared to work with Fish & Game to use the collected trees as fish habitat and also to have them chipped and used as public trail mulch.

NRWS will provide a brochure/postcard to the County for review and approval by November 1, 2004. The professionally designed brochure/postcard will be mailed by first-class mail informing the residents how to prepare holiday greenery for recycling.

## 2.8 County Facilities

We will provide containers and collection for all solid waste and recyclable materials generated at premises owned and/or operated by the County. The County will receive all the collection services of a basic commercial account, including solid waste, single-stream recycling, green waste, and source-separated cardboard. We understand over the agreement term, the County may request changes to service, such as:

- Frequency of collection.
- Number of containers.
- Type of containers.
- Method of collection.

The County facilities located in County Zone I and within the City of Napa will continue to be billed as commercial customers with the exception of Cutting's Wharf and the future Sheriff's Facilities, which will be serviced without charge. We understand the County reserves the right to include additional County facilities to this list by providing a written notice to us. The following services will not be billed:

### *Cutting's Wharf*

- Two 96-gallon carts for solid waste; collected twice a week.

### *Sheriff's Facilities*

- One 3-yard front loader bin for solid waste; collected once a week.
- One 3-yard front loader bin for cardboard; collect once a week.
- One 96-gallon cart for single-stream recyclables; collected once a week.

Beginning in 2009, NRWS will also provide containers for recycling food waste and other organics to coincide with the implementation of the commercial food waste collection program.

## 2.9 Food Waste Collection

We have anticipated the food waste collection programs for the residential and commercial customers. Residential collection with the green waste is being done in a few areas now. We will work with the County to resolve potential problems with contamination of green waste carts, contamination through plastic bags, and other issues.

Food waste collection for commercial customers will be done with dedicated bins and carts. The

program will initially focus on restaurants and other commercial customers with large organic waste streams. The material will be composted with the green waste.

We are now composting grape pomace at our Up Valley facility. That material is a food waste as it is from a food production facility (wineries) and has many characteristics as food waste.

A key element of this program is the outreach that is essential to minimizing contamination. The commercial program will be successful with one-on-one customer contact.

## **2.10 Non-County Sponsored Special Events**

NRWS will assist the County contact person for special events in designing and implementing services to provide for the containment, collection, recycling, and disposal of solid waste and recyclable materials proceeding, during and after a special event. NRWS and the County will work together to ensure that recycling is maximized at non-county events.

NRWS will provide containers for collection service for two special events each calendar year. We will provide solid waste and recyclable materials collection containers and services for such events.

## **2.11 Anticipated Changes to Service**

At this time we do not anticipate any changes to the services described. We do understand that solid waste and recyclable collection and processing is rapidly changing and that there may be services not now envisioned that will benefit the County. When such changes occur, we will work with the County to implement them in a cost-effective, timely way. We will work with County staff on any service changes.

NRWS will provide fully automated collection at the start of the program on October 1, 2005 and will not be using semi-automated collection.

**In planning our response to this RFP and our collection program, we have considered customer satisfaction our highest goal. We are not planning to change their collection day. We are not going to change to quarterly billing at the start. We will continue to send educational materials monthly.**

## 3 Recyclable Processing and Marketing Services

We understand that the County may come to agreement with the City of Napa to use its Material Diversion Facility (MDF). We have included that contingency in our planning.

Since the use of the City facility is not yet determined, we have planned to use the single-stream MRF and composting facility at the Up Valley location of UVDS, one of our partners. Since the facility is owned by a partner in NRWS, we do not need to have letters of intent or an agreement regarding its use.

### 3.1 Processing Facility

The processing facility is located at our Up Valley facility, which is co-operated by UVDS and Upper Valley Recycling, and at our Clover Flat Landfill. The Up Valley facility has a MRF and a compost site both of which are state-of-the-art operations. The MRF is currently handling our single-stream materials. Drawing 1, Site Layout, shows the buildings, storage areas, processing areas, parking facilities and other major components of the facility.

Our main processing building is 30,000 square feet and is used for processing, storage, wholesale and bulk sales of recyclables, and offices. The entire site is about 34 acres, which includes our headquarters offices, the yard for collection equipment used in our local operations, and our composting facility. The area devoted to the MRF is approximately six acres.

The processing facility is owned by a partner of NRWS so an agreement to use the facility or a letter of intent are not required.

A general arrangement drawing of the processing facility at UVDS is in Drawing 1, Facility Site Plan, which is in a pocket at the end of this document. A second drawing, Drawing 2, MRF Equipment Layout, shows the specifics of the equipment design. These two drawings show the entire facility at UVDS, which includes the MRF and the composting site.

### 3.2 Processing Methods and Procedures

#### *MRF*

The general flow of materials through the MRF is shown in Figure 1, Process Flow Diagram.

When materials arrive at our facility, we unload them inside of the building at a designated area on our tipping floor. The loader operator pushes the material from the tipping area to the in-feed conveyor. As the material is pushed, the operator visually inspects the material for contamination or hazardous wastes. If any household hazardous waste is found, they are immediately removed

**Figure 1, MRF Process Flow Diagram**

and properly stored until they can be shipped offsite for treatment and disposal.

The recyclables travel up the in-feed conveyor, past a presort station to remove contamination (non-recyclable items such as garden hoses, trash, and other contaminants). All cardboard, film plastic, and large contaminants are then removed prior to sorting newspaper, mixed paper, high-grade office papers, magazines, and other grades of paper stock. The remaining mixed recyclables are then sorted into HDPE, PETE, aluminum, glass, and tin. All materials are baled, except for the glass, which is shipped to mills.

#### *Green Waste*

The green waste will be delivered to either the Clover Flat Landfill located near Calistoga or to the Up Valley facility, as needed. We co-operate the Up Valley facility with Upper Valley Recycling (UVR). The Up Valley facility is fully permitted to compost and to chip and grind. The Clover Flat Landfill is permitted to chip and grind. The material will be size reduced with a grinder and directed to the end use. The primary end use of all of the green waste material processed at Clover Flat is to be used as feedstock for the grape pomace composting operation at the Up Valley facility. If additional volumes of Clean Green material are generated, then we produce either mulch or biofuel. The mulch, which will be used in ground cover, runoff control, and other similar applications, is either used at our various locations or sold to the general public. The biofuel is currently used for electricity production at a co-generation facility in Woodland. We use the contaminated green material as alternative daily cover at the landfill.

Drawing 1, Site Layout, shows the buildings, storage areas, processing areas, parking facilities and other major components of the composting facility. The processing area is approximately 20 acres and is used for processing, storage, and sales of compost. The entire site is about acres, which includes our headquarters offices, the yard for collection equipment used in our local operations, and our MRF. Drawing 1 can be found in a pocket at the end of this volume.

The composting facility includes a concrete pre-processing/seed processing pad with two seed dryers (on about 1 acre), a 13-acre composting pad, a 9 million gallon wastewater pond that occupies about two acres, and a wastewater-spraying field that occupies about four acres.

One of the aspects of our composting facility is custom blending using gypsum or other organic additives for select applications in the grape growing industry and for other agricultural and non-agricultural applications.

#### *Process Flow*

The process flow for materials through our Up Valley site and through the composting facility is shown on Drawing 1. The flow of materials through the MRF is illustrated on Drawing 2, which is also in a pocket at the end of this volume.

#### *Confirmation of Materials to be Processed*

The materials we will collect and recycle are all paper grades (newspaper, chipboard, cardboard and, mixed paper), aluminum foil, milk, soy and juice cartons, aseptic beverage boxes, scrap metal, all plastic containers, glass, oil and oil filters.

In addition, our UVDS partner has had a program to recycle several difficult to handle materials. These materials include grape stakes, field plastic, corrugated plastic pipe, and

#### *Flexibility*

The design of our MRF is flexible, and enables us to process single-stream from residential and commercial customers and source separated materials (such as cardboard, glass, or office papers) that are collected from commercial customers. We have very successful commercial source separated recycling program that aids in our achieving a 53 percent diversion rate for the Up Valley communities.

Our compost facility is also flexible. Materials can be ground at either the Up Valley facility or at the Clover Flat Landfill. The ground materials can be marketed for a variety of purposes that qualify as diversion.

#### *On-site Storage Available*

Incoming recyclables can be stored within our MRF at the Up Valley facility. They are processed on the day they are received. Product is baled and stored on-site until a full load is accumulated and it is moved to market. If necessary, we can store baled materials outside and we have sufficient space to do so. Process residue from the MRF is stored temporarily in a bin and moved to the landfill daily for disposal.

Materials coming into the compost site are stored temporarily while awaiting grinding. The materials are ground the day they arrive and added to the compost mix, or taken for alternative diversion use, shortly after they are ground.

### 3.3 Processing Equipment and Rolling Stock

The processing equipment in the MRF is summarized in Table 7, Processing Equipment.

**Table 7 - Processing Equipment**

Item
60" Wide x 20'-0" Long Steel Belt Conveyor 9-3-25-25
60" Wide x 58'0" Long Roller Chain Belt Conveyor 6-3-25
60" Wide x 46'-0" Long Flat Belt Sort Conveyor
36" Wide x 26'-0" Long Flat Belt Conveyor
18'-0" Wide x 29'-2" Long Pre-sort Platform W/Stairs & (6) Drop Boxes
DRS70-13 Fines Screen (VSD W/Brake, Oiler)
Newsorter Screen 96-23T (Qty (3) VSD W/Brake, Oiler)
Supports, Maintenance Platforms & Stairs For Screens
48" Wide x 36'-0" Long Flat Belt Sort Conveyor
15'-0" Wide x 20'-0" Long Platform W/(6) Drop Boxes
36" Wide x 19'-0" Long Flat Belt Conveyor
60" Wide x 49'-6" Long Roller Chain Belt Conveyor 6-3-25
DRS70-13 Fines Screen (VSD W/Brake, Oiler)
Polishing Screen DRS84-21T (Qty (2) VSD W/Brake, Oiler)
Supports, Maintenance Platforms & Stairs For Screens
48" Wide x 36'-0" Long Flat Belt Sort Conveyor
15'-0" Wide x 14'-0" Long Platform W/(4) Drop Boxes
36" Wide x 40'-0" Long Flat Belt Conveyor
36" Wide x 40'-0" Long Flat Belt Conveyor
36" Wide x 45'-0" Long Roller Chain Belt Conveyor 6-3-25
30" Wide x 73'-0" Long Flat Belt Sort Conveyor W/Stainless Steel Section
7'-0" Wide x 52'-0" Long Pre-sort Platform W/Stairs, (7) Drop Boxes
Cross Belt Magnet
Support Structure and Chute for Cross Belt Magnet
60" Wide x 166'-0" Long Roller Chain Belt Conveyor (3/8"Chain)
36" Wide x 46'-6" Long Roller Chain Belt Conveyor 6-3-25

The rolling stock is summarized in Table 8, Rolling Stock.

**Table 8 – Rolling Stock**

ITEM	Use	
	MRF	Composting
Backhoe - John Deere 310D 4WD		X
Baler	X	
Composter - Scarab Composter		X
Farm Tractor - Kabota		X
Fork Lift - Clark	X	
Fork Lift - Komatsu - 1st	X	
Fork Lift - Komatsu - 2nd	X	
Grinder - Universal Refiner Mobile Grinder (Scarlet)		X
Loader - Caterpillar 966B Tractor		X
Loader - Ford A-64 Loader 2YD Bucket		X
Loader - Caterpillar 966C Wheel Loader		X
Loader - IT28B Cat Loader (Open Cab) Joey		X
Loader - Caterpillar 977L Loader		X
Generator - Cat XQ225	X	
Glass Breaker	X	
Weber Claw	X	
Portable Scale	X	
Screener - Kolb Pioneer Portable		X
Spreader - New Leader Spreader 11 Yd.		X
Spreader - New Leader Spreader 22 Yd.		X
Spreader - White		X
Spreader - Green Spreader Low Profile		X
Water Truck - White		X
Water Truck - Kenworth Water Truck (Green/Yellow)		X

### 3.4 Processing Capacity

#### *MRF*

The facility currently accepts about 15 tons per day from other jurisdictions collected by UVDS. It is capable of processing 10 tons per hour. Based on our experience with collection in Zone 1, we estimate that about 12 tons per day of recyclables will be collected from accounts in the County. The facility designed to process 10 tons per hour. If so, the total amount of material processed will be 27 tons per day, much less than the 80 tons per day capacity.

Generally, the MRF facility operates eight hours per day, five days per week. In the event of

equipment breakdown or as a contingency, the MRF could operate on a second shift or on the weekends. If awarded this contract, NRWS will guarantee capacity to the County. As part of our contract, we are willing to ensure that capacity will be available to the County, thus in the event of unforeseen circumstances the County will always have access to a processing facility.

*Green waste*

Clover Flat and UVR have the capacity to process up to 60 tons per hour at each site. The annual permit at UVDS is 17,500 tons per year. The Clover Flat site is permitted to process 73,000 tons per year. Combined, both sites are currently receiving about 500 tons per month (6,000 tons per year) so there is ample capacity to process the County's green material. [Chuck, the CIWMB has the UVDS permitted throughput at 17.5 and the capacity at 34. to avoid a question, I suggest we use 17.5. it also has cfl at 200 TPD, or 73k per year so we self-haul should use that too]

### **3.5 Materials Recovery**

The discussion in this section detailed the methods of processing to be used at the MRF and at the compost site. These methods, with our public education program, have achieved a residual rate that varies from three to five percent at the MRF and no residual at the compost site. These residual rates are a result of the processing equipment we have, the employees and their training, and the education program. We would expect to continue all of those practices when serving Napa County.

### **3.6 Contingency Plans**

The Company has excess processing capabilities at facilities owned and operated by its members. Should the Upper Valley facility be unable to process material for more than 48 hours, material will be directed to the other facilities as described below.

*Green waste:*

First, if the Upper Valley Facility is unavailable materials for composting will be redirected to the grinding operations at the Clover Flat Landfill.

In the unlikely event that either the Upper Valley Facility or Clover Flat Landfill is unable to accept the material, then it could be sent to one of our parent firms.

Both MSS and Garaventa Enterprises handle green waste. Both companies grind incoming material and send it to other producers of finished compost. As an additional contingency alternative, RPS hauls green waste to the Potrero Hills Landfill composting site at a \$24.00 per ton tip fee.

*MRF:*

MSS and Garaventa Enterprises both operate large MRF facilities that have sufficient capacity of materials from Napa County. As an additional alternative, BLT in Sacramento accepts single-stream materials from third parties on a daily basis. Source separated material would be sent to the Recycle Zone in Fairfield, which operates a buy-back and bailing center. RPSS currently hauls material to the Recycle Zone.

All source-separated material can be directed to the following location:

Concrete/asphalt – Syar in Napa or Vallejo.

Dirt – Potrero Hills Landfill, Clover Flat Landfill

Metal – Napa Steel Mill in American Canyon.

### **3.7 Status of Facility**

The facilities are fully permitted to handle the material it currently receives and the material from Napa County. The facility is currently operating.

### **3.8 Processing Facility not Owned by Proposer**

We own our processing facility and do not plan to contract with another to provide service or backup service to the County.

### **3.9 Marketing Plan**

#### **3.9.1 Marketing Policy**

Our marketing policy is to know our markets very well, develop long-term relationships with strong market segments, and to continuously provide high quality materials to them through high quality processing and effective public education programs.

Our marketing goal is to sell all the materials recovered in the MRF and composted. Based on the Mr. Kelley's experience while at Napa Valley Disposal Service and the experience of our member companies, we expect to consistently achieve that goal.

Our marketing objective is to identify cost-effective markets for new materials to enable us to expand the types of materials that we divert.

The County will know that the materials have been diverted by comparing our reports of materials recycled with the reports of materials handled by the MRF and compost facility.

### 3.9.2 Organization of Marketing

The marketing staff in each of our companies has regular contact with numerous end users and material brokers. Over the years, we have developed long-term relationships with a variety of markets. We have been loyal to our markets and have achieved a similar loyalty from them. For example, since first developing its MRF, Garaventa Enterprises, MSS and UVDS have never had to dispose of any loads of recyclable materials due to an inability to gain access to markets.

Recyclable materials are commodities, and like all other products, markets fluctuate from time to time. However, no matter how tight market conditions have gotten, we always have been able to sell our materials due to the consistently high quality and our long-term relationships with numerous brokers and processors.

### 3.9.3 Identification of Specific Markets

The markets that we expect to use are summarized in Table 9, Material Markets.

**Table 9 – Material Markets**

<b>Material Type</b>	<b>Buyer(s)</b>
Cardboard	Recycle Zone
Newspaper	Northern Paper Stock
Office Paper	Northern Paper Stock
HDPE	Recycle Zone
PET	Recycle Zone
Film Plastic	TREX
Aluminum/glass	Recycle Zone

### 3.9.4 Quality Control

#### *Material specifications*

We have our materials prepared to meet the specifications provided by the material buyer. Meeting those specifications is important to obtain the highest price for our materials. Our knowledge of quality standards and the relationships we have developed with markets over the years has enabled us to provide a high quality product to the mills. We have never experienced a problem of unmarketable materials, even in times of depressed markets.

#### *On-line Quality Control*

Our staff has been trained to recognize the materials that will contaminate our product and to remove it on the picking line. The line supervisor is responsible for watching the materials that are picked and working with the picking line crew as questions about specific materials arise.

#### *Inventory and Shipping Control*

Our inventory and shipping control involve knowing the conditions of the markets and shipping when we have a full load.

### **3.9.5 Market Contingency**

Given our location close proximity to the San Francisco Bay Area and two major port facilities, we have access to both domestic and international markets. Our contingency plan is to maintain agreements with brokers and end users to take all of the materials we can produce. We also are continuously seeking end users for other materials. As markets become available to us, we will expand our recycling programs to accept new materials.

## 4 Future Food Waste Composting

On or before January 1, 2012, NRWS will fully implement a food waste collection and recycling program for appropriate participants such as supermarkets, restaurants, resorts, assisted living facilities, skilled nursing facilities and convalescent homes, country clubs and golf courses, grocery stores, and other caterers. We will work with the County to select the customers. We anticipate that the County will actively seek organization, groups and associations to identify and solicit customers that may be interested in participating in the program.

No later than six months before the implementation date, we will provide the County with a detailed implementation plan and schedule for providing food waste collection and processing services to the commercial customers.

We would estimate that the food waste collections may be in the range of 5 to 50 tons in the first year.

Because food waste will be collected with residential/commercial green waste, we do not anticipate significant additional equipment will be needed.

We will have available the semi-automated collection system for food waste. It may also be co-collected with green waste using collection vehicles. This method of co-collection provides efficient and personalized food waste and green waste collection service to the customers.

We will record the cost and operations data including, but not limited to total tons collected, person-hours, number of stops, number of participating customers, number of routes, and other pertinent data, as required by the County.

NRWS will work with County staff in selecting the phasing in of service by specific routes.

At least 90 days before the start of the pilot project, there will be a brochure (in both English and Spanish) sent out to the commercial establishments. NRWS will follow up the brochure with direct customer contact, explaining the program and its benefits.

### *Experience:*

All of the members of NRWS have extensive experience in starting new programs and one-on-one contact with commercial customers.

For several years when Greg Kelley managed Napa Valley Disposal Service, they collected unsold produce from local markets. Both Mr. Kelley and Upper Valley Disposal Service have had extensive composting experience with grape pomace and other commercial/organic products. The residential program differs from the commercial only in the collection of the material; the processing is the same. Successful residential collection will require more focused and frequent

public outreach. NRWS will start a pilot program one year prior, if the County so desires.

#### **4.1 Processing Facility**

We anticipate using the UVDS compost facility in Up Valley. Processing of food waste will be an extension of the current operations at the Up Valley facility. However, our facility currently processes grape pomace, a waste product of wine making, which has many of the characteristics of a food processing operation. As a result, we will be able to modify our operation to process food waste with minimal effort.

#### **4.2 Processing Facility not Owned by Proposer**

We own our processing facility and do not plan to contract with another to provide service to the County.

#### **4.3 Marketing Processed Materials**

The food waste compost will be mixed with our other products. The addition of the food waste will increase the nutrient value of the compost.

Based on our experience, we expect the total amount of the combined product will be sold each year.

## 5 Other Services

### 5.1 Support Facilities

The facilities that we expect to use for vehicle storage, container storage, container maintenance, vehicle maintenance and washing, and dispatch are at UVDS and the RPS facilities. The activities expected at each facility are summarized in Table 10, Activities at Yards, below.

**Table 10 - Activities at Yards**

Activity	RPS	UVDS
Storage	X	X
Vehicle washing	X	X
Vehicle maintenance	X	X
Container washing	X	X
Container maintenance	X	
Container storage	X	
Dispatch	X	

The assessor's parcel numbers and location information for these facilities are:

*RPS Yard*

600 Tower Road  
 Napa, CA 94558  
 APN: 057-110-025

*UVDS Yard*

1285 Whitehall Lane  
 St. Helena, CA 94574  
 APN: 027-450-027-000

The site plan for the UVDS yard is shown on Drawing 1, Site Plan, which is located at the end of this volume. The site plan for RPS yard is shown as Figure 2, RPS Yard.

RPS' yard is currently owned by Mr. Bacigalupi, one of the principles in RPS and NRWS. This site is 8.32 acres and is currently permitted for storage, maintenance, vehicle and container storage, washing and repair facility. RPS is currently working with the County of Napa building department to permit the construction of addition 3,500 to 4,000 square foot storage/baling facility building. Source separated material would be baled at this location in the near future.

**Figure 2, RPS Site Plan**

*Customer Service*

Each day the collection drivers, route supervisors, and CSR staff have copies of that day's work schedule. The route schedules have the collection locations, service levels, special notes and (such as gate codes, extra pickups, and dog warning). Drivers follow the daily route schedule and if problems occur, they either contact the route supervisor or a CSR for further direction. When drivers are finished with their routes, they contact the office to see if there are any additional services to be provided. Drivers also contact their supervisor to see if other routes need assistance. As drivers clock in at the end of the day, they are required to turn in their daily route sheet. The CSR will review the sheet with the driver checking that the route was completed and that all problems (for example, containers not set out, excessive contamination in recycling, and spilled materials) or extra services are recorded in the customer's computer record.

All incoming calls from customers will be recorded in a call log. All problem calls will be handled immediately by the CSR or the CSR supervisor. All problems will be relayed to the route supervisor. The route supervisor will make sure that the complaint is investigated and resolved as soon as possible. If a missed collection has occurred, the supervisor will review it with the driver the next morning before that day's route begins and ensure that the problem is corrected.

If the customer calls about a missed collection by noon, the collection will be done that same day.

If the  
received  
noon,  
material  
picked  
next day  
noon.

**Greg Kelley and Steve Manasse have been providing service and taking care of service problems in Zone 1 for over 17 years. Customers are always right. Customer satisfaction is our goal.**

call is  
after  
the  
will be  
up the  
before

*Location of Office*

Our office will be located at the UVDS facility.

*Telephone:*

We will maintain a toll-free telephone number for customer service. We will ensure that customer service representatives will be available to answer calls from 8 a.m. to 5 p.m., Monday to Friday. All services will be available in the customer service department in English and Spanish. An after-hours message system will be maintained to receive calls outside of business

hours. This will ensure that the County can reach one of our representatives on a 24-hour basis. County staff will also have direct phone numbers for Greg Kelley, Steve Manasse, and other managers for 24-hour emergency contact. UVDS currently has six incoming lines for customer service, with six CSR available to answer calls. NRWS has one dedicated CSR, but all representatives are available.

We have an internal policy to answer 85 percent of the calls by a live operator (we do not use recorded messages during normal working hours)

*Customer Complaint Log:*

We will maintain a written log of all oral and written service complaints registered with us from customers within the County. It will include the name and address of complainant, date and time of complaint, nature of complaint, and identity of supervisor. All follow up and resolution will also be recorded. This log will be available for the County's representatives to inspect.

We will ensure that prompt and courteous attention will be provided to the customers regarding each complaint. All customer complaints will be responded to within 24 hours, except on Saturdays, Sundays, and holidays, when they will be answered by a message service. Emergency calls will be directed to management. Non-emergency calls will be responded to on the next business day. We will attempt to resolve all complaints within five working days, if possible.

Discussions at weekly staff meetings and direct customer contact by the manager and route supervisor will aid in reducing complaints and identifying operating practices that need adjustment.

## 5.2 Billing and Collection Services

**We will provide lock box services at Vintage Bank in the City of Napa.**

Vintage Bank currently provides this service to other businesses in Napa County.

NRWS will be responsible for billing and collections from the customers in Napa County. The commercial customers will be billed one month in advance. The residential customers will be billed one month in advance. The monthly schedule will match the current service and provides more frequent opportunity for public education through bill inserts.

All records will be kept at our UVDS office location. NRWS uses the same billing software as is currently being used in Zone 1. The bills have sufficient room to show customers information regarding service exceptions, minor changes and notices of rerouting. Monthly bills will also

include bill inserts.

Inserts will be used to notify customers of program, rate and other changes before they occur. If NRWS plans on changes that effect less than 25 percent of the customer base, these customers will receive direct mailings or deliveries of information about the changes before they occur. All materials will be provided to the County for approval before being sent out.

NRWS will be responsible for issuing bills, monthly statements, and monitoring accounts receivable records. Customers will be directed to mail all payments to the lock box address. If a customer needs to make payment in-person, all three Vintage Bank locations in Napa will receive the payment and forward to the lock box account. All electronic and credit card payments will also be credited to the lock box account. The revenues will be collected and dispersed as per the franchise agreement.

We will send collection notices, letters and past due notices will be sent to the customers. After the second notice, the customer will be sent to an outside collection service. Collection of past due accounts and enforcement will be handled through stop service on delinquent accounts.

## **5.3 Public Education and Diversion Plan**

### **5.3.1 Public Education Plan**

Our company recognizes and supports public education and understands its importance to a successful recycling program. To best support and receive a high level of education in this area we will fund a Public Outreach position to promote the recycling message directly to the County residents. The person in the Public Outreach position will coordinate all monthly bill inserts and additional public education materials. All public education will be approved by County staff.

Public education starts with our drivers and ends with our General Manger. We have always encouraged our employees to have direct contact with their customers. Our drivers have pride in what they do and how they do it. All drivers are also equipped with recycling brochures and customer reminders. Drivers can also notify Customer Service to call customers and send additional informative packets.

All new customers will receive a “New Customer Information” packet that will describe all of the current programs and service that are available. After the first month of service, a customer service representative will call each new customer to make sure the service is meeting their needs.

We will also promote public awareness by offering tours of our facilities. We will contact the schools and offer educational programs to help promote public awareness in that venue.

The school tours have been a very successful component of the education program at all of the NRWS partner sites. When he was at Napa Valley Disposal Service Mr. Kelley made them an important activity., Thousands of school children, teachers, and parents have toured our facilities

Proposal to Napa County

over the past five years.

All brochures and inserts will be printed in both English and Spanish to better serve the residents and businesses of the County.

We work with local printers in Napa and are currently using Napa Printing & Graphics.

The following materials will be prepared. Additional materials will be identified and produced as needed.

- Program implementation information.
- Change in service.
- Promotion and processing of recycling program tailored to each customer type.
- Phone book recycling guide.
- Recycling and composting.
- Incorrect setout notices.
- Bulky item collection services.
- Holiday greenery collection services.
- Annual promotion to encourage source reduction.
- Recycling.
- Backyard composting.
- Green waste programs.
- Business and community outreach.
- Community/resident starter kits.

We will use the following method of distribution:

- Billing inserts.
- Direct mailing.
- Bi-annual newsletter.
- A New Customer Information kit provided at inception of new service.
- Direct telephone contact with residential and commercial customer.
- Site visits with commercial and multi-family.

- School presentations.
- Fair and business expo booth.

### **5.3.2 Diversion Plan**

NRWS prides itself on working with the jurisdictions it serves to achieve diversion rates in full compliance with AB 939. We see that success continuing with us providing service to Napa County. Our plan for continuing to exceeding the 50 percent diversion rate is as follows:

1. Interesting and effective public education materials. We will provide materials that leave the customer wanting to know more and looking forward to the next communication from us. The education program will include a web site linked to the County's site and updated frequently to reflect program changes and seasonal topics.
2. Closely monitoring the program through monthly diversion and disposal data report to the County that will enable them, and us, to identify trends in diversion and disposal (by comparison to the same month last year). This approach will enable response to negative changes with more education or other action as needed.
3. Implementation of new programs, such as mixed C&D waste and food waste, that address areas of the waste stream that may not be fully covered under the County's current programs.
4. Active monitoring of new developments that has been the reputation of each of the four companies making up NRWS. New programs, such as the single-stream program at UVDS, are examples of how we have reacted quickly to a new, proven way of diverting materials. Our approach will enable the County to stay current with new developments. We have taken advantage of new programs, after another municipality has proven that they work, reducing the risk to our customers, but enabling a rapid increase in cost-effective diversion.
5. From our experience with starting a single-stream recycling program, we expect an increase of 25 to 30 percent diversion from residential customers.
6. Single-stream recycling for every commercial customer and expanding source separated recycling for commercial customer.
7. Expanding our role in vineyard waste recycling including grape stakes, irrigation hose, fumigation film plastic and vine removal.

## **5.4 AB 939 Reporting**

Each day, the materials collected in all routes will be weighed using state certified scales. The UVDS MRF, the Clover Flat Landfill, RPS, and another potential location to be used will have

certified scales. Weights will be recorded for each truck by route and type of material. Process material from the MRF will be weighed as it leaves the facility on the way to the end market. These weights will be confirmed by the receiving facility. All processing residue will be weighted on a daily basis, a practice that is now used at the UVDS MRF.

Mr. Kelley has always personally handled all the reporting to the state or local government. He plans to continue this practice. All reports are supported by the actual weight tags received from each facility. All records will be made available as requested by the County or other governmental agency.

## **5.5 Subcontractors**

We do not plan to use any subcontractors.

## **5.6 Transition Plan**

Our transition plan is based on four key factors:

- Mr. Greg Kelley, the designated Service Coordinator, is very familiar with the entire operation that will be transitioned to our company. He ran the existing company as its General Manager for six years and filled many roles in the company before becoming General Manager. He understands all aspects of the operation and his leadership will enable NRWS to identify the areas of the transition that may be more difficult and require additional planning.
- The NRWS team has the financial strength and the contacts with key suppliers to expedite the equipment schedule to meet the County's needs.
- All of the NRWS firms have participated in transitioning their services from one form to another. For example, UVDS has transitioned its residential accounts from source-separated curbside recycling collection to single-stream. Mr. Kelley planned and implemented the transition from manual to automated waste collection in Zone 1 in 1997.
- Marin Sanitary Service recently went through a transition of service providers in the Town of San Anselmo and received congratulatory letters from town leaders on a job well done.

Our transition plan is detailed in the schedule in Figure 2, Transition Schedule. The schedule provides a significant amount of detail about the tasks that need to be accomplished, the County review activities, and the major milestones. We recognize this transition requires close coordination with the County and active evaluation of the progress is needed to identify the tasks that need additional attention early enough so they do not cause problems meeting the final deadline.

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Figure 2, transition plan

As such, the first task in the schedule is development of an even more detailed schedule that reflects the dependence of certain tasks on others and expands the time horizon to a weekly period. The expanded schedule will also reflect the actual shipment times for the collection equipment, which will be ordered when the contract is signed. Vendors for this equipment have committed to meet the time frame with the current overall project schedule.

Another factor that will ease the burden of transition is our knowledge of the capabilities of the current company's employees. While the names and functions of those employees is available in public documents, understanding their strengths will enable NRWS to begin the transition without getting to know these people (assuming they are available to us after the contract is signed). All the current key Napa Valley Disposal Service employees were either hired by Mr. Kelley or appointed to their current positions by him.

Reporting to the County Staff and Board Members are other important aspects of both schedules. The meetings with the County staff early in the project will enable both parties to identify new information that will impact the schedule and determine the most effective way to address the new facts. The written reports to the County to be provided prior to starting the new service will act as a foundation for the County staff to provide more in-depth briefings to the Board of Supervisors at that critical time in the transition. Since Mr. Kelley has a long history of working with the County staff, his capabilities are well known and will be key to meeting the County's schedule. NRWS members have been providing service to County residences and businesses since 1916. We truly know these customers better than any other company, including the present service provider.

We have included comments about some of the transition activities.

*Equipment Acquisition (January 1 – 15):*

Vehicles and containers have already been approved and have manufacturers guarantee of delivery by September 2005. Orders will be placed immediately after award of the contract. As equipment is received in August and September, employee will be properly trained on each unit.

*Secure Financial:*

NRWS owners will provide all necessary capital funding to acquire the capital to provide the services under the new contract.

*Customer Service and Billing (January to February):*

NRWS will work with County staff to transfer current customer information from the current provider. NRWS uses the same customer service software and support company, Soft Pak, so the transfer should easily be accomplished.

*Public Education and Outreach (February 1 – September 30):*

Residential, commercial, and roll-off customers will first receive an educational mailer designed for each specific customer to introduce the new company and the new services. The mailer will include the following information: automated single-stream recycling, automated green waste, used oil recycling, and refuse services.

County residential customers will have a prepaid mailer to send back. Customer will indicate on the mailer their initial level of refuse service, 35-, 65-, or 95-gallon and if they intend to bring material curbside or pay for footage to have material collected at their house.

Introduction letters and brochures will be mailed to customers by June 1, 2005. With the return information, NRWS will plan its container distribution schedule.

All commercial customers will be contacted directly, in person. Commercial customers will be provided an information packet describing our company and its many service options. Every commercial account will be treated as a unique account.

Mr. Kelley and Mr. Manasse have had many years of personal contact with the commercial customers in Zone 1. We recognize that each account has its own unique conditions from collection schedule and service options to special site rules. Commercial customers will be contacted between June and September 1. Such direct contact never ends, we take the responsibility to understand each business's needs and, as they change, we change with them.

*Employee Recruitment (June 1 – September 1):*

NRWS already knows all the current employees, many of these employees have expressed a great interest in working for Mr. Kelley and Mr. Manasse again. Employees will be selected as needed and trained during the weekends in September 2005, so they are fully ready to step into their new jobs.

*Container Delivery (September 1 – 31):*

NRWS will deliver new containers to customers starting around Monday, September 15, 2005. Containers could be delivered early if requested by the County. If the existing service provider is not providing adequate containers, NRWS will work with the current provider to ensure that a smooth transition of containers occurs. It will be in the best interest of both companies.

*Routing (February 1 – April 1 and, again (September 1 – September 30)*

NRWS plans on following the same route schedule for residential customers to help reduce customer confusion. Commercial routes for MSW, sources separated materials, and green waste will be routed to increase collection effectiveness along with customer demands.

*Meeting with County Staff:*

Starting January 1, 2005, NRWS staff will meet with County staff to keep them informed and provide updates on the transition as needed. County staff will approve all mailers and other educational material prior to printing.

## **5.7 Reporting to County**

Annual reports, as set out in the RFP, will be submitted no later than February 1, for the previous calendar year, beginning February 1, 2006, with the exception of the audited financial statement/report that maybe submitted as late as March 1.

Monthly reports which contain required information as set out in the RFP will be provided to the County 15 days after the end of each month.

Other reports that may be required by the County include information and data on: solid waste, recycling, green waste, equipment inventory, problems and actions taken, praises, complaints, and missed pickups and resolutions,.

## **5.8 Vehicle Compliance with CARB Regulations**

NRWS has proposed to purchase all new vehicles as the County has requested. The engines for all of these new vehicles meet current regulations. NRWS will provide necessary information to the County staff for the annual CARB report.

NRWS also controls vehicle emissions through education of vehicle and equipment operators to shut down engines if the vehicle or equipment is idle. That practice includes pre-trip and post-trip inspections and extended idles longer than three minutes.

## **6 Financial**

### **6.1 Financial Background**

The RFP asks that we show we have been in business for at least three years and list the anticipated revenues from our current operations through 2010.

Three of the four companies in NRWS have been operating for well over three years. Garaventa Enterprises first started in the waste collection business in Concord in 1934. MSS started in Marin in the early 1950s. UVDS started collecting waste materials under a prior company in the early 1950s.

The anticipated revenues from the NRWS companies through the year 2010 are \$598,000,000.

### **6.2 Financial Stability**

The financial statements required by this section are in a sealed envelop marked confidential with this volume.

### **6.3 Financing Method**

NRWS projects that the total capital requirement for the fulfillment of the contract is about \$3,200,000. NRWS is comprised of four highly qualified recycling and solid waste companies with extensive operations throughout the Bay Area. Several members of NRWS have previously used the California Pollution Control Finance Authority (CPCFA) tax-exempt bonds to provide financing.

The members of NRWS will provide internal financing for the capital requirements of the Napa County contract. As an alternative, NRWS may use CPCFA tax exempt financing, although, at this time, we intend to provide internal financing for this contract.

## **7 Contractual Component**

NRWS has no exceptions to the contract.

## 8 Proposed Rates

### 8.1 Proposal Validity Form

Provide the following acknowledgement of the validity of your proposal for a period of 365 days.

I, Greg Kelley, having authority to act on behalf of Napa Recycling & Waste Services, LLC. Do hereby acknowledge that Napa Recycling & Waste Services, LLC. will be bound by all terms, costs, and conditions of this proposal for a period of 365 days from the date of submission.

Signed \_\_\_\_\_

Title           General Manager

Date            October 18, 2004

## 8.2 Summary of Proposed Scope of Services

The form that was included in cost forms that described the proposed scope of services is in this section in three tables.

**Table – 11a , Proposed Scope of Services**

<b>Information Required</b>	<b>Basic Proposal</b>
<b>GENERAL INFORMATION</b>	
Company name	Napa Recycling & Waste Services
Team partners	Recovery Products & Services, Upper Valley Disposal Service, Marin Sanitary Service, Garaventa Enterprises
Office location (site where contract will be managed from)	3216 Vichy Avenue, Napa, CA 94558
Corporation yard location	600 Tower Road, Napa, CA 94558 and 1285 Whitehall Lane, St. Helena, CA 96574
Company customer service office location	1285 Whitehall Lane, St. Helena, St. Helena, CA 94574
<b>RESIDENTIAL SOLID WASTE COLLECTION</b>	
Number of trucks (including backup equipment)	5.5
Type of service (Semiautomated? Automated?)	Automated, semi-automated, and manual
Number of routes per day	5
Number of pickups per day	600 for large vehicles; 200 for small vehicles
Estimated number of hours per route per day	8.15
<b>COMMERCIAL SOLID WASTE COLLECTION</b>	
Number of trucks (including backup equipment)	1.5
Number of routes per day	1
Number of pickups per day	75
Estimated number of hours per route per day	8.3

**Table – 11b, Proposed Scope of Services**

<b>Information Required</b>	<b>Basic Proposal</b>
<b>RECYCLABLES COLLECTION</b>	
Number and type of recycling bins or containers	900 65-gallon, 3,600 95-gallon
Setout method (single stream)	Single-stream
Other recyclable materials to be collected in addition to those required in performance standards	Clean, low density polyethylene film plastic bags.
Number of trucks (including backup equipment)	5.5 (shared with MSW and green waste)
Type of service/type of truck (Manual? Semiautomated? Automated? Split body?)	Automated, semi-automated, manual, and split body
Number of routes per day	5
Number of pickups per day	600 for large vehicles; 200 for small vehicles
Estimated number of hours per route per day	8.15
<b>GREEN WASTE COLLECTION</b>	
Number of trucks (including backup equipment)	5.5 (shared with MSW and green waste)
Type of service/type of truck (Manual? Semiautomated? Automated? Split body?)	Automated, semi-automated, manual, and split body
Number of routes per day	5
Number of pickups per day	600 for large vehicles; 200 for small vehicles
Estimated number of hours per route per day	8.15
<b>RECYCLABLES PROCESSING AND MARKETING</b>	
Processing facility location	UVDS St. Helena
Processing facility owner	UVDS
Description of facility	Single-stream MRF
Term of agreement with operator	N/A, owner is part of NRWS
Will recyclables be consolidated for shipment to the processing facility?	No
If so, where?	N/A

**Table – 11c , Proposed Scope of Services**

<b>Information Required</b>	<b>Basic Proposal</b>
<b>FOOD WASTE COMPOSTING</b>	
Processing facility location	UVDS St. Helena
Processing facility owner	UVDS
Description of facility	Permitted composting operation
Term of agreement with operator	N/A, owner is part of NRWS
How will materials be transported to facility?	Truck
<b>ROLL-OFF SERVICES</b>	
Number of vehicles	2
Type of truck	Truck capable of handling 10 to 40 yard bins

### 8.3 Cost Forms

The cost forms are at the end of this section.

### 8.4 Optional Discounted Rate Schedule

Due the fact that no agreement exists with the City of Napa for the County to use their site and no cost sharing agreement between those agencies exists, we are unable to provide you with a discounted rate schedule.

However, if the two operations did share the same facility, we think there could be cost savings in the administration and customer services area. However, some costs might increase depending on the terms of cost sharing agreement between the agencies. Since the County of Napa operations are approximately 15 percent of the size of the City's operations, the City might realize more cost savings than the County.

If our company won both contracts it would be very important to have a fair and equitable cost sharing agreement in place.

## 8.5 Alternative Processing Site

Our proposed alternative site will be the City of Napa facility on Tower Road. Our net recycling fee component is as follows:

Average recycling revenue per ton	\$ 115
Average recycling processing fee per ton	\$ 65
<b>NET RECYCLING FEE COMPONENT (Per Ton)</b>	<b>\$ 50</b>

## **9 Attachment — Supplemental Materials**

### **9.1 Napa Recycling & Waste Services, LLC. Articles of Incorporation**

### **9.2 Letters of Recommendation**

### **9.3 Sample Bills**

### **9.4 Vendor Letters**

2087  
2088  
2089  
2090  
2091  
2092  
2093

**EXHIBIT N**  
**CONTRACTOR'S COST FORMS**

Incorporated herein by reference in full as Exhibit N is Contractor's Cost Forms identified as Proposed rates in "Proposal to Napa County for Solid Waste, Recyclables, and Green Waste Collection – Napa Recycling & Waste Services" dated October 2004 a full and complete copy of which is on file with the Clerk of the Board of Supervisors..

**Residential Cart Collection (1)**  
**Proposed Rates in Dollars per Container per Month**  
 (Service Rates are valid for first 24 months of contract term)

	<b>Contractor Compensation Fee Component (2)</b>	<b>Solid Waste Tip Fee Component</b>	<b>Green Waste Tip Fee Component (3,4)</b>	<b>Net Recycling Processing Fee Component(5)</b>	<b>Total Rate (6)</b>
<b>Solid Waste Cart</b>					
(7) 35 gallon	\$ 9.97	\$ 3.60	\$ 1.00	\$ (0.99)	\$ 14.60
(7) 65 gallon	\$ 14.96	\$ 5.40	\$ 1.50	\$ (1.49)	\$ 21.90
(7) 96 gallon	\$ 22.44	\$ 8.10	\$ 2.25	\$ (2.24)	\$ 32.85

- (1) Residential is defined as single family homes, duplexes, and tri-plexes.
- (2) Component of contractor's fee subject to CPI adjustment shall be 75%.
- (3) Rate includes three additional 96 gallon carts for green waste collection.
- (4) Additional green waste exceeding (4) 96 gallon carts at 50% of solid waste rate.
- (5) Rate includes one additional 65 gallon or 96 gallon cart for recyclables collection.
- (6) Rates include 7% franchise fee.
- (7) Contractor shall provide assumptions for average weights per container as follows:  
 35 Gallon Cart -- Solid waste based on \_40 lbs, green waste based on \_75\_\_\_ lbs, recycling based on \_40\_ lbs.  
 65 Gallon Cart -- Solid waste based on \_80 lbs, green waste based on \_150\_ lbs, recycling based on \_80 lbs.  
 96 Gallon Cart -- Solid waste based on \_120 lbs, green waste based on \_200\_ lbs, recycling based on \_120\_ lbs.
- (8) Service includes collection, processing and marketing of recyclables and green waste.
- (9) The rates shall be provided on a tiered basis wherein a 96 gallon is 50% more than a 65 gallon, and a 65 gallon container is 50% more than a 35 gallon.
- (10) A pass through surcharge will be added to the rates prior to finalization of the contract. The amount and duration of the surcharge will be at the sole discretion of the County.

**Commercial/Multi-Family/Mobile Homes Cart and Bin Collection**  
**Proposed Rates in Dollars per Container per Month**  
 (Service Rates are valid for first 24 months of contract term)

Service Description	Monthly Bin Rental Component	Contractor Compensation Component (4)	Solid Waste Tip Fee Component	Total Monthly Rate (1)
35 gallon container	n/a	\$ 14.00	\$ 4.65	\$ 20.05
65 gallon container	n/a	\$ 18.00	\$ 9.30	\$ 29.35
96 gallon container, 1 pickup per week	n/a	\$ 30.00	\$ 13.95	\$ 47.26
96 gallon container, 2 pickup per week	n/a	\$ 50.00	\$ 27.90	\$ 83.76
96 gallon container, 3 pickup per week	n/a	\$ 60.00	\$ 41.85	\$ 109.52
96 gallon container, 4 pickup per week	n/a	\$ 60.00	\$ 55.08	\$ 123.74
96 gallon container, 5 pickup per week	n/a	\$ 70.00	\$ 69.75	\$ 150.27
96 gallon container, 6 pickup per week	n/a	\$ 100.00	\$ 83.70	\$ 197.53
1 cubic yards, 1 pickup per week	\$ 30.00	\$ 80.00	\$ 50.00	\$ 172.04
1.5 cubic yards, 1 pickup per week	\$ 30.00	\$ 100.00	\$ 75.00	\$ 220.43
2 cubic yards, 1 pickup per week	\$ 35.00	\$ 150.00	\$ 90.00	\$ 295.70
3 cubic yards, 1 pickup per week	\$ 35.00	\$ 210.00	\$ 140.00	\$ 413.98
4 cubic yards, 1 pickup per week	\$ 40.00	\$ 210.00	\$ 190.00	\$ 473.12
6 cubic yards, 1 pickup per week	\$ 45.00	\$ 320.00	\$ 280.00	\$ 693.55
				\$ -
1 cubic yards, 2 pickup per week	\$ 30.00	\$ 160.00	\$ 100.00	\$ 311.83
1.5 cubic yards, 2 pickup per week	\$ 30.00	\$ 200.00	\$ 150.00	\$ 408.60
2 cubic yards, 2 pickup per week	\$ 35.00	\$ 300.00	\$ 180.00	\$ 553.76
3 cubic yards, 2 pickup per week	\$ 35.00	\$ 420.00	\$ 280.00	\$ 790.32
4 cubic yards, 2 pickup per week	\$ 40.00	\$ 420.00	\$ 380.00	\$ 903.23
6 cubic yards, 2 pickup per week	\$ 45.00	\$ 640.00	\$ 560.00	\$ 1,338.71
				\$ -
1 cubic yards, 3 pickup per week	\$ 30.00	\$ 240.00	\$ 150.00	\$ 451.61
1.5 cubic yards, 3 pickup per week	\$ 30.00	\$ 300.00	\$ 225.00	\$ 596.77
2 cubic yards, 3 pickup per week	\$ 35.00	\$ 450.00	\$ 270.00	\$ 811.83
3 cubic yards, 3 pickup per week	\$ 35.00	\$ 630.00	\$ 420.00	\$ 1,166.67
4 cubic yards, 3 pickup per week	\$ 40.00	\$ 630.00	\$ 570.00	\$ 1,333.33

<b>Service Description</b>	<b>Monthly Bin Rental Component</b>	<b>Contractor Compensation Component (4)</b>	<b>Solid Waste Tip Fee Component</b>	<b>Total Monthly Rate (1)</b>
6 cubic yards, 3 pickup per week	\$ 45.00	\$ 960.00	\$ 840.00	\$ 1,983.87
				\$ -
1 cubic yards, 4 pickup per week	\$ 30.00	\$ 320.00	\$ 200.00	\$ 591.40
1.5 cubic yards, 4 pickup per week	\$ 30.00	\$ 400.00	\$ 300.00	\$ 784.95
2 cubic yards, 4 pickup per week	\$ 35.00	\$ 600.00	\$ 360.00	\$ 1,069.89
3 cubic yards, 4 pickup per week	\$ 35.00	\$ 840.00	\$ 560.00	\$ 1,543.01
4 cubic yards, 4 pickup per week	\$ 40.00	\$ 840.00	\$ 760.00	\$ 1,763.44
6 cubic yards, 4 pickup per week	\$ 45.00	\$ 1,280.00	\$ 1,120.00	\$ 2,629.03
				\$ -
1 cubic yards, 5 pickup per week	\$ 30.00	\$ 400.00	\$ 250.00	\$ 731.18
1.5 cubic yards, 5 pickup per week	\$ 30.00	\$ 500.00	\$ 375.00	\$ 973.12
2 cubic yards, 5 pickup per week	\$ 35.00	\$ 750.00	\$ 450.00	\$ 1,327.96
3 cubic yards, 5 pickup per week	\$ 35.00	\$ 1,050.00	\$ 700.00	\$ 1,919.35
4 cubic yards, 5 pickup per week	\$ 40.00	\$ 1,050.00	\$ 950.00	\$ 2,193.55
6 cubic yards, 5 pickup per week	\$ 45.00	\$ 1,600.00	\$ 1,400.00	\$ 3,274.19
				\$ -
1 cubic yards, 6 pickup per week	\$ 30.00	\$ 500.00	\$ 300.00	\$ 892.47
1.5 cubic yards, 6 pickup per week	\$ 30.00	\$ 600.00	\$ 450.00	\$ 1,161.29
2 cubic yards, 6 pickup per week	\$ 35.00	\$ 900.00	\$ 540.00	\$ 1,586.02
3 cubic yards, 6 pickup per week	\$ 35.00	\$ 1,260.00	\$ 840.00	\$ 2,295.70
4 cubic yards, 6 pickup per week	\$ 40.00	\$ 1,660.00	\$ 1,140.00	\$ 3,053.76
6 cubic yards, 6 pickup per week	\$ 45.00	\$ 1,920.00	\$ 1,680.00	\$ 3,919.35

(1) Rates include 7% franchise fee.

(2) Rate includes up to 6 cubic yards of commingled recyclables and green waste. No limit of source separated recyclables, loose or compacted. Allowable charge of up to 50% of solid waste rate above 6 cubic yards of commingled recyclables and green waste. Contractor reserves the right to charge for excessive contamination of recyclables or green waste.

(3) Contractor is allowed to charge a monthly bin rental fee as described above. In the event the customer owns bin, the monthly rental fee does not apply.

(4) Component of contractor's compensation fee subject to CPI adjustment shall be 75%.

(5) A pass through surcharge will be added to the rates prior to finalization of the contract. The amount and duration of the surcharge will be at the sole discretion of the County.

**Commercial Solid Waste Compactor Service  
Proposed Rates in Dollars per Daily Pickup  
(Service Rates are valid for first 24 months of contract term)**

Service Description	Per Day Compactor Rental	Contractor Compensation Fee Component (4)	Solid Waste Tip Fee Component	Total Daily Rate (2)
<b>Per Cubic Yard:</b>				
10 YD	\$ 15.00	\$ 200.00	\$ 180.00	\$ 424.73
15 YD	\$ 15.00	\$ 200.00	\$ 280.00	\$ 532.26
20 YD	\$ 15.00	\$ 240.00	\$ 400.00	\$ 704.30
25 YD	\$ 15.00	\$ 240.00	\$ 480.00	\$ 790.32
__ YD	\$ -	\$ -	\$ -	\$ -

(1) Monthly rate = daily rate x 365/12

(2) Rates include 7% franchise fee.

(3) A pass through surcharge will be added to the rates prior to finalization of the contract. The amount and duration of the surcharge will be at the sole discretion of the County.

(4) Component of contractor's compensation fee subject to CPI adjustment shall be 75%.

**Proposed Fee for more than 25 cubic yards:**

**For 26 or more cubic yards, rate will be 25 cubic yard rate plus a solid waste tip fee of \$30 per cubic yard for cubic yards in excess of 25 cubic yards.**

**Commercial Solid Waste Drop Box Service  
Proposed Rates in Dollars per Daily Pickup  
(Service Rates are valid for first 24 months of contract term)**

Service Description	Per Day Drop Box Rental	Contractor Compensation Fee Component (4)	Solid Waste Tip Fee Component	Total Daily Rate (2)
<b>Per Cubic Yard:</b>				
10 YD	\$ 5.00	\$ 120.00	\$ 90.00	\$ 231.18
20 YD	\$ 5.00	\$ 130.00	\$ 162.00	\$ 319.35
25 YD	\$ 5.00	\$ 140.00	\$ 200.00	\$ 370.97
30 YD	\$ 5.00	\$ 140.00	\$ 243.00	\$ 417.20
40 YD	\$ 5.00	\$ 160.00	\$ 324.00	\$ 525.81
_ YD	\$ -	\$ -	\$ -	\$ -

(1) Monthly rate = daily rate x 365/12

(2) Rates include 7% franchise fee.

(3) A pass through surcharge will be added to the rates prior to finalization of the contract. The amount and duration of the surcharge will be at the sole discretion of the County.

(4) Component of contractor's compensation fee subject to CPI adjustment shall be 75%.



**Special Services**  
**Proposed Rates in Dollars per Container per Pickup**  
 (Service Rates are valid for first 24 months of contract term)

Service Description	Contractor Compensation Fee Component (2)	Solid Waste Tip Fee Component	Total Rate (1)
<b>Extra Pickup:</b>			
35 gallon cart	\$ 8.50	\$ 1.50	\$ 10.75
65 gallon cart	\$ 12.00	\$ 3.00	\$ 16.13
96 gallon cart	\$ 15.00	\$ 5.00	\$ 21.51
1 CY bin	\$ 25.00	\$ 15.00	\$ 43.01
1.5 CY bin	\$ 25.00	\$ 20.00	\$ 48.39
2 CY bin	\$ 30.00	\$ 25.00	\$ 59.14
3 CY bin	\$ 40.00	\$ 30.00	\$ 75.27
4 CY bin	\$ 50.00	\$ 40.00	\$ 96.77
6 CY bin	\$ 70.00	\$ 7.00	\$ 82.80
<b>Miscellaneous:</b>			
Clean or Exchange Bin	\$ 60.00	n/a	\$ 64.52
Move Drop Box	\$ 60.00	n/a	\$ 64.52
Heavy Waste Surcharge per ton in excess of 400 pounds per yard	\$ 6.00	\$ 54.00	\$ 64.52
<b>Commercial Roundtrip Charge for On-Call Businesses:</b>			
Up to 35 gallons	\$ 10.00	n/a	\$ 10.75
Up to 6 cubic yards	\$ 30.00	n/a	\$ 32.26
More than 6 cubic yards	\$ 50.00	n/a	\$ 53.76
<b>Long Walk Charges (4):</b>			
5 feet to 130 feet	\$ 12.00	n/a	\$ 12.90
131 feet to 330 feet	\$ 16.00	n/a	\$ 17.20
331 feet to 660 feet	\$ 20.00	n/a	\$ 21.51
661 feet to 1056 feet	\$ 24.00	n/a	\$ 25.81

Service Description	Contractor Compensation Fee Component (2)	Solid Waste Tip Fee Component	Total Rate (1)
1057 feet to 2000 feet	\$ 30.00	n/a	\$ 32.26
over 2000 feet	\$ 40.00	n/a	\$ 43.01
<b>Other Charges:</b>			
Backyard charge	\$ 10.00	n/a	\$ 10.75
On-call bulky items pickup	\$ 10.00	n/a	\$ 10.75
Key charges (5)	\$ 5.00	n/a	\$ 5.38
Enclosure charges (6)	\$ 5.00	n/a	\$ 5.38
Gate service charges (7)	\$ 5.00	n/a	\$ 5.38
Maximum charge (8)	\$ 10.00	n/a	\$ 10.75
<b>Deposits (9):</b>			
Residential	\$ 100.00	n/a	\$ 107.53
Commercial	\$ 500.00	n/a	\$ 537.63

(1) Rates include 7% franchise fee.

(2) Component of contractor's fee subject to CPI adjustment shall be 75%.

(3) A pass through surcharge will be added to the rates prior to finalization of the contract. The amount and duration of the surcharge will be at the sole discretion of the County.

(4) Long walk charges are allowed when a container is placed further than the distances indicated from the collection vehicle.

(5) Key charges are allowed when a container access requires the driver to carry a key and unlock a lock to empty the container. Key charges do not apply if a customer's lock is left in the unlocked position.

(6) Enclosure charges are allowed when collection requires removing a container from an enclosure and replacing it when emptied.

(7) Gate service charges are allowed when collection requires opening a closed or locked gate in order to access a container.

(8) Charges for key, enclosure, gate, and long walk service are not cumulative pickup charges. The contractor's rate for a customer requiring one or more of the four special services will be a maximum rate (as specified in the table above) as adjusted for CPI, per pickup for any combination of the four service categories.

(9) In the event a customer requests a replacement solid waste container more frequently than once every two years, which replacement shall not be the fault of the contractor, a deposit will be allowed.

**Residential Food Waste Cart Collection (2)**  
**Proposed Incremental Rate, if any, of Food Waste Program**  
 (Service Rates are valid for first 24 months of contract term)

	Contractor Compensation Fee Component (3)	Food Waste Tip Fee Component of Rate	Total Incremental Rate (1)
<b>Solid Waste Cart</b>			
65 gallon	\$ 0.50	\$ 0.50	\$ 1.08
96 gallon	\$ 0.75	\$ 1.00	\$ 1.88

**Commercial Food Waste Cart and Bin Collection**  
**Proposed Incremental Rate, if any, of Food Waste Program**  
 (Service Rates are valid for first 24 months of contract term)

	Contractor Compensation Fee Component (3)	Food Waste Tip Fee Component of Rate	Total Incremental Rate (1)
65 gallon	\$ 1.00	\$ 0.50	\$ 1.61
96 gallon	\$ 1.50	\$ 1.00	\$ 2.69
1 cubic yard	\$ 10.00	\$ 10.00	\$ 21.51
1.5 cubic yard	\$ 12.00	\$ 15.00	\$ 29.03
2 cubic yard	\$ 15.00	\$ 20.00	\$ 37.63

(1) Rates include 7% franchise fee.

(2) Residential is defined as single family homes, duplexes, and tri-plexes.

(3) Component of contractor's compensation fee subject to CPI adjustment shall be 75%.

(4) A pass through surcharge will be added to the rates prior to finalization of the contract. The amount and duration of the surcharge will be at the sole discretion of the County.

(5) Incremental rate means the increase, if any, added to the residential and commercial rate provided on Form 3 and 4 respectively.

**Annual Cost for Franchise Services**  
**Detailed Financial Information**  
**Annual Costs**

Cost Items	Solid Waste Cart Service	Recycling Collection and Processing Cart Service	Green Waste Collection and Processing Cart Service	Commercial Bin Service	Commercial Recycling Service	Roll Off Service	Total \$/Year
<b>Equipment Costs</b>							
Collection Vehicles	\$ 37,000	\$ 28,750	\$ 28,750	\$ 12,500	\$ 12,500	\$ 32,000	\$ 151,500
Containers	\$ 15,970	\$ 20,155	\$ 45,210	\$ 9,194	\$ 7,878	\$ 30,390	\$ 128,797
Other (Please List)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Spare Collection Truck	\$ 18,750			\$ 6,250			\$ 25,000
Shop Support Vehicle	\$ 1,125	\$ 844	\$ 844	\$ 281	\$ 282	\$ 1,124	\$ 4,500
Bin Delivery Vehicle	\$ 2,000	\$ 2,000	\$ 2,000				\$ 6,000
Office Equipment	\$ 369			\$ 185		\$ 185	\$ 739
Start up/Interest costs	\$ 12,893	\$ 12,893	\$ 12,893	\$ 6,446	\$ 12,892	\$ 19,338	\$ 77,355
<b>Total Equipment Costs</b>	\$ 88,107	\$ 64,642	\$ 89,697	\$ 34,856	\$ 33,552	\$ 83,037	\$ 393,891
<b>Labor Costs</b>							
Regular Wages	\$ 88,180	\$ 66,135	\$ 66,135	\$ 22,045	\$ 22,046	\$ 88,180	\$ 352,721
Overtime Wages	\$ 6,260	\$ 4,695	\$ 4,695	\$ 1,565	\$ 1,566	\$ 6,260	\$ 25,041
Benefit Wages	\$ 9,798	\$ 7,349	\$ 7,349	\$ 2,450	\$ 2,450	\$ 9,799	\$ 39,195
Workers Compensation Insurance & Claims	\$ 13,853	\$ 10,390	\$ 10,390	\$ 3,463	\$ 3,464	\$ 13,853	\$ 55,413
Employee Benefits	\$ 41,602	\$ 31,201	\$ 31,201	\$ 10,400	\$ 10,400	\$ 41,601	\$ 166,405
Payroll Taxes	\$ 8,576	\$ 6,432	\$ 6,432	\$ 2,144	\$ 2,144	\$ 8,576	\$ 34,304
Other (Please List)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Workplace Compliance	\$ 400	\$ 300	\$ 300	\$ 100	\$ 100	\$ 400	\$ 1,600
Supplies	\$ 400	\$ 300	\$ 300	\$ 100	\$ 100	\$ 400	\$ 1,600
<b>Total Labor Costs</b>	\$ 169,069	\$ 126,802	\$ 126,802	\$ 42,267	\$ 42,270	\$ 169,069	\$ 676,279
<b>Vehicle Related Costs</b>							
Fuel	\$ 28,080	\$ 21,060	\$ 21,060	\$ 7,020	\$ 7,020	\$ 28,080	\$ 112,320
Taxes and Licenses	\$ 5,000	\$ 3,750	\$ 3,750	\$ 1,250	\$ 1,250	\$ 5,000	\$ 20,000
Tires	\$ 3,600	\$ 2,700	\$ 2,700	\$ 900	\$ 900	\$ 3,600	\$ 14,400
Parts	\$ 4,000	\$ 3,750	\$ 3,750	\$ 1,250	\$ 1,250	\$ 5,000	\$ 19,000
Consumables	\$ 3,400	\$ 2,550	\$ 2,550	\$ 850	\$ 850	\$ 3,400	\$ 13,600
In-House Maintenance	\$ 16,618	\$ 12,463	\$ 12,463	\$ 4,154	\$ 4,156	\$ 16,619	\$ 66,473
Contract Maintenance	\$ 1,250	\$ 938	\$ 938	\$ 313	\$ 312	\$ 1,251	\$ 5,002
Other (Please List)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 5,750	\$ 4,313	\$ 4,313	\$ 1,438	\$ 1,438	\$ 5,751	\$ 23,003
Support vehicle	\$ 4,482	\$ 3,361	\$ 3,361	\$ 1,121	\$ 1,124	\$ 4,483	\$ 17,932
<b>Total Vehicle Related Costs</b>	\$ 72,180	\$ 54,885	\$ 54,885	\$ 18,296	\$ 18,300	\$ 73,184	\$ 291,730

Cost Items	Solid Waste Cart Service	Recycling Collection and Processing Cart Service	Green Waste Collection and Processing Cart Service	Commercial Bin Service	Commercial Recycling Service	Roll Off Service	Total \$/Year
Container Delivery & Maintenance	\$ 18,307	\$ 22,884	\$ 41,605	\$ 1,623	\$ 2,163	\$ 374	\$ 86,956
<b>Other Costs</b>							
Liability and Property Damage Insurance	\$ 6,331	\$ 5,845	\$ 8,839	\$ 2,593	\$ 2,436	\$ 7,456	\$ 33,500
Equipment Insurance	\$ 4,184	\$ 3,863	\$ 5,842	\$ 1,714	\$ 1,609	\$ 4,928	\$ 22,140
Rent/Lease; Office; Corp Yard etc.	\$ 4,000	\$ 4,000	\$ 4,000	\$ 3,000	\$ 3,000	\$ 6,000	\$ 24,000
Utilities	\$ 600	\$ 600	\$ 600	\$ 450	\$ 450	\$ 900	\$ 3,600
Telephone	\$ 1,667	\$ 1,667	\$ 1,666	\$ 1,167	\$ 2,333	\$ 1,500	\$ 10,000
Non-vehicle Related Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Training and Safety Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Initial Public Education and Outreach	\$ 1,000	\$ 1,000	\$ 1,000	\$ 50	\$ 100	\$ 94	\$ 3,244
Continuing Public Education and Outreach	\$ 4,333	\$ 4,333	\$ 4,333	\$ 217	\$ 434	\$ 405	\$ 14,055
Uniforms	\$ 1,500	\$ 1,125	\$ 1,125	\$ 375	\$ 375	\$ 1,500	\$ 6,000
Other (Please List)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	\$ 1,996	\$ 2,519	\$ 5,651	\$ 1,149	\$ 985	\$ 3,798	\$ 16,098
<b>Total Other Costs</b>	\$ 25,611	\$ 24,952	\$ 33,056	\$ 10,715	\$ 11,722	\$ 26,581	\$ 132,637
<b>G&amp;A</b>	\$ 81,621	\$ 81,621	\$ 81,621	\$ 24,465	\$ 48,928	\$ 71,362	\$ 389,618
<b>Estimated Total Costs</b>	\$ 454,895	\$ 375,786	\$ 427,666	\$ 132,222	\$ 156,935	\$ 423,607	\$ 1,971,111

Please indicate in the spaces below the following information:

# of Full Time Positions (Including standbys)	13
# of Collection Trucks	8
# of Spare Collection Trucks	1
Estimated Annual Truck Hours	12480
Number of Routes	8
Crew Size	1
Stops per Route	600 Large collection vehicle
Daily/Hourly Wage of Drivers and Helpers	22.68
Estimated Annual Man Hours	18016
Estimated Annual Tonnage	16000
	200 Small collection vehicle

Cost Items	Solid Waste Cart Service	Recycling Collection and Processing Cart Service	Green Waste Collection and Processing Cart Service	Commercial Bin Service	Commercial Recycling Service	Roll Off Service	Total \$/Year
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Provide assumptions regarding: 1) residential allocation (i.e. number of 35, 65, 96) and 2) commercial bin service allocation.

Residential Allocation

Service Level	Number of Accounts
35 gallon	1800
65 gallon	1800
96 gallon	400
<b>Total</b>	<b>4000</b>

Commercial Allocation

Service Level	Number of Accounts
96 gallon & 65 gallon	82
1.5 YD	14
2 YD	90
3 YD	14
4 YD	16
6 YD	8
<b>Total</b>	<b>224</b>

**Incremental Cost, If Any, of Residential and Commercial Food Waste Program**  
**Annual Costs**

Cost Items	Residential Food Waste	Commercial Food Waste
<b>Equipment Costs</b>		
Collection Vehicles	\$ -	\$ -
Containers	\$ -	\$ -
Other (Please List)	\$ -	\$ -
<b>Total Equipment Costs</b>	\$ -	\$ -
<b>Labor Costs</b>		
Regular Wages	\$ 5,906.55	\$ 2,953.00
Overtime Wages	\$ 377.40	\$ 188.00
Benefit Wages	\$ -	\$ -
Workers Compensation Insurance & Claims	\$ 916.00	\$ 458.00
Employee Benefits	\$ 1,514.00	\$ 757.00
Payroll Taxes	\$ 3,004.00	\$ 1,502.00
Other (Please List)	\$ -	\$ -
<b>Total Labor Costs</b>	\$ 11,717.95	\$ 5,858.00
<b>Vehicle Related Costs</b>		
Fuel	\$ 780.00	\$ 390.00
Taxes and Licenses	\$ -	\$ -
Tires	\$ -	\$ -
Parts	\$ 1,000.00	\$ 500.00
Consumables	\$ -	\$ -
In-House Maintenance	\$ -	\$ -
Contract Maintenance	\$ -	\$ -
Other (Please List)	\$ -	\$ -
<b>Total Vehicle Related Costs</b>	\$ 1,780.00	\$ 890.00

Cost Items	Residential Food Waste	Commercial Food Waste
Container Maintenance	\$ 500.00	\$ 250.00
G&A	\$ -	\$ -
<b>Other Costs</b>		
Liability and Property Damage Insurance	\$ -	\$ -
Equipment Insurance	\$ -	\$ -
Rent/Lease; Office; Corp Yard etc.	\$ -	\$ -
Utilities	\$ -	\$ -
Telephone	\$ -	\$ -
Non-vehicle Related Supplies	\$ -	\$ -
Training and Safety Programs	\$ -	\$ -
Initial Public Education and Outreach	\$ -	\$ -
Continuing Public Education and Outreach	\$ -	\$ -
Uniforms	\$ -	\$ -
Other (Please List)	\$ -	\$ -
<b>Total Other Costs</b>	\$ -	\$ -
G&A	\$ -	\$ -
<b>Estimated Total Costs</b>	<b>\$ 13,997.95</b>	<b>\$ 6,998.00</b>

Cost Items	Residential Food Waste	Commercial Food Waste
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Provide assumptions regarding: 1) residential allocation (i.e. number of 35, 65, 96) and 2) commercial bin service allocation.

**Residential Allocation**

Service Level	Number of Accounts
35 gallon	
65 gallon	800
96 gallon	
<b>Total</b>	<b>800</b>

**Commercial Allocation**

Service Level	Number of Accounts
96 gallon	200
1.5 YD	
2 YD	
3 YD	
4 YD	
6 YD	
<b>Total</b>	<b>200</b>

**Net Recycling Processing Fee and Green Waste Tip Fee  
Rate Sheet**

Per Ton Rate

Year	Net Recycling Processing \$/Ton	Green Waste Tip Fee \$/Ton
2005	\$ (35.00)	\$ 25.00
2006	\$ (35.00)	\$ 25.00
2007	\$ -	\$ 26.00
2008	\$ -	\$ 26.00
2009	\$ -	\$ 27.00
2010	\$ -	\$ 27.00
2011	\$ -	\$ 28.00
2012	\$ -	\$ 28.00
2013	\$ -	\$ 29.00
2014	\$ -	\$ 29.00
2015	\$ -	\$ 30.00

After 2006, net recycling processing price per ton will be \$80 less \$115 average revenue per ton subject to market price fluxuations.

- 1. Please provide contracted (or letter of intent, if contract is not available) tip fees for processing recyclables and green waste over the ten year term of the Agreement. Also include copies of the agreement or letter of intent.**

*The processing facility is owned by a NRWS partnerr so no letter of intent or agreement is needed.*

- 2. Please provide distance of Recycling and Green Waste processing facility from centroid of County collection routes.**

*The distance from the County centroid to the UVDS facility is 15 miles.*

## Additional Estimated Costs

Cost Element	Franchise Agreement Reference	County Estimated Costs in 2004	Cost
Billing and Revenue Audit (1,2)	Article 6.6.A.1 and 2	Estimated \$15,000 per audit	\$ 5,000.00
E-Waste Event	Exhibit A, Section 1.0.E, 1.1.K	Estimated \$12,500	\$ 12,500.00
Tire Coupons	Exhibit A, Section 1.0.F	Estimated \$4 per tire, 420 tires in 2004	\$ 2,000.00
Awards (2)	Exhibit A, Section 1.4.J	No estimate provided, Contractor to determine award. May include plaque, trophy, one month free service. Estimate MUST include a 1/2 page ad.	\$ 2,500.00
Recycling Guide (2)	Exhibit A, Section 1.4.I	Estimated \$22,000	\$ 22,000.00
<b>Total</b>			\$ 44,000.00

(1) The County's estimated audit cost is based on a clean audit with reasonable response time and minimal issues. Note the Contractor will be responsible for all costs above and beyond the budgeted amount.

(2) Escalation will be limited to the previous twelve month's CPI commencing October 1, 2007.

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**EXHIBIT O**  
**List of Recyclable Materials**

The materials that NCRWS agrees to divert from disposal through residential and commercial recycling collection programs include, but are not limited to, the following:

1. Newspaper (including inserts, coupons, and store advertisements)
2. Chipboard
3. Corrugated cardboard
4. Mixed waste paper (including office paper, computer paper, magazines, junk mail, catalogs, kraft bags and kraft paper, paperboard, egg cartons, phone books, brown paper, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes)
5. Glass containers (including brown, clear, and green glass bottles and jars)
6. Milk, soy and juice cartons
7. Aluminum (including beverage containers, food containers, small scrap metal)
8. Steel and/or tin cans
9. Scrap metal (ferrous and non-ferrous)
10. All plastic containers #1 through #7
11. Green Waste
12. Use motor oil and oil filters
13. Wood
14. Concrete
15. Asphalt
16. Any other materials mutually agreed to by the hauler and the County.

Any County additions or deletions to the list above will be considered a Change in Scope as provided in Article 5.7 of the Agreement, and with appropriate adjustment (up or down) in Contractor service rates.

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE COUNTY OF NAPA AND THE CITY OF NAPA  
RELATING TO THE NAPA MATERIALS DIVERSION FACILITY**

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made as of May 3, 2005, by and between the COUNTY OF NAPA, a political subdivision of the State of California ("County") and the CITY OF NAPA, a charter city ("City").

**RECITALS**

- A. The City has recently purchased a materials diversion facility ("Facility") located at 820 Levitan Way, Napa. The Facility is operated by USA Waste of California, Inc. ("USA Waste") pursuant to an Interim Operating Lease which will expire on September 30, 2005.
- B. Recyclable Materials and Yardwaste which originate in the City and in portions of the County, as well as from within other jurisdictions, are delivered to the Facility for processing and composting.
- C. The residue of materials delivered to the Facility that can neither be recycled nor composted is delivered to a Transfer Station, which is located adjacent to the Facility and is operated by the Napa-Vallejo Waste Management Authority, a joint powers agency whose members include the County and the City.
- D. The contracts between the City and Napa Garbage Service ("NGS"), a division of USA Waste of California, Inc. ("USA Waste"), and between the County and Napa Valley Disposal Service ("NVDS"), also a division of USA Waste, each expire on September 30, 2005, concurrently with the expiration of the Interim Operating Lease of the Facility.
- E. The County solicited proposals to provide collection of municipal solid waste, Recyclable Materials, and Yardwaste within the portion of its jurisdiction called Zone 1 commencing October 1, 2005.
- F. The City solicited proposals to provide collection of municipal solid waste, Recyclable Materials and Yardwaste within the City and to operate the Facility commencing October 1, 2005.

2161 G. The City has awarded a contract for these services to Napa Recycling and  
2162 Waste Services, LLC, and the County has awarded a contract for these services to Napa  
2163 County Recycling and Waste Services, LLC, two affiliated companies with common ownership.

2164 H. The County has determined that it will be in the best interests of residents and  
2165 businesses in Zone 1 for certain Recyclable Materials and Yardwaste collected within that Zone  
2166 by Napa County Recycling and Waste Services, LLC and by County employees to be delivered  
2167 to the Facility for processing and composting. The City has determined that it is in its best  
2168 interest to accept such materials at the Facility on the terms contained in this Agreement.

2169 THE PARTIES AGREE AS FOLLOWS:

2170 I. **COOPERATIVE PROVISIONS APPLICABLE TO PHASE ONE (BEFORE THE CITY**  
2171 **BEGINS OPERATING THE FACILITY)**

2172 The parties recognize that there will be a transition period during which the equipment  
2173 currently in use at the Facility will be removed and new equipment installed, tested and placed  
2174 into service by Napa Recycling and Waste Services, LLC, on behalf of the City. The Interim  
2175 Operating Lease between the City and USA Waste contemplates that this transition period will  
2176 end on or about September 30, 2005, and that during this period Clean MRF Recyclable  
2177 Materials delivered to the Facility will be accepted, but then transferred by the City's Contractor  
2178 to another facility for processing. The parties recognize that the transition period may extend  
2179 beyond September 30, 2005. The City and County will work closely during this transition period  
2180 to facilitate the installation of new processing equipment and will cooperate with the City and its  
2181 Contractor's requests and directions relating to vehicle access, parking and materials delivery.

2182 II. **COOPERATIVE PROVISIONS APPLICABLE TO PHASE TWO (AFTER THE CITY**  
2183 **BEGINS OPERATING THE FACILITY)**

2184 1. The City will arrange for the County to have priority (second only to the City's) to  
2185 the processing capacity of the Facility for Clean MRF Recyclable Materials and Yardwaste. The  
2186 City will require the Facility operator to refuse to accept Clean MRF Recyclable Materials and  
2187 Yardwaste delivered by any third party if at any time the operator becomes unable to  
2188 accommodate all materials of these types delivered by or on behalf of the County and City.

2189 2. The County will direct Napa County Recycling and Waste Services, LLC to  
2190 deliver to the Facility:

2191                   A.     All Clean MRF Recyclable Materials collected in the areas of the County  
2192 that are shown on Attachment 1 (i.e., Zone 1) (1) from residential customers, and (2) from  
2193 commercial/business customers in containers whose capacity is six cubic yards or less.

2194                   B.     All Yardwaste collected in the areas of the County that are shown on  
2195 Attachment 1 (i.e., Zone 1) (1) from residential customers, and (2) from commercial/business  
2196 customers in containers whose capacity is six cubic yards or less.

2197                   3.     If the County collects Clean MRF Recyclable Materials or Yardwaste within Zone  
2198 1 through its own forces, it will deliver all such materials to the Facility. The County will  
2199 continue diversion programs (e.g., curbside collection of Clean MRF Recyclable Materials and  
2200 Yardwaste) as provided in the agreement between the County and Napa County Recycling and  
2201 Waste Services, LLC, dated as of May 3, 2005, Section 3.2.

2202                   4.     Clean MRF Recyclable Materials and Yardwaste collected by Napa County  
2203 Recycling and Waste Services, LLC in Zone 1 in containers whose capacity is greater than six  
2204 cubic yards may be, but is not required to be, delivered to the Facility under this agreement.

2205                   5.     The County may direct its contractor to deliver other materials (e.g., bulky goods,  
2206 tires, electronic waste, wood and concrete) collected in Zone 1 to the Facility, but need not do  
2207 so. If the City accepts these other materials from third parties it will also accept them from the  
2208 County.

2209                   6.     If the City implements Food Waste composting, the County may direct Food  
2210 Waste to the Facility, but is not obligated to do so.

2211                   7.     The City will require the operator of the Facility to deliver any residue (i.e.,  
2212 materials which cannot be recycled or successfully composted) to the Transfer Station for  
2213 disposal. "Residue" does not include materials delivered to landfills for use as "Alternative Daily  
2214 Cover" or wood chips delivered to Transformation facilities for fuel, whether or not the operator  
2215 receives payment for such materials.

2216                   8.     A.     The City will charge (or credit) the County, and the County will pay (or  
2217 accept) exclusively from revenues generated from ratepayers in the Unincorporated Area of  
2218 Zone 1 commencing October 1, 2005, the following amounts for Yardwaste and Clean MRF  
2219 Recyclable Materials delivered to the Facility by or for the County from Zone 1.

Period (calendar year)	Charge for Yardwaste (\$/ton)	Credit for Clean MRF Recyclable Materials (\$/ton)
2005 (10/1-12/31)	25.00	(35.00)
2006	25.00	(35.00)
2007	26.00	(34.00)

2220 B. Commencing January 1, 2008, the City may, after 60 days notice to  
2221 County, change the rates for Yardwaste and/or Clean MRF Recyclable Materials.

2222 C. The charge for Yardwaste is subject to increase at any time if the  
2223 processing method at the Facility is modified in order to comply with regulatory requirements or  
2224 environmental conditions, e.g., if aerated static pile (ASP) composting is implemented to control  
2225 odors. The charge will be increased by the same amount per Ton that the City is required to  
2226 pay the Facility operator for processing City-delivered Yardwaste.

2227 D. Napa County Recycling and Waste Services, LLC will be charged no  
2228 more than the posted Gate Fee for other materials (e.g., bulky goods, tires, electronic waste,  
2229 wood, concrete) collected in Zone 1 which it elects to deliver to the Facility.

2230 E. If the City implements Food Waste composting and the County wishes to  
2231 arrange for Food Waste to be delivered to the Facility, the parties will meet and confer to  
2232 establish the amount per Ton that the County will pay.

2233 F. The amounts set forth in this section II.8 are predicated on Napa County  
2234 Recycling and Waste Services, LLC serving as the collection contractor for the County's Zone 1  
2235 and Napa Recycling and Waste Services, LLC serving as Facility operator under contract with  
2236 the City. If either party changes its contractor (other than to an affiliated successor with  
2237 substantially identical ownership), the parties will meet and confer to establish new charges and  
2238 credits. If the parties cannot reach agreement within 90 days, either party may terminate this  
2239 Agreement and the County may thereafter direct both Clean MRF Recyclable Materials and  
2240 Yardwaste to a different facility.

2241 9. The City will bill the County monthly, in arrears. The City will issue a single  
2242 invoice for all Clean MRF Recyclable Materials and Yardwaste delivered by the County's  
2243 collection contractor, all Clean MRF Recyclable Materials and Yardwaste delivered by County  
2244 employees and all other material delivered by County employees. The invoice will show

2245 subtotals by principal material type (Clean MRF Recyclable Materials and Yardwaste) and for  
2246 each other type of material for which a different charge is payable. The invoice will show a  
2247 credit for Clean MRF Recyclable Materials and a charge for all other materials, including a  
2248 separately identified surcharge for contaminated loads. The City's invoice will also indicate the  
2249 number and value of County coupons issued to residents of and businesses located in County  
2250 Zone 1 and collected by the City's contractor. The County must pay the City for such collected  
2251 coupons at face value. The invoice will indicate the portion of materials delivered by the County  
2252 through its own forces. The invoice total will be a net figure. Concurrently, the City will send a  
2253 copy of each monthly invoice to Napa County Recycling and Waste Services, LLC.

2254 Invoices are due and payable within forty-five (45) days after issuance. Delinquent  
2255 payments will bear interest at ten percent (10%) per year, or the maximum legally allowable rate  
2256 if lower. If the County is delinquent in paying two consecutive monthly invoices, the City may  
2257 require the County to either or both (1) post a deposit equal to the total payment due for the  
2258 previous three (3) months or (2) pay an estimated amount each month, in advance. The City  
2259 will not owe interest on any deposit required in the event of delinquent payments unless  
2260 required by law. If the County fails to pay an invoice for more than sixty (60) days after it is  
2261 due, the City may terminate this Agreement. Invoices will be sent to:

2262                   Audit Manager  
2263                   Napa County Auditor-Controller's Office  
2264                   1195 Third Street, Room B-10  
2265                   Napa, CA 94559  
2266

2267                   10. The City will not enter into a contract with any third party allowing it to deliver  
2268 Clean MRF Recyclable Materials and Yardwaste on terms that are more favorable than those  
2269 extended to the County in Section II.8.A, taken together.

2270                   11. Residents of and businesses located in County Zone 1 will be charged the  
2271 posted Gate Fees established by the City for materials which they self-haul to the Facility. The  
2272 City will accept coupons that the County's Contractor issues to residents and businesses in  
2273 Zone 1 to be applied toward gate fees. The City will honor such coupons at face value.

2274                   **III. TERM**

2275                   1. The term of this MOU begins on October 1, 2005 and ends on November 30,  
2276 2015, unless earlier terminated as provided below.

2277 2. If the Facility is destroyed or substantially damaged by earthquake, fire or other  
2278 cause, and if City elects not to rebuild or reconstruct it, this Agreement will terminate thirty (30)  
2279 days after City gives notice to County of its election.

2280 3. If the City, pursuant to Section II.8.B, changes the charge for Yardwaste, and/or  
2281 the credit for Clean MRF Recyclable Materials after January 1, 2008, or if charges are changed  
2282 pursuant to Section II.8.C. at any time, the County may, on 60 days notice to City, terminate this  
2283 MOU and direct both Yardwaste and Clean MRF Recyclable Materials to a different facility  
2284 which offers more favorable terms to the County if the City does not elect to match the terms of  
2285 the offer from the other facility. Any such offer must be in writing and binding on the owner and  
2286 operator of the other facility and a complete copy must be provided to City at the same time the  
2287 County provides notice of its intent to terminate this MOU.

2288 **IV. OTHER AGREEMENTS**

2289 1. The City or its representative will issue contamination violation notices to the  
2290 County's collection contractor (Napa County Recycling and Waste Services, LLC) and to the  
2291 County for any loads of Clean MRF Recyclable Materials or of Yardwaste delivered to the  
2292 Facility which contain more than ten percent (10%) by weight of materials constituting  
2293 Contamination. For any such load, the City may: 1) direct Napa Recycling & Waste Services to  
2294 process the contaminated load and charge the County a "contaminated load surcharge" for the  
2295 load, which shall be calculated based on the \$/ton contaminated load surcharge rate posted at  
2296 the scalehouse multiplied by the total number of tons in the load; or 2) require that the  
2297 contaminated load be reloaded by Napa Recycling & Waste Services at the expense of the  
2298 vehicle operators and remove load from the MDF, and charge the County a standard "reload  
2299 fee" which shall be the rate posted at the scalehouse. The City will provide notification of  
2300 contaminated loads to the County on a monthly basis. Notifications will be sent to:

2301

2302 County Executive Office  
2303 1195 Third Street  
2304 Room 310  
2305 Napa, CA 94559  
2306

2307 In addition, the County will comply, and require Napa County Recycling & Waste  
2308 Services, LLC to comply, with all hazardous waste exclusion program regulations adopted by  
2309 the City.

2310           2.       At the request of the County, the City will meet up to one time per calendar year  
2311 to discuss the list of materials accepted at the Facility under the categories of Clean MRF  
2312 Recyclable Materials and Yardwaste. Changes to the list of materials may be suggested by the  
2313 County at the meeting, but must be approved in writing by the City prior to acceptance of the  
2314 material types at the Facility.

2315           3.       The City will have the sole and exclusive right to establish and collect Gate Fees  
2316 for all materials delivered to the Facility by third parties without contracts, including but not  
2317 limited to other local government agencies, collection companies engaged by such government  
2318 agencies, independent landscapers, roofers and contractors, and members of the public.

2319           4.       If the City elects to accept Special Recycling Waste at the Facility, residents of  
2320 and businesses located in Zone 1 of the County may deliver such waste upon payment of the  
2321 posted Gate Fees, provided that the City is permitted to accept Special Recycling Waste from  
2322 outside the City. The City has no obligation under this MOU to accept waste of this type and, if  
2323 it begins to accept it, the City may terminate its acceptance at anytime. If the City elects to  
2324 discontinue accepting any Special Recycling Waste, City may, on 60 days notice to the County,  
2325 terminate this service.

2326           5.       The City will arrange for reports to be prepared on Tons delivered to the Facility  
2327 from or by the County and Tons diverted from landfill disposal that are similar in content and  
2328 format to the reports that the City will prepare for its own use in documenting compliance with  
2329 the Act. Such reports will be delivered to the County at the same time and frequency as the  
2330 City's reports are produced. The City will provide the County a monthly report of inbound  
2331 material delivered by the County in accordance with Section II herein.

2332 **V.       MISCELLANEOUS AGREEMENTS**

2333           1.       Capitalized terms in this MOU shall have the meanings assigned to them in  
2334 Attachment Two, unless the context indicates otherwise.

2335           2.       This MOU may be amended only in a writing approved and executed by both  
2336 parties.

2337           3.       The County may not assign any of its rights under this MOU, nor delegate any  
2338 duties or those of its contractor arising under this MOU, without the prior written consent of the  
2339 City.

2340 4. Without waiving the provisions of Section V.3, all of the rights and duties of the  
2341 parties shall inure to the benefit of, and be binding upon, their respective successors and  
2342 assigns.

2343 5. All notices given under this MOU shall be in writing. Notices shall be sent:

2344 If to the City: City of Napa  
2345 955 School Street  
2346 Napa, CA 94559  
2347 Attention: City Finance Director  
2348 Facsimile: (707) 257-9251

2349 If to the County: County of Napa  
2350 1195 Third Street, Room 310  
2351 Napa, CA 94559  
2352 Attention: County Executive Officer  
2353 Facsimile: (707) 253-4176

2354 Notice shall be sufficiently given when (a) personally delivered to the recipient,  
2355 (b) mailed first class postage prepaid, (c) delivered by overnight delivery service with charges  
2356 prepaid, or (d) sent by facsimile to the last facsimile number of the recipient so long as a  
2357 duplicate copy of the notice is promptly given by first class mail or the receiving party delivers a  
2358 written confirmation receipt. Either party may change the address to which notices to it are to  
2359 be sent by means of a notice delivered to the other party as provided above.

2360 6. Nothing in this MOU, express or implied, is intended to confer upon any person,  
2361 other than the parties and their respective successors and assigns, any rights or remedies.

2362 7. If, and for as long as, performance by a party is made impossible by acts of God,  
2363 casualty, State or federal government action, civil commotion, acts of terrorism or other causes  
2364 not the fault of and beyond the reasonable control of the party obligated to perform,  
2365 performance by that party is excused. This section does not excuse a failure to pay money  
2366 when due.

2367 8. Time is of the essence of this MOU and each of its provisions

2368 9. If any term or provision of this MOU is held invalid or unenforceable, the  
2369 remainder of this MOU shall not be affected.

2370 10. No waiver of a breach of any provision shall be deemed a waiver of any other  
2371 breach, and no waiver shall be valid unless it is in writing and executed by the waiving party.

2372 No extension of time for performance of any obligation or act shall be deemed an extension of  
2373 time for any other obligation or act.

2374 11. This MOU may be executed in one or more counterparts, each of which shall be  
2375 deemed an original and all of which taken together shall constitute one and the same  
2376 instrument. The execution of the MOU shall be deemed to have occurred, and this MOU shall  
2377 be enforceable and effective, only upon the complete execution of this MOU by County and  
2378 City.

2379 12. If any legal action or other proceeding, including arbitration or an action for  
2380 declaratory relief, is brought to enforce this MOU or because of a dispute, breach, or default in  
2381 connection with this MOU, the prevailing party shall be entitled to recover reasonable attorney  
2382 fees and other costs, in addition to any other proper relief. "Prevailing party" includes (a) a  
2383 party who dismisses an action in exchange for sums allegedly due; (b) the party that receives  
2384 performance from the other party of an alleged breach or a desired remedy, if it is substantially  
2385 equal to the relief sought in an action; or (c) the party determined to be prevailing by a court of  
2386 law.

2387 13. The title and headings of the sections of this MOU are intended solely for  
2388 reference and do not modify, explain, or construe any provision of this MOU. All references to  
2389 sections and recitals refer to the sections and recitals of this MOU. In construing this MOU, the  
2390 singular form shall include the plural and vice versa. This MOU shall not be construed as if it  
2391 had been prepared by one of the parties, but rather as if both parties have prepared the MOU  
2392 with the assistance of independent legal counsel for each.

2393 14. This MOU constitutes the entire agreement between the parties. There are no  
2394 oral agreements which are not expressly set forth in this MOU.

2395 15. All persons executing this MOU on behalf of a party warrant that they have the  
2396 authority to execute this MOU on behalf of that party.

2397 16. The attachments to this MOU are a part of this MOU and are incorporated into it  
2398 by this reference.

2399 17. This MOU shall be governed by, and construed and enforced in accordance with,  
.400 the laws of California.

2401 IN WITNESS WHEREOF, the parties have executed this Memorandum of  
2402 Understanding as of the day and year first above written.

2403 ///

2404



2400

**LIST OF ATTACHMENTS**

2401

**Attachment One**

2402

Map of Zone One Service Area

2403

**Attachment Two**

2404

Definitions

2405

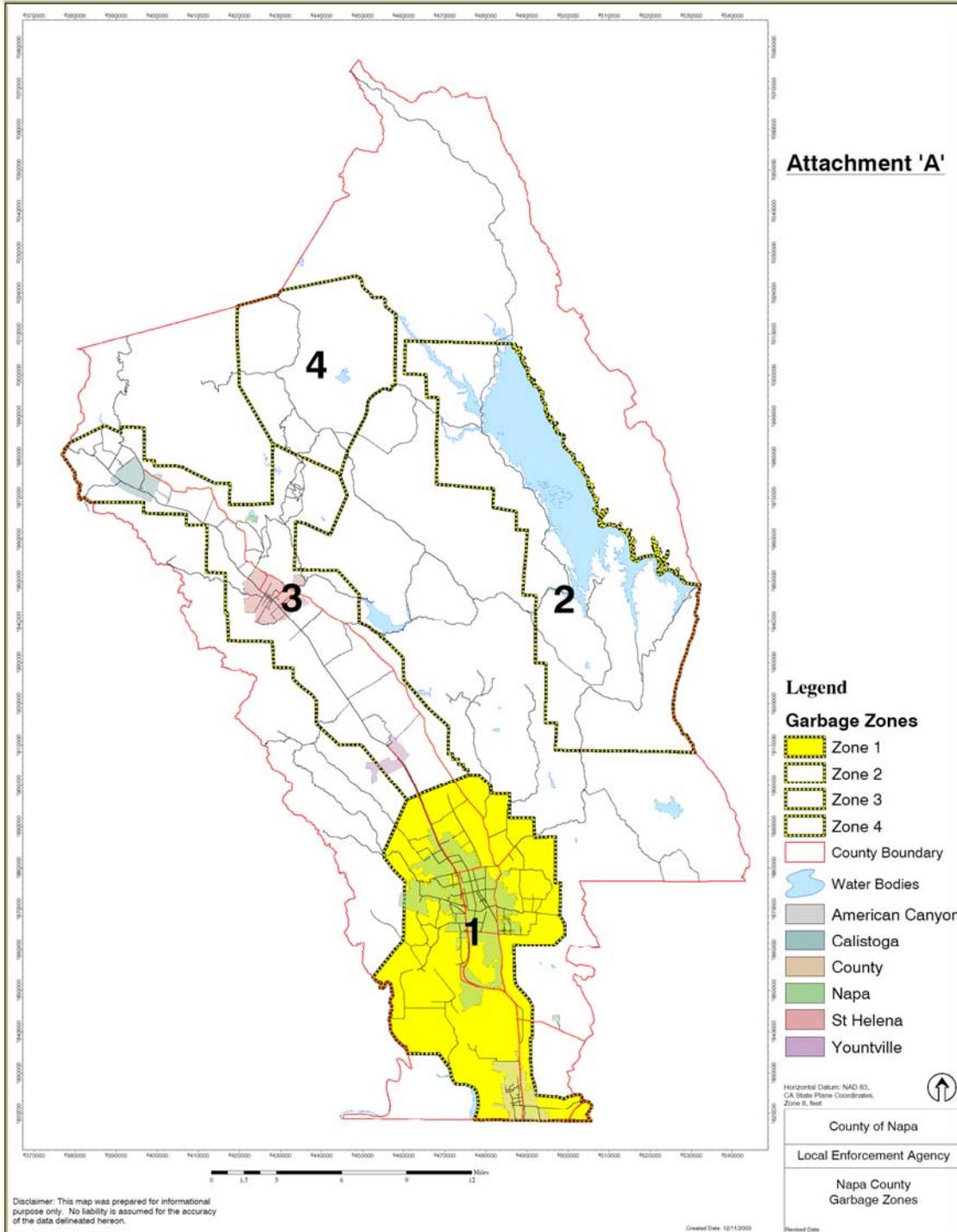
**Attachment Three**

2406

Clean MRF Recyclable Materials

2407

# ATTACHMENT ONE MAP OF ZONE ONE SERVICE AREA



2414

## ATTACHMENT TWO

2415

### DEFINITIONS

2416 “Clean MRF Recyclable Materials” means those materials which are to be processed at  
2417 the Clean MRF areas of the Facility, which are listed in Attachment Three. Clean MRF  
2418 Recyclable Materials include both Single Stream Recyclables and Source Separated  
2419 materials listed in Attachment Three.

2420 “Contamination” means materials which are not specified in the definition for Yardwaste  
2421 or listed as acceptable on Attachment Three for Clean MRF Recyclable Materials. For  
2422 example, plastics would constitute Contamination if delivered to the Facility in a load of  
2423 Yardwaste and tree trimmings would constitute Contamination if delivered to the Facility  
2424 in a load of Clean MRF Recyclable Materials.

2425 “Food Waste” means surplus, spoiled or unsold food, such as vegetables and culls, as  
2426 well as plate scrapings.

2427 “Single Stream Recyclables” means materials collected after having been separated  
2428 from municipal solid waste (e.g., garbage or refuse) by a residential or  
2429 commercial/business customer, consisting of a mixture of some or all of the materials  
2430 listed in Attachment Three.

2431 “Special Recycling Waste” means electronic waste (including cathode ray tubes,  
2432 computers, televisions, cell phones, stereos, copiers, fax machines and peripherals),  
2433 tires and bulky goods (including furniture, household or industrial appliances, shipping  
2434 crates and containers, other large, and bulky or heavy objects not normally discarded on  
2435 a regular basis at residential, commercial or business establishments). Items listed may  
2436 be changed as agreed upon by the City Finance Director and the County Executive  
2437 Officer.

2438 “Source Separated” means materials collected after having been separated from  
2439 municipal solid waste (e.g., garbage or refuse) by a residential or commercial/business  
2440 customer, consisting primarily of a single material.

2441 “Yardwaste” means tree trimmings, grass cuttings, leaves, branches and similar organic  
2442 materials, including vineyard clippings, weeds, tree prunings, bush prunings, plant

2443 material, and tree trunks/stumps/branches 6" or less in diameter. It excludes, for  
2444 example, rocks, dirt, plastic bags, municipal solid waste, Single-Stream Recyclables, pet  
2445 waste, Hazardous Waste, and tree trunks/stumps/branches greater than 6" in diameter.

2446

ATTACHMENT THREE

2447

CLEAN MRF RECYCLABLE MATERIALS

Acceptable Materials	Examples of Unacceptable Materials (Contamination)
Newspaper Phone books Catalogs Magazines Brown paper bags Packaging Egg cartons White paper Colored paper Envelopes (windows are not contamination) Junk mail Glossy paper Shredded paper Carbonless paper Chipboard/boxboard Cardboard Wrapping paper Empty aluminum cans Empty tin cans Juice containers Beer containers Sauce containers Soda cans Tuna cans Soup cans Loose jar lids Empty aerosol Empty glass beverage containers Empty glass food containers All glass colors Empty CRV plastic containers and bottles #1 through #7 Soft cover books/manuals Milk/juice cartons	Paper tissues Paper towels Paper with plastic coating (i.e., photographs, label paper) Paper with food Wax paper Foil lined paper Tyvex (non-tearing) envelopes Non-paper bags Plastic liners (i.e., cereal bags) Windows Mirrors Dishware Ceramics Light bulbs Florescent tubes Toys Irrigation pipe Furniture Styrofoam MSW Hazardous Waste Hard cover books/manuals Pyrex materials Fiberglass materials

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