

**FRANCHISE AGREEMENT
BETWEEN THE
COUNTY OF CONTRA COSTA
AND
CROCKETT SANITARY SERVICE, INC.**

This Franchise Agreement ("**Agreement**") is entered into effective June 30, 2026 ("**Effective Date**"), by and between Crockett Sanitary Service, Inc., a California corporation ("**Contractor**"), and the County of Contra Costa, a political subdivision of the State of California ("**County**"). County and Contractor are sometimes referred to herein together as the "**Parties**," and each, individually, as a "**Party**." (Capitalized words and phrases used in the recitals below shall have the definitions ascribed to them in Section 1 (Definitions) of this Agreement.)

RECITALS

- A. The County and Contractor are parties to the Prior Agreement, which expires on June 30, 2026.
- B. The County and the Contractor desire to enter into this Agreement to grant the Contractor the exclusive right to collect and remove, for disposal and recycling, all Residential Solid Waste and Commercial Solid Waste within the Franchise Area, and to provide for rates Contractor may charge Customers in the Franchise Area for Solid Waste collection, among other terms of this Agreement. This Agreement includes in **Exhibits A- E**, attached hereto and incorporated herein. The Parties intend for this Agreement to replace the Prior Agreement as of the Effective Date first written above.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and consideration contained in this Agreement, County and Contractor agree as follows:

AGREEMENT

- 1. **DEFINITIONS.** The following terms used in this Agreement have the following meanings:
 - a) **Affiliated Entity.** "Affiliated Entity" means any person or entity that provides products or services to Contractor and in which either Contractor or the Affiliated Entity owns a thirty percent (30%) or greater interest in the other, or where one person or entity owns thirty percent (30%) or greater interest in both. For purposes of this definition of "Affiliated Entity" only, "Contractor" shall include Contractor, and if Contractor is an individual, or a group of individuals (e.g., partnership), all immediate family members; or, if Contractor is a corporation, "Contractor" shall include major shareholders and, if any major shareholder, is an individual, said individual's immediate family members. For the purpose of this

definition of “Contractor” within this definition “Affiliated Entity” only, “immediate family members” include spouses and relatives of the first degree of consanguinity, and their spouses.

- b) **Act.** "Act" means the California Integrated Waste Management Act of 1989 (Public Resources Code, § 40000 et seq.) and all rules and regulations adopted under any of those sections, as such sections, rules, and regulations may be amended from time to time in the future.
- c) **Applicable Law.** “Applicable Law” means all of the following, regardless of whether they are in effect as of the Effective Date or become effective any time thereafter: all applicable laws, regulations, ordinances, rules, orders, judgments, rulings, decrees, permits, approvals, and other requirements of any federal, state, county, city, regional, and local governmental agency or judicial or administrative body having jurisdiction over the collection and/or disposition of Solid Waste, including Recyclable Materials, Organic Waste, or that otherwise govern the County’s legal obligations or Contractor’s operations. The foregoing notwithstanding, Applicable Law does not limit or preclude a Change in Applicable Law, as defined herein, which would require certain meet and confer and rate review obligations under Section 8(h) of this Agreement.
- d) **Basic Service.** “Basic Services” means the Basic Residential & Commercial Services performed by Contractor as set forth in **Exhibit B** of this Agreement.
- e) **Board.** "Board" means the Board of Supervisors for the County of Contra Costa.
- f) **Bulky Items.** “Bulky Items” means those materials including, but not limited to furniture, carpets, mattresses, white goods, brown goods, E-waste, clothing and large Green Waste items that do not exceed 1.8 cubic yards in size and weigh no more than two hundred (200) pounds which are generated from the activities of a single-family or multi-family residential dwellings of up to four units. Bulky items include “Bulky wastes” and means Solid Waste items which by their large size or weight are precluded from normal storage and collection. Bulky Items include, but is not limited to stoves, refrigerators, water heaters, furniture, mattresses/boxsprings, etc., subject to the size and weight limitations set forth above that require special arrangements for collection.
- g) **California Integrated Waste Management Act or the Act.** “California Integrated Waste Management” Act or “the Act” means the California Integrated Waste Management Act of 1989 (Public Res. Code, § 40000 et seq.) and all rules and regulations adopted under any of those sections, as such sections, rules and regulations may be amended from time to time in the future subject to the Change in Applicable Law provisions of this Agreement.
- h) **CalRecycle.** “CalRecycle” means California's Department of Resources Recycling and

Recovery, which is the State Agency charged with responsibility for developing, implementing, and enforcing the provisions of the Act.

- i) **CCR.** "CCR" means the State of California Code of Regulations. CCR references in this ordinance are preceded with a number that refers to the relevant Title of the CCR (e.g., "14 CCR" refers to Title 14 of CCR).
- j) **Change in Applicable Law.** "Change in Applicable Law" means (i) the enactment, adoption, promulgation, amendment, repeal, judicial interpretation, or formal administrative interpretation of any Applicable Law, including any County-directed changes to the terms and conditions of this Agreement; (ii) the issuance of any order or judgment of any federal, state, or local court or agency in a proceeding to which a Party is a party, but not to the extent such order or judgment finds the Party asserting there to have been a Change in Applicable Law to have been negligent or otherwise at fault; or (iii) the denial, suspension, or termination of any government permit or other entitlement, but not to the extent such denial, suspension, or termination is the result of any act or omission of the Party asserting there to have been a Change in Applicable Law.
- k) **Collection Rates.** "Collection Rates" mean the rates for Residential Solid Waste and Commercial Solid Waste collection, Recycling, and disposal within the Franchise Area, as may be revised from time to time in accordance with this Agreement.
- l) **Commercial Solid Waste.** "Commercial Solid Waste" means Solid Waste routinely originating from stores, business offices and other commercial and light industrial sources, excluding residences and wastes from heavy industry (i.e., industry that manufactures or processes petroleum, lumber, steel, chemicals, explosives, fertilizers, gas, rubber, cement, sugar and other products [see Section 84-60.402 of the Contra Costa County Ordinance Code.]). Commercial Solid Waste does not include construction or demolition waste, industrial waste, or septage.
- m) **Conservation and Development.** "Conservation and Development" means the County's Department of Conservation and Development.
- n) **Customers.** "Customers" means those who have contracted with the Contractor for the collection, removal, or Recycling of Recyclable Material and/or for the collection, removal, or disposal of other Solid Waste, pursuant to this Agreement and applicable ordinances of County, including mandatory subscription ordinances.
- o) **Designated Waste.** "Designated Waste" as used herein has the meaning set forth in 23 CCR 2522, as amended from time to time.
- p) **Director.** "Director" means the Director of the County's Conservation and

Development Department.

- q) **E-waste.** "E-waste" means discarded electronic items such as stereos, televisions, and other similar items.
- r) **Excluded Waste.** "Excluded Waste" means Biomedical Waste, Hazardous Waste, Hazardous Substances, Universal Waste, Special Waste, volatile, corrosive, infectious, Biohazardous, and toxic substances or material, waste that cannot be disposed of in Class III Landfills, waste that would present a significant risk to human health or the environment.
- s) **Food Waste.** "Food Waste" means (1) food scraps, including all edible or inedible food such as, but not limited to, fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, cheese, coffee grounds, and eggshells; and (2) food-soiled paper, which is compostable paper material that has come in contact with food or liquid, such as, but not limited to, compostable paper plates, paper coffee cups, napkins, and pizza boxes. Food Waste excludes fats, oils, and grease when such materials are Source Separated from other Food Waste.
- t) **Franchise Area.** "Franchise Area" means the geographic area generally known as the unincorporated communities of Crockett, Port Costa, and Tormey, as described and depicted in **Exhibit A** to this Agreement, which is attached hereto and incorporated herein by reference, and illustrated in maps to be maintained and available for inspection at Conservation and Development. **Exhibit A** and said maps shall be amended from time to time to reflect changes in jurisdictional boundaries approved by LAFCO, or as agreed upon by the Parties, to reflect changes of boundaries of the Franchise Area.
- u) **Green Waste.** "Green Waste" means grass clippings, leaves, landscape and pruning waste, wood materials from trees and shrubs, and other forms of organic materials generated from landscapes or gardens.
- v) **Hazardous Waste.** "Hazardous Waste" includes any waste material or mixture of wastes which is toxic, corrosive, flammable, an irritant, a strong sensitizer, which generates pressure through decomposition, heat or other means, if such a waste or mixture of wastes may cause substantial personal injury, serious illness or harm to humans, domestic animals, or wildlife, during or as an approximate result of any disposal of such wastes as defined in Article 2, Chapter 6.5, Section 25117 of the Health and Safety Code. The terms "toxic", "corrosive", "flammable", "irritant", and "strong sensitizer" shall be give the same meaning as in the California Hazardous Substances Act (Chapter 4 commencing with Section 108100 of Division 104 of the Health and Safety Code).
- w) **Industrial Waste.** "Industrial Waste" means Solid Waste originating from mechanized manufacturing facilities, factories, refineries, and publicly operated treatment works, or

that result from industrial processes and manufacturing operations and/or that originate from those facilities.

- x) **Infectious Waste.** "Infectious Waste" as used herein has the meaning set forth in Health and Safety Code Section 25117.5, as amended from time to time.
- y) **Liquidated Damages.** "Liquidated Damages" means the amounts agreed upon by Contractor and County as fair and reasonable damages for Contractor's failure to meet specific quantifiable standards of performance as described in **Exhibit E**.
- z) **Multi-Family.** "Multi-Family" or "Multi Family Residential Complex" means a residential development with five (5) or more multiple-family dwelling units.
- aa) **Non-Franchised Contractor.** "Non-Franchised Contractor" means a contractor hired to perform a service, including but not limited to landscaper or building contractor, where such service may include the removal and disposal or recycling which is solely incidental to work such as remodeling or gardening occasionally performed by or for the customer.
- bb) **Organic Waste.** "Organic Waste" means solid waste containing material originated from living organisms and their metabolic waste products including, but not limited to, food, green material, landscape and pruning waste, lumber, wood, paper products, printing and writing paper, and manure.
- cc) **Prior Agreement.** "Prior Agreement" means and includes the Franchise Agreement, dated November 6, 1996, by and between Contractor and County, as amended by a First Amendment to Franchise Agreement dated November 1, 2016, a Second Amendment to Franchise Agreement, dated December 20, 2016, a Third Amendment to Franchise Agreement, dated March 1, 2017, a Fourth Amendment to Franchise Agreement, dated July 22, 2025, a Fifth Amendment to Franchise Agreement, dated September 30, 2025, a Sixth Amendment to Franchise Agreement, dated December 9, 2025, a Seventh Amendment to Franchise Agreement, dated March 17, 2026, and a Eighth Amendment to Franchise Agreement, dated May 19, 2026, collectively.
- dd) **Prohibited Container Contaminants.** "Prohibited Container Contaminants" means the following: (i) Materials placed in the recyclables container that are not designated as acceptable under this Agreement; (ii) Materials placed in the organics container that are not designated as acceptable under this Agreement; (iii) Materials placed in the trash container that are otherwise designated as acceptable in either the recyclables container or organics container under this Agreement; and, (iv) Excluded Waste placed in any container.
- ee) **Recycle or Recycling.** "Recycle," or "Recycling" means the process of collecting, sorting, cleaning, treating and reconstituting materials that would otherwise become Solid

Waste, and recovering them so that they may be turned into new, reused, or reconstituted products. Recycle or Recycling includes compost or composting of organic materials including yard waste and food waste as well as any other Director approved means of diverting waste authorized by Applicable Law. Green waste collected in this Franchise Area shall not be used as ADC.

ff) **Recyclable Material.** "Recyclable Material" means all organic and non-organic materials the Contractor is required to Recycle in its curbside collection program, including but not limited to glass, aluminum, paper and organic waste. Listing of Recyclable Material currently collected by Contractor is set forth in **Exhibit B**, attached hereto and incorporated herein. **Exhibit B** may be changed from time to time by agreement of the County and Contractor, or pursuant to the provisions of Section 11 and Section 15 of the Agreement.

gg) **Residential Solid Waste.** "Residential Solid Waste" means Solid Waste routinely originating from single-family or multiple family dwellings of four (4) units or less. Residential Solid Waste does not include Septage.

hh) **Septage.** "Septage" means non-sewered liquid or semi-liquid waste which may be trucked to treatment facilities for disposal, to include, but not be limited to, waste from residential septic tanks, commercial grease cleanouts, and industrial waste holding facilities.

ii) **Solid Waste.** "Solid Waste" has the meaning set forth in Section 40191 of the California Public Resources Code as of the date of execution of this Agreement. Solid Waste includes, but is not limited to, all putrescible and non-putrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial waste, demolition and construction wastes, abandoned vehicles, and parts thereof, discarded home and induction appliances, dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste, manure, vegetable or animal solid and semisolid wastes and other discarded solid and semisolid wastes. Solid Waste does not include Hazardous waste, radioactive waste, and medical waste.

jj) **Waste Stream.** "Waste Stream" means the Solid Waste to be collected under this Agreement from the time of its collection by the Contractor to its disposal at a landfill or, at County's discretion, delivery to a transfer facility or other post-collection facility by Contractor.

2. **TERM.** Subject to Section 32 (Annexation and Change of Franchise Area Boundaries) and Section 34 (Breach and Termination), the term of this Agreement begins on the Effective Date, and it expires on June 30, 2045. As of the Effective Date of this Agreement, the Prior Agreement is terminated and replaced and superseded in its entirety by this Agreement.

3. **INTENT TO REGULATE ALL RECYCLING AND SOLID WASTE COLLECTION, REMOVAL AND/OR DISPOSAL.** The parties hereto agree that County currently has jurisdiction to regulate the collection, removal and disposal of all Solid Waste, and the recycling of all material in the Franchise Area. The intent of this Agreement is to establish the terms for Solid Waste handling service and recycling of material in the Franchise Area.
4. **EXCLUSIVE PRIVILEGE AND DUTY.**
 - a) To the extent allowed by law, County hereby grants to Contractor the exclusive privilege and duty to (i) collect and remove, for disposal and Recycling, all Residential Solid Waste, and Commercial Solid Waste, including Recyclable Material, from within the Franchise Area, pursuant to the terms of this Agreement, and (ii) charge Collection Rates for the services Contractor performs within the Franchise Area in accordance with this Agreement.
 - b) Contractor shall collect and remove, for disposal and Recycling, all Solid Waste, including Recyclable Material, from Customers within the Franchise Area in accordance with this Agreement.
 - c) Contractor shall perform the Basic Services at the authorized Maximum Collection Rates described in **Exhibit B**, attached hereto and incorporated herein.
5. **EXCEPTIONS TO EXCLUSIVE PRIVILEGE.** The exclusive privilege granted by this Agreement shall not apply for any of the reasons described in this Section.
 - a) A person or entity generates Solid Waste, including Recyclable Materials, and personally collects, removes, and disposes or recycles such in a clean and sanitary manner in conformance with all applicable laws and regulations, including mandatory subscription ordinances. Provided, however, that this exception only applies to a generator of the Solid Waste and shall not apply to a person who incurs a net cost of collection to a third person in the above-described activities.
 - b) A person or entity contracts with Non-Franchised Contractor for the removal and disposal or recycling of inorganic refuse or garden waste and such removal and disposal or recycling is performed by Contractor using its own employees, vehicles and equipment and is solely incidental to work such as remodeling or gardening occasionally performed by or for the customer. This exception shall not apply if the Non-Franchised Contractor incurs a net cost of collection to any third person in connection with its collection and/or disposal of said Solid Waste.
 - c) Recyclable Materials that are not placed out for collection by Contractor and are accumulated solely for the purpose of the generator donating them to youth, civic, and charitable entities.

6. CONTRACTOR'S DUTY TO MAINTAIN RECORDS; COUNTY'S RIGHT TO EXAMINE RECORDS.

- a) Contractor shall maintain a proper set of books and records in accordance with generally accepted accounting principles, accurately reflecting the business done by it under this Agreement.
- b) Contractor shall further maintain and make available to County, upon its request, records as to number of Customers and addresses, total and by type, route maps, service records and other materials and operating statistics in such manner and with such detail as County may require. County shall treat the information required by this paragraph that (1) affects customer information held by Contractor as private information, and (2) contains confidential information that can adversely affect the competitive position of the company as confidential and proprietary information to the extent permitted by law.
- c) At any time during the term of this Agreement, County, at its discretion, may have the books and records of the Contractor examined by a County Agent or Agents appointed for that purpose by the County. Unless such examination pertains to review of a rate application submitted by the Contractor, County shall give thirty (30) days written notice to the Contractor of such examination date.
- d) The information required by this section shall pertain to Contractor's operations covered and regulated by this Agreement, and nothing contained herein shall require the Contractor to provide the County with information pertaining to the Contractor's operations which are not regulated by the County, except in conformance with this section.
- e) For the purposes of rate setting, County's Agents may examine Contractor's books, records and financial statements pertaining to operations not regulated by the County as may be reasonably required for the sole purpose of gathering information necessary to allow the Agents to ascertain whether income, expenses, assets and liabilities are reasonably and consistently allocated among operations regulated by County and those not regulated by the County. Contractor shall obtain County's written approval of its method of segregating its financial records between County-regulated and non-County regulated operations. County shall not unreasonably withhold such approval.
- f) Information gained from examination of Contractor's financial records pertaining to any operations not regulated by the County shall be treated by County and its Agents as confidential information and shall not become public records subject to the provisions of the California Public Records Act.
- g) For the review of books and other financial records necessary to verify the Contractor's income, expenses, assets and liabilities, "County Agent" shall mean County employees or any independent Certified Public Accountant or professional financial consulting firm retained by the County. For all other information or records, including the results of financial verification, "County Agent" shall mean any consultant designated by the County

or County employees.

- h) County is subject to requests under the California Public Records Act (Gov. Code, § 7920.000, et seq.) (“CPRA”) and the County Better Government Ordinance (Title 2, Division 25 of the County Ordinance Code), as well as court orders, third-party subpoenas, and discovery requests (each a “Records Request”). County and Contractor agree that the confidential and proprietary Information that may be provided to County by Contractor is subject to Contractor designating these materials “trade secrets” or “confidential and proprietary” under Government Code Section 7927.705, Evidence Code Section 1060, Civil Code Section 3426.1(d), and Public Resources Code Section 40062(a). In the event that County receives a Records Request seeking disclosure of information Contractor has designated as “trade secrets” or “confidential and proprietary,” the Director will promptly notify the Contractor in writing (email is sufficient), and, within 10 days after the Director provides that notice, the Director and the Contractor’s authorized representatives shall meet in person or virtually to review the Records Request and consider whether any records are exempt or protected from disclosure to the third-party requester under any applicable state or federal laws or regulations. If the Director determines that the records must be produced to the third-party requester notwithstanding Contractor’s difference of opinion or objection to such disclosure, the Contractor shall have 14 days from the date of the meeting to seek an order from the Contra Costa County Superior Court preventing or temporarily preventing the County from disclosing said records. If, within said 14-day period, the Contractor has not obtained a court order preventing or temporarily preventing the County from disclosing the records, the County may disclose all disclosable records discussed at the meeting between the Director and Contractor’s authorized representatives without violating or being in breach of any terms of this Agreement. In the event that the County withholds any Contractor records responsive to a Records Request on the basis that they contain Contractor’s trade secret or confidential and proprietary information and litigation is filed against the County connected with that withholding, the Contractor shall defend and indemnify the County in such litigation, which indemnity shall cover County’s reasonable expenses, including County’s attorney’s fees, and any damages or attorney’s fee awards ordered by the Court or negotiated by the parties to said litigation. The obligations of this Section 6(h) shall survive the termination or expiration of this Agreement.

7. RATE REGULATION IN GENERAL. ESTABLISHMENT AND ADJUSTMENT OF RATES.

- a) The County shall establish and regulate Collection Rates. In establishing the Collection Rates, the County shall use the methodology set forth in the Rate Setting Process and Methodology Manual, as may be modified from time to time (the "Rate Manual"). The foregoing notwithstanding, nothing in the Rate Manual shall in any way conflict with or supersede any express provision of this Agreement.
- b) In determining the Collection Rates, the County shall consider fairness to both Contractor and the Customers. Reasonable costs incurred by Contractor pursuant to this Agreement shall be determined by the County, after consultation with Contractor, during the rate

review process.

- c) The maximum Collection Rates that Contractor may charge Customers within the Franchise Area for collection, Recycling, and disposal services are the Collection Rates approved by the County for Solid Waste collection pursuant to this Agreement as set forth in **Exhibit B**. Nothing in this Agreement precludes Contractor from charging rates less than the maximum rates fixed by the County.
- d) Absent a Change in Applicable Law and except as provided herein, adjustments to the Collection Rates may not be passed through to Customers in the Franchise Area more than once in any calendar year unless otherwise approved by the County.
- e) Following consultation with the Contractor and examination of industry norms and trends, the County, in its sole discretion, shall determine the method of determining Contractor profitability.

8. RATES.

- a) The Collection Rates that apply to Basic Services are set forth in **Exhibit B**.
- b) The Collection Rates are subject to annual adjustments in accordance with the Rate Manual, unless otherwise specified herein and below.
- c) Maximum Allowed Collection Rates. Maximum Rates for Residential and Commercial Collection are set forth in **Exhibit B**.
- d) Annual Adjustment of Collection Rates for Change in CPI. The Maximum Collection Rates in **Exhibit B** shall be adjusted on January 1, 2027, and each January 1 thereafter of each year during the Term hereof in accordance with one hundred percent (100%) of the change in the Consumer Price Index ("CPI") for the preceding year, measured from August to August. "CPI" means U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: Water and Sewer and Trash ("WST") Collection Services in U.S. City Average [CUUR0000SEHG], as published by the United States Department of Labor, Bureau of Labor Statistics. The maximum adjustment in any year for a change in CPI shall be 4.5% per year, and any additional amount above the 4.5% shall roll over into the following year only to be included in that year's annual adjustment, provided, however, that the annual adjustment in any year shall not exceed 4.5%. The roll over amount for any year over year change in CPI shall be included in the process for review of Contractor's Collection Rates pursuant to the Review and Adjustment process set forth in Section 8(e) below. Notwithstanding the foregoing, in any year there is a rate review under Section 8(e) below Contractor shall not be entitled to a CPI adjustment in that year.
- e) Review and Adjustment of Collection Rates in Agreement Years 1 (2027), 7 (2033), and 13 (2039). The review shall be conducted consistent with the County's Rate Regulation Manual utilizing operating margin guardrails of 12 percent (12%) to 15 percent (15%). If

the Contractor's operating margin in the years preceding the rate review falls below 12% or above 15% then the rates will be adjusted to reflect an operating margin of 14%. Pursuant to Section 8(d) above, for the interim years between reviews and adjustments of rates conducted in Agreement Years 1 (2027), 7 (2033), and 13 (2039), Contractor shall receive annual rate adjustments based on the change in CPI, as set forth in Section 8(d).

- f) Rate applications shall be prepared in accordance with such forms and in such detail as required by the County. Rate application forms and associated guidelines and instructions are contained in the Rate Manual approved by the County. The foregoing notwithstanding, nothing in the Rate manual shall in any way conflict with or supersede any express provision of this Agreement.

All rate applications shall include information from the previous approved rate change to the present, or such other period of time as is selected by the County. In accordance with the provisions of paragraph 9(e), Contractor shall submit a detailed rate application, accompanied by an audited financial statement covering the entire period specified in the County's Rate Methodology Manual together with supporting documentation as required to segregate its County regulated activities from other business activities. The Director may, in writing, allow the rate application to be submitted without an audited financial statement provided the Director is satisfied that the level of verifiable detail allows for adequate assessment of the Contractor's income, expenses, assets and liabilities.

- g) Rate changes may be initiated by County at any time or by Contractor under the conditions allowed in this Section. In either case, Contractor shall prepare a rate application in accordance with the requirements of this Section and the County's Rate Manual. If the rate change is initiated by County, the Contractor shall submit its rate application to County within 60 days of County's notice to Contractor. Expenses incurred by Contractor for preparing the rate application pursuant to this Section will be treated as allowable pass-through costs for rate setting purposes to the extent such costs are properly accounted for in the rate applications(s) submitted by Contractor. If the rate change is initiated by Contractor, it shall be submitted no more than once a year under normal operating conditions. The date of Contractor initiated applications shall be standard, year by year; such dates have been mutually determined by the Parties and incorporated into the rate setting schedules in the Rate Manual.
- h) Change in Applicable Law. At any time during the term of this Agreement, if the Contractor provides written notice to the Director that a Change in Applicable Law has increased or will increase Contractor's costs to perform Services under this Agreement, the Director and Contractor's authorized representatives shall meet and confer to determine the extent of the financial impact of the Change in Applicable Law on Contractor's performance of Services. If the Director reasonably determines that any Change in Applicable Law will result in Contractor incurring additional costs to perform services hereunder, the Director will determine the amount of adjustment, if any, to be made to Collection Rates in accordance with Section 8(e), and whether any modifications to the performance of Services must be made as a consequence of the Change in Applicable Law.

Any rate adjustment approved by the Director under this Section 8(h) is separate from and in addition to adjustments under Section 8(d), the Rate Year 1 (2027), 7 (2033), and 13 (2039) Rate Reviews conducted in accordance with Section 8(e), and any changes in Collection Rates for modified or additional programs or under Section 11(c). The amount of the actual Collection Rate adjustment under this Section 8(h) will ultimately be determined by the County in its reasonable discretion.

- i) Extraordinary Adjustments. In the event that Contractor must make significant changes in its operations or experiences significant changes in costs or revenue not under its control, Contractor may submit an extraordinary rate application. Contractor shall provide documentation for the need for such rate application relative to those extraordinary changes as provided for and described in the County's Rate Methodology Manual. The application will thereafter be reviewed by County staff and scheduled for consideration by the Board.

9. OPERATION BY CONTRACTOR.

- a) Carts and Equipment. Contractor shall furnish all necessary equipment (including but not limited to providing wheeled carts with lids to Customers for garbage, recyclables and organic waste for curbside service provided pursuant to this Agreement. Customers subscribing to backyard collection shall provide their own 20, 32 or 45-gallon containers for garbage. Contractor shall maintain its equipment in good repair and working condition at all times.
- b) Trucks. In performing services under this Agreement, Contractor shall use trucks with covered, water-tight truck bodies constructed of sufficient strength to withstand a fire within the body without endangering adjacent property. Contractor shall keep trucks, debris boxes and similar equipment in good repair, and Contractor shall cause them to be cleaned as needed. Contractor shall cause carts and bins to be cleaned prior to delivery to Customers and repaired or replaced as needed. Contractor shall repair or replace carts and other Contractor supplied containers when drivers or Customers identify specific containers as either missing or in disrepair. Contractor shall use due care to prevent Recyclable Material and Solid Waste from being spilled or scattered during collection or transportation. If any material is spilled, Contractor shall promptly clean up all spilled materials. Each collection vehicle shall carry a broom and shovel at all times. Contractor shall cause its name to appear on the side of each truck and on each drop box, bin and similar equipment provided by Contractor.
- c) Provisions of Labor. Contractor shall provide all labor necessary to carry out the services required of it under this Agreement.
- d) Public Education and Outreach. Contractor shall collaborate with and act at the direction of the County on matters pertaining to the development and implementation of public education and outreach materials to raise awareness of Customers. Contractor shall send to County copies of any notices and other informational materials intended to be sent to

Customers at least fourteen (14) days in advance of the respective intended distribution date, unless a shorter review period is approved in advance by the Director. At least once every calendar year, Contractor shall develop and distribute notices and other informational materials for Customers about existing services. Contractor shall, if required by the Director, develop and distribute one additional notice or other informational material for Customers about existing services once per calendar year. Contractor shall develop and distribute additional materials for Customers pertaining to Recycling services when deemed necessary by the Director following consultation with CalRecycle to maintain or achieve higher participation levels in the Recycling program. The form and content of all notices and other informational materials intended to be sent to Customers shall be subject to the prior review and approval of the Director, which approval shall not be unreasonably withheld.

- e) SB 1383 Compliance Reviews. Subject to compliance with Applicable Law governing data security and privacy rights, including, without limitation, the California Consumer Privacy Act of 2018 (Civ. Code, § 1798.100 et. seq.), Contractor shall, upon County's request, assist County with its annual compliance review of Commercial and Multi-Family Customers as set forth in 14 CCR Section 18995.1(a)(1)(A) and investigations of complaints as set forth in 14 CCR Section 18995.1(a)(3). Any such compliance review shall mean a "desk" review of records to determine the Commercial/Multi-Family Customer's compliance with 14 CCR Section 18984.9(a). Notwithstanding the foregoing and unless otherwise provided in the Agreement, Contractor shall not have any obligation to inspect the premises of any Customer or pursue any enforcement action related to, or arising out of, 14 CCR Section 18995.1, Section 18995.3, and Section 18995.4, which remain the sole obligations of County pursuant to Applicable Law.
- f) SB 1383 Waivers. A commercial business as defined in County Ordinance Code Chapter 418-20 may be exempted from the obligation to comply with some or all of the Organic Waste Disposal Reduction Requirements, if: (i) the commercial business applies for a waiver in accordance with Section 418-20.210 and (ii) the Director finds that the commercial business generates a de minimis amount of waste or the Director finds that the business or property owner lacks sufficient space on the premises to accommodate the carts utilized in the organics waste collection service available.

Contractor shall use reasonable efforts to assist County to verify that Commercial and Multi-Family Customers' waiver requests meet the applicable requirements under County Ordinance Code Chapter 418-20. When County grants a waiver to a Customer, County shall notify Contractor of any such waiver granted by the County within seven (7) business days.

- g) Annual Reviews. Annually, Contractor shall conduct route reviews of Customers for compliance with the SB 1383 regulatory requirements pertaining to container monitoring. These route reviews may be performed concurrently with the contamination monitoring reviews, provided that Contractor documents a reasonable sampling of Customers for which compliance was assessed during the route review.

10. LIMITATION ON TIME AND MANNER OF COLLECTION. Contractor shall systematically collect Solid Waste, and to the extent required by this Agreement, materials for Recycling from its Customers. Frequency, place of pickup (e.g. curbside, backyard, etc.) or any other manner of collection shall be subject to the review and approval of the Director. To avoid conflicts with other related services, such as street sweeping, any proposed change in collection service days shall be requested in writing and subject to review and approval of the Director. Such approval shall not be withheld without cause. Upon commencement of service and upon changes in collection day schedules, Contractor shall provide each Customer with notice of the scheduled collection day ten (10) days in advance of the date of the implementation of the change. Contractor shall not collect Solid Waste from an inhabited dwelling or dwelling unit between the hours of 7:00 PM and 6:00 AM (unless otherwise directed by the Director). Residents may report missed pick-ups by calling the phone number provided by the Contractor. Contractor shall return and make missed pick-ups no later than the following working day.

11. CUSTOMER SATISFACTION, AB 939 AND COUNTY-DIRECTED CHANGES.

- a) From time to time, at its discretion, County may examine Contractor's operation in order to evaluate whether the Contractor is operating at a satisfactory level of efficiency and customer satisfaction. Contractor agrees to cooperate in any such examination and shall permit County representatives to inspect, at Contractor's principal place of business, such information pertaining to Contractor's obligations hereunder as County may require, including, but not limited to, such things as customer inquiry records, collection routes and equipment records. Access to Contractor's records shall be subject to Section 6 (Contractor's Duty to Maintain Records; County's Right to Examine Records).
- b) Notwithstanding any contrary provision in this Agreement, the County shall have the right to direct Contractor to compile and provide information, develop plans for and/or conduct programs on alternative methods of and manage collected Solid Waste and Recyclable Material, or to take any other action requested by the County for the purpose of meeting the source reduction, recycling and composting requirements of the California Integrated Waste Management Act, and any other applicable federal, state or local laws regarding Solid Waste and Recyclable Material collection, recycling and disposal, including, without limitation, the County's Materials Diversion Ordinance, and Mandatory Subscription Ordinance.

Subject to Applicable Law, including but not limited to provisions of Public Resource Code Section 40059.1, Contractor shall indemnify, defend, and hold the County harmless from and against any and all liability to the State of California for the County's noncompliance with the requirements of the California Integrated Waste Management Act, as determined by CalRecycle, due in whole or part to the material failure of Contractor to properly carry out the reasonable directives of the County to Contractor regarding collection and disposition of Solid Waste and Recyclable Material; provided, however, that Contractor shall not be obligated to carry out any such directive, nor indemnify the County from any resulting liability if the County does not treat Contractor's reasonable costs (including profit) associated with carrying out such directives as allowable for rate setting purposes

to the extent such costs are properly accounted for in the rate applications(s) submitted by Contractor in accordance with the requirements of this Agreement. Contractor's obligations in this paragraph shall survive the termination or expiration of this Agreement

- c) County has the authority to require changes to the services Contractor performs under this Agreement to implement new programs or modify existing programs relative to the scope and methods of providing collection services, as may from time-to-time be necessary and desirable, as determined by the County. County will provide Contractor with written notice of any proposed change to services Contractor performs, and, promptly thereafter, the Director and the Contractor's authorized representatives shall meet and confer in good faith concerning those matters. County agrees that it will adjust Collection Rates to reasonably reflect any additional costs that will be incurred by Contractor to implement the new programs or requirements. The amount of the actual Collection Rate adjustment will ultimately be determined by the County in its reasonable discretion. Any adjustment to the Collection Rates under this Section shall be separate from and in addition to any changes to the Collection Rates under Sections 8(d), 8(e), and 8(h) of this Agreement. Contractor agrees not only to do those things specified herein, but also to act at the direction of the County on other matters that may be necessary for the success and efficiency of the program, such as public information and notification.

12. **CUSTOMER SERVICE STANDARDS.** Contractor shall provide prompt, efficient, continuous and professional service to its Customers. Contractor shall use its best efforts to assure that all employees, owners and partners conduct themselves in a courteous manner. Contractor shall have a phone system with sufficient capacity to promptly respond to telephone calls for at least 8 hours a day during weekdays, excluding those holidays observed by Contractor, plus a 24-hour answering service. All vehicles shall be radio equipped. Telephone numbers for customer service shall be located in the local telephone directory. All telephone lines for customer service shall be toll free to Customers. The Contractor's call center shall continue to remain local. Collection of solid waste from a subscribing customer shall not be refused without leaving behind a clearly written explanation of the reason on the container.

At least once every three years and not less than six months prior to an application for contract renewal, assignment or extension of term, Contractor shall conduct a representative survey or surveys of Customers within the Franchise Area to determine satisfaction with service, including, without limitation, response to customer complaints. The survey methodology, sampling size, format and content shall be subject to the prior review and approval of the Director. A copy of the survey results shall be sent to the County within sixty (60) days of completion of the survey. Nothing in this paragraph shall limit the right of the County to conduct additional surveys. The Contractor shall cooperate with the County in such cases.

Upon initiation of service under this Franchise Agreement, and at least once a year, Contractor shall send or deliver to Customers information concerning the conditions of service, including, but not limited to, rates, fees, charges, service options, payment options, discounts (if any), days of collections, the amount and manner of refuse to be collected, service level and

inquiry/complaint procedures, including the name, address and local telephone number of Contractor and the name, address and telephone number of the County Conservation and Development Department. The form and content shall be subject to the review and approval of the Director.

13. **CUSTOMER COMPLAINTS.** Contractor shall develop and implement policy and procedure for responding to and recording Customer complaints, including dispute resolution. The policy and procedure shall be subject to the approval of the Director.

In the event that any Customer reports to the County a dispute as to rates charged or a complaint or claim for a damaged container or any other matter that has not been resolved to the Customer's satisfaction, the County may require Contractor to present a detailed report outlining the nature of the dispute, complaint or claim and remedies proposed and action to be taken to resolve said dispute, complaint or claim. If, in the opinion of the County, the Contractor's proposed remedies and actions taken are insufficient to adequately resolve the dispute, complaint or claim, the Director, or designee, shall meet with the Contractor's authorized representative and mutually agree on an appropriate remedy to resolve the dispute, complaint or claim. The County shall maintain a written record of all such disputes, complaints or claims and actions taken to resolve or mitigate such disputes, complaints or claims. In the event that the parties hereto are unable to reach agreement on such an appropriate remedy for the complaint, then the County shall direct the Contractor to take such action as the County reasonably believes to be prudent under the circumstances.

14. **BILLING.**

- a) The form and content of Customer bills shall be subject to the review and approval of the Director. The Contractor shall provide written notification of any proposed changes to the form and content of Customer bills at least thirty (30) days in advance.
- b) Bills for services shall at a minimum conform to the standards and practices of billings for Solid Waste collection, disposal, and recycling services applicable in West Contra Costa County and may be monthly, bi-monthly or quarterly. Contractor may bill its Customers in advance or in arrears. The County may establish billing period options for Customers upon a finding that such options are cost-effective and meet a community need.
- c) Full payment for drop boxes may be required by Contractor prior to delivery of the drop box to the Customer.
- d) The County shall have the right to direct the Contractor to change or alter its billing system in which event the marginal additional expenses incurred by the Contractor in the implementation of the change, with regard to the accounting, printing, mailing, loss of use of funds, or otherwise, shall be recoverable by the Contractor through the rates allowed by the County provided such expenses are reasonable.
- e) Contractor shall inform Customer of all rate changes at least 30 days prior to their effective

date. The form and content of rate change notices shall be subject to the review and approval of the Director. A copy of such notice shall be provided to County at the time of Customer notification.

- f) Contractor shall accommodate placement of messages requested by the County on Customer bills and arrange for the inclusion of printed inserts subject to the direction and approval of the Director. County shall notify Contractor six (6) weeks in advance of requesting placement of billing inserts in or messages upon bills. Contractor shall not be obligated to include printed inserts or messages provided by the County less than three (3) weeks before the bill distribution date.

15. **RECYCLING.** County grants to Contractor the right and obligation to operate Recycling programs, including curbside pickup of Recyclable Material, as determined and designated by County.

Contractor has instituted and implemented a Recycling program that includes mandatory Recycling with regular pickup of Recyclable Material at all single and multi-family residences, (including apartments and condominiums) and businesses. These Recycling services and a list of the Recyclable Material currently collected for Recycling are set forth in **Exhibit B**. This program is currently operating to the satisfaction of County; however, County has the right at any time to modify said program or require new programs as provided for in Section 11(c) hereof.

Contractor shall maintain and provide to the County records relating to its Recycling programs as directed by the Director. Unless otherwise required by the Director, Contractor shall provide the County with quarterly reports on the Recycling program, which will include:

- a) Participation level (i.e., the number of residences and businesses setting out recycling and green waste carts for collection), which may be based on averages or sampling method acceptable to Contractor and the Director.
- b) Quantity of materials collected for Recycling, composting or disposal, in tons, by type of Recyclable Material (e.g., newspaper, glass, plastic, metal, yard waste, municipal solid waste, etc.), totaled by month.
- c) Upon request of the Director, Contractor shall report quarterly revenues received for each type of Recyclable Material and for all Recyclable Material collected.

Expenses incurred by Contractor to prepare and submit reporting data required by the County pursuant to this Franchise shall be treated as allowable for rate setting purposes to the extent such costs are properly accounted for in the rate application(s) submitted by Contractor.

16. **SERVICES FOR PUBLIC FACILITIES.**

- a) Contractor shall collect and remove for disposal and Recycling all Solid Waste and

Recyclable Material from County buildings, street cans, and other public purpose facilities that are owned, operated, or occupied by the County and identified on **Exhibit C**, attached hereto and incorporated herein. The service described in this Section 16 will be provided without charge to County. The Director may change **Exhibit C** from time to time to incorporate changes in any of the services or locations described therein.

- b) Contractor shall collect and remove for disposal and recycling all Solid Waste from specified locations within the public right-of-way and from designated properties being abated by the County upon the request of the Director or designee. The services to be provided pursuant to this Section 16 are more fully described in **Exhibit C**.
 - 1. Contractor is not obligated to provide abatement services unless and until the costs of the services are included in the Collection Rates.
 - 2. After the cost of a service described in Section 16(b)(1) is included in the Collection Rates, Contractor will provide the service at no charge to the County.
- c) Expenses incurred by Contractor in performing services pursuant to this Section 16 will be treated as allowable for rate setting purposes to the extent such costs are properly accounted for in the Rate Application(s) submitted by Contractor.

17. ON-CALL & SCHEDULED CLEAN-UPS.

- a) Unless otherwise determined by the Director, in each year of this Agreement, Contractor shall perform the following services for each residential Customer in the Franchise Area that lives in a single-family home or multi-family residential dwellings of up to four units, on an on-call basis, upon request of the Customer: (i) one curbside general clean-up collection of bagged material, with each collection consisting of up to two cubic yards (i.e., up to fifteen 32-gallon bags), and (ii) one curbside pickup of up to two (2) Bulky Items or electronic waste items. Additionally, one scheduled general clean-up collection of bagged material, with each collection consisting of up to two cubic yards (i.e., up to fifteen 32-gallon bags). The services to be provided pursuant to Section 17 are more fully described in **Exhibit B**.
- b) Contractor shall submit quarterly reports to the Director indicating (i) the number of curbside general clean-ups performed during the reporting period, and (ii) the number of curbside pickups of bulky or electronic waste items performed during the reporting period. Expenses incurred by Contractor in performing services pursuant to this Section 17 will be treated as allowable for rate setting purposes to the extent such costs are properly accounted for in the Rate Application(s) submitted by Contractor.
- c) The scope and frequency of collection services provided pursuant to this Section 17 may be changed from time to time at the direction of, or with the approval of the Director and without the need to amend this Agreement.

18. PARTICIPATION IN COMMUNITY CLEAN-UPSError! Bookmark not defined..

- a) Upon the request of the Director, Contractor shall provide Solid Waste debris boxes or equivalent containers for community clean-up events or other clean-up projects within the Franchise Area, as specified in **Exhibit C**. Contractor is not obligated to provide more than the equivalent of eleven (11) 20-cubic-yard debris boxes per year in the Franchise Area pursuant to this Section, as long as the Franchise Area is not expanded.
- b) Expenses incurred by Contractor in performing services pursuant to this Section, if properly documented in the Rate Application(s) submitted by Contractor, shall be treated as allowable for rate setting purposes.

19. DISPOSAL AND WASTE STREAM CONTROL. Contractor shall be solely responsible for the procurement of the post-collection processing, Disposal, and Recycling of the Solid Waste collected pursuant to this Agreement. County has complete authority and control over the Franchise Area waste stream.

- a) County may, at its sole discretion upon providing 60 days' advance notice to Contractor, direct the Solid Waste collected under this Agreement to be delivered to any site or facility of County's choosing. This shall include the right of the County to direct the Solid Waste to be delivered to any County designated transfer station, disposal site, transformation facility and/or resource recovery facility. It is understood that County may contract with any party, public or private, to commit the waste stream from the Franchise Area, and that Contractor's contracts may not bind County, nor need County consider such other contracts for any purpose.
- b) Notwithstanding the above, Contractor may propose, and County may but need not consider, waste management and/or disposition alternatives which are cost effective. In determining or comparing costs, County shall consider all relevant factors, including but not limited to, transportation costs, closure and post closure requirements, costs and liabilities, disposal fees, fees levied by governmental entities, including benefits to Contractor's customers from paying such fees, costs of compliance with ordinances and other local requirements, and long-term costs, including degree of control over future costs.

20. MISCELLANEOUS OBLIGATIONS OF CONTRACTOR. Contractor shall assist County in its enforcement of its mandatory subscription ordinance by providing County with the addresses of properties not subscribing to collection service within the Franchise Area and by providing collection service to such properties upon written request by the County. Contractor shall cooperate with County in developing a process in the service area for implementing the ordinance in its current or future form.

21. FRANCHISE FEE.

- a) Contractor shall pay the County an amount equal to a percentage of Contractor's Gross

Annual Revenues (such amount, the "Franchise Fee"). The Franchise Fee is payable at the time and frequency established by the Director from time to time. For purposes of this Agreement, "Gross Annual Revenues" means all money generated by Contractor's operation in the Franchise Area in a particular year, before deduction for expenses.

- b) The Franchise Fee is equal to seven percent (7%) of the Contractor's Gross Annual Revenues.
- c) Subject to applicable legal limitations, the County may adjust the Franchise Fee. Any adjustment to the Franchise Fee will be effective on the earlier to occur of (1) the effective date of a change in the rate(s) Contractor charges Customers, if the changed rate incorporates the adjusted Franchise Fee; or (2) the first day of the second calendar month immediately following the approval of the County's Board of Supervisors of a Collection Rate that incorporates the adjusted Franchise Fee.
- d) Franchise Fees shall be considered reasonable costs and subject to "pass-through" if properly accounted for pursuant to Section 8, Rate Applications and the Rate Manual.

22. **HAZARDOUS WASTE.** The parties hereto recognize that federal, state and local agencies with responsibility for defining hazardous waste and for regulating the collection, handling or disposing of such substances are continually providing new definitions, tests and regulations concerning these substances. Under this Agreement, it is Contractor's responsibility to keep current with the regulations on such substances and to identify such substances and to comply with all federal, state and local regulations concerning such substances.

Contractor agrees to provide to County upon its request, Contractor's program for identifying hazardous waste and complying with all federal, state and local statutes and regulations dealing with hazardous waste.

Contractor shall make every reasonable effort to prohibit the collection and the disposal of hazardous waste in any manner inconsistent with applicable law.

23. **PRELIMINARY DISPUTE RESOLUTION.** If Contractor has a question as to the interpretation of this Agreement, it shall submit a written request to the Director for a determination of the issue. The Contractor shall provide and submit such information as the Director may request or require to make the requested determination. The written determination of the Director on such interpretation, as with any other determination by the Director, may be appealed to the Board of Supervisors pursuant to Ordinance Code Chapter 14-4.

24. **FAITHFUL PERFORMANCE BOND.** Contractor shall submit to County simultaneously with the execution of this Agreement a corporate surety bond in the amount of \$1 million, to ensure Contractor's faithful performance hereunder; provided however, that the Board may increase this amount not more often than every three years to reflect changes in the Consumer Price Index for All Urban Consumers for the San Francisco Bay Area. Within 10 days of receipt of notice of an adjustment, Contractor shall submit to County a new corporate surety bond in the

adjusted amount. Each corporate surety bond shall be executed by a surety company licensed to do business in the State of California and acceptable to County. Each corporate surety bond shall be approved by County and shall be payable to County. The condition of each corporate surety bond shall be that Contractor will faithfully perform the duties imposed by ordinance, this Agreement, the rules and regulations of County, and all Applicable Laws. Any action by County to proceed against the bond shall not limit or affect the right of County to use other remedies available to County under the Agreement, or to seek a remedy in state or federal court with jurisdiction over the parties and the subject matter of litigation. Notwithstanding the foregoing. Notwithstanding the foregoing, in lieu of the corporate surety bond, Contractor may provide to County a letter of credit, cash bond, or other security acceptable to the County Administrator's Office and in a form satisfactory to the County.

25. **INSURANCE.** Contractor shall procure and maintain in full force and effect at all times during the entire term of this Agreement the following insurance coverage:

- a) Commercial general liability insurance including property damage, pollution, completed operations, products, contractual liability, broad form property damage, and personal injury with such coverages and limits as may be reasonably requested by County from time to time, but in no event with limits not less than the sum of \$5 million combined single limit for each occurrence, and \$10 million aggregate, arising from the services as stated in the Agreement herein. County shall be named as an additional insured via a blanket-form endorsement under such Commercial general liability insurance policy, if commercially available.
- b) Commercial automobile liability insurance including owned, hired and non-owned automobiles with limits not less than the sum of \$5 million combined single limit for each occurrence arising from the services as stated in the Agreement herein. County shall be named as an additional insured via blanket-form endorsement under such Commercial automobile liability policy.
- c) Contractor shall carry workers' compensation insurance for all its employees.
- d) Evidence of commercial general liability, commercial automobile liability and workers' compensation insurance as required herein shall be provided by Contractor by filing with County an ACORD 25 certificate of insurance supplemented with the applicable blanket-form endorsements providing that County is endorsed as an additional named insured if commercially available under the liability policy. All policies required herein, except workers' compensation, shall include a blanket-form notice of cancellation endorsement provision that written notice of cancellation, non-renewal or any material change shall be delivered to County thirty (30) days in advance of the effective date thereof. No cancellation, nonrenewal alteration or material change shall be made without thirty (30) days prior written notice to County.
- e) County reserves the right to examine all policies to ensure appropriate conformity to prevailing practices and standards of the insurance industry.

- f) All policies of insurance required under this Agreement shall be obtained from a company or companies authorized to do business in the State of California and rated A- VIII, or higher, by A.M. Best. Failure of Contractor to maintain insurance in the manner and amount stated herein and as directed by County Administrator, subject to approval of the Board, will constitute a material breach of this Agreement.

26. INDEMNIFICATION.

- a) All work and performance covered by this Agreement is at the risk of Contractor.
- b) Contractor shall save, indemnify, defend, and hold harmless the County, its officers, employees, agents and assigns against any and all liability, cause of action, claims, judgments, or demands, including demands arising from injuries or deaths of persons or damage to property, costs, expenses, and damages, including attorney's fees and attorney's fee awards (collectively, "**Liabilities**" for the purposes of this Section) arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor pursuant to this Agreement, including but not limited to any Liabilities connected with any legal challenge connected with fees paid by customers within the Franchise Area subject to the provisions of Public Resources Code Section 40059.2, and save and except claims or litigation arising through the sole negligence or sole willful misconduct of County; and Contractor shall make good to and reimburse County for any expenditures, including reasonable attorney's fees, that County may make by reason of such matters and, if requested by County, shall defend any lawsuit at the sole cost and expense of Contractor. This Section 26(b) shall survive the termination or expiration of this Agreement.
- c) Should any third party successfully challenge the validity of this Agreement, as determined by a Court of competent jurisdiction in a final judgment, the procedure by which this Agreement was entered into or the validity of any County ordinance that authorizes the County to enter into this Agreement, then in such case the Contractor shall have no cause of action for damages or any other relief against County as a result of such successful third-party challenge.
- d) Contractor has the right to defend this Agreement and the County. The County shall fully cooperate and assist Contractor in Contractor's defense of the County or of the validity of the Agreement but has no independent duty to Contractor to defend the validity of this Agreement or any provision hereof. The County will provide timely written notice to Contractor of County's receipt of any claim or action affecting this Agreement.

27. ATTORNEY'S FEES. In the event of litigation or actions to enforce the terms and conditions of this Agreement between the parties arising hereunder, each party shall pay its own litigation expenses, including attorney's fees, except to the extent that any provision of this Agreement, including but not limited to Sections 6(h) and 26, expressly provides otherwise.

28. **FORCE MAJEURE.** The time period(s) specified for performance of the provisions of this Agreement shall be extended because of any delays due to unforeseeable causes beyond the reasonable control of either Party and without the fault or negligence of the Contractor, including, without limitation acts of God or of the public enemy, severe weather, fires, earthquakes, floods, epidemics, pandemics, quarantine restrictions, government emergency orders, riots, freight embargoes, the first five days of any labor disruption or strike, wars, and/or acts of any governmental agency, including County.

Contractor shall use commercially reasonable efforts to provide written notice to the County as soon as practicable after commencement of a delay in performance for Force Majeure, but in no event later than ten (10) days after commencement of such delay, to notify the County of the nature of the delay, the cause(s) of the delay, and the anticipated duration of the delay. In the event of a delay due to Force Majeure, it shall be the responsibility of Contractor to exercise commercially reasonable efforts to mitigate interruptions to services and/or any potential damages as is feasible under the circumstances.

As used herein, “**labor disruption**” means a work stoppage or slowdown, sickout, picketing, refusal to work, or other concerted action by or including Contractor’s employees, due to picketing or labor action by union affiliates and/or third parties, which precludes Contractor from completing routes on the scheduled collection day(s) due to the unplanned absences of Contractor’s employees who refuse to work or are participating in a strike or concerted action or other labor disruption.

29. **ASSIGNABILITY.** Contractor shall not sell, assign, subcontract or transfer this Agreement or any part hereof, or any obligation hereunder, without the written consent of County, which shall be within County’s reasonable discretion to provide. The term “assignment” shall include any dissolution, merger, consolidation or other reorganization of Contractor, which results in change of control of Contractor, or the sale or other transfer by probate proceeding or otherwise of a controlling percentage of Contractor’s capital stock to a person or entity not a shareholder on the date of the execution of this Agreement. Provided, however, that the term “assignment” does not include internal business reorganizations, name changes, transfer to an Affiliated Entity or formation of new companies by Contractor, formation of trusts by Contractor or transfer of any interest of Contractor as a result of death, disability or estate planning by one or more of the principals of Contractor, so long as essential management decisions are retained by a majority of the current controlling interests of the Contractor, shareholders of Contractor or their children, their spouses and relatives of the first degree of consanguinity.

Consent to assignment may not be unreasonably withheld. Following a properly noticed public hearing, County may assign or transfer any or all of its rights under this Agreement without the consent of Contractor to any legally authorized public entity.

30. **INVOLUNTARY ASSIGNMENT.** No interest of Contractor in this Agreement shall be assignable by operation of law. Each or any of the following acts shall be considered an involuntary assignment providing County with the right to elect to terminate the Agreement forthwith,

without suit or other proceedings:

- a) If Contractor is or becomes insolvent, or makes an assignment for the benefit of creditors;
- b) If Writ of Attachment or Execution is levied on this Agreement or other property of Contractor such that would affect Contractor's ability to perform its duties and obligations under this Agreement.
- c) If in any proceeding to which Contractor is a party, a Receiver is appointed with authority to take possession of Contractor's property such that would affect Contractor's ability to perform its duties and obligations under this Agreement.
- d) Except as otherwise provided herein, in the event of a probate proceeding where the rights of Contractor under the Agreement would pass to another individual or other individuals.

31. **NOTICE PROVISIONS.** Any notice required or permitted under this Agreement shall be in writing and shall be deemed to have been given (a) on the delivery date, if delivered personally, (b) on the next business day, if sent by overnight carrier with delivery charges prepaid for next day delivery, or (c) five days after mailing, if mailed by certified U.S. Mail, return receipt requested, with postage prepaid. All notices shall be addressed to the receiving party as follows:

To Contractor:

Crockett Sanitary Service, Inc.
Attn: General Manager
3260 Blume Drive, Suite 115
Richmond, CA 94806

To County:

Contra Costa County
Department of Conservation and Development
Attn: Director of Conservation and Development
30 Muir Road
Martinez, CA 94553

Each party will also endeavor to email a courtesy copy to counsel for the other party, but an emailed courtesy copy of a notice does not substitute for providing notice in the manner required by this section. Either party may change its address for notices by providing notice to the other party in accordance with this section at least 10 days before the new address becomes effective.

32. **ANNEXATION AND CHANGE OF FRANCHISE AREA BOUNDARIES.** Contractor shall give notice to County by January 30 of the next calendar year of any geographic area in the Franchise Area or immediately contiguous to the Franchise Area, in which Contractor has commenced service within the preceding year, notwithstanding whether Contractor deems that area to be regulated or unregulated.

Contractor realizes that the public agency boundaries may be altered by virtue of actions taken by the Contra Costa County Local Agency Formation Commission (LAFCO). Contractor agrees that should a municipal corporation lawfully annex territory which is within the Franchise Area, County may make such alterations to the Franchise Area as the annexation necessitates. Should the Franchise Area boundaries be amended, Contractor agrees that it will abide by any change resulting from the Franchise Area change. Contractor agrees that the Board of Supervisors may make such alterations to the Franchise Area as are necessitated by such Local Agency Formation Commission actions, excepting any LAFCO action initiated by County, and shall have no right or claim to damages or other relief against the County for such alterations to the Franchise Area. However, nothing herein shall abrogate Contractor's rights under Public Resources Code Section 49520 or any successor or similar statute.

33. **AFFILIATED ENTITIES' CHARGES.** For the purposes of rate review with respect to Contractor's costs and rates, Contractor shall provide information necessary to reasonably satisfy County that the charges made by any Affiliated Entity are reasonable. Charges which are equal to or less than the least costly alternative shall be deemed reasonable hereunder.

34. **BREACH AND TERMINATION.** The Director shall have authority, subject to Contractor's right to cure and review by the Board of Supervisors upon appeal, to determine whether a breach of any provision of this Agreement by Contractor has occurred. Any waiver of a breach shall not be deemed to be a waiver of any subsequent breach or to be construed as approval of a course of conduct. In the event that the Director determines that a breach has occurred, County shall give Contractor written notice of the matter constituting the breach or default. Contractor shall have 30 days from the date of said notice, or a reasonable period of time as determined by the County if the County determines 30 days is not sufficient under the circumstances, to cure the breach or default; provided, however, for any breach or default that cannot reasonably be cured within said 30-day period or such other longer period as may be determined by the County, Contractor shall commence to cure the breach or default within said period and shall continue thereafter to diligently take steps to cause the breach or default to be cured within a reasonable time thereafter. In the event the breach or default is cured to the satisfaction of the Director within the period of time allotted, the breach shall not be deemed a material breach the breach or default shall be deemed cured and resolved. In the event that the Director determines that Contractor has failed to satisfactorily cure the breach or default as provided in this Section, the Director may determine such breach or default to be material.

Multiple or repeated breaches, or a pattern of breaches and subsequent attempts to cure said breaches, by Contractor shall provide an adequate basis for the Director, in the Director's sole discretion, to declare any subsequent breach to be material, notwithstanding whether that

breach is ultimately cured by Contractor.

If such a determination of material breach is made, the Director's determination shall be automatically appealed to the Board of Supervisors for final action.

A material breach shall be cause for termination of this Agreement by the Board of Supervisors, in the reasonable discretion of the Board.

In the event of a termination pursuant to this Section, County shall have the right to temporarily assume the obligations of Contractor and shall have the right to forthwith take possession of all trucks and other equipment of Contractor and exercise Contractor's right to enter and use any disposal facilities for the purpose of performing the services agreed to be performed by Contractor herein until such time as County can make other arrangements for the performance of said services by another person or entity. However, such temporary assumption of Contractor's obligations under the Agreement shall not be continued by County for a period exceeding twelve (12) months from the date such operations are undertaken by County.

During any period in which County has temporarily assumed the obligations of Contractor under this Agreement, County shall be entitled to the gross revenue attributable to operations during such period and shall pay therefrom only those costs and expenses applicable or allocable to said period, including the reasonable rental value of the trucks and equipment to be paid to Contractor. County shall be entitled to the excess, if any, of revenue over applicable or allocable costs and expenses during such period. The loss, if any, during such period shall be a charge against Contractor, and shall be paid to County by Contractor on demand. Final adjustment and allocation of gross revenue, costs, and expenses to the period during which County temporarily assumed the obligations of Contractor shall be determined by an audit by a Certified Public Accountant and prepared in report form with his unqualified opinion annexed thereto.

Nothing in this Agreement shall prevent County during any period in which County temporarily assumes the obligations of Contractor under this Agreement, from employing persons who were employed by the Contractor for the collection of Solid Waste under this Agreement.

Upon the occurrence of a material breach and the declaration of such and termination of this Agreement by the Board of Supervisors, this Agreement and the franchise granted thereunder shall be of no further force and effect as of the termination date set by the Board, excepting these provisions concerning County's right to temporarily assume Contractor's obligations and to use Contractor's facilities upon early termination as provided herein, and further excepting the other terms of this Agreement that survive the termination of the Agreement. Upon the termination of this Agreement, County then shall be free to enter into whatever other arrangements are deemed justified and necessary for the collection, removal and disposal of Solid Waste within the Franchise Area.

Notwithstanding the foregoing, Contractor shall not be in breach or default under the terms of

this Agreement if such breach or default is due to events of Force Majeure, including war, insurrection, riots, floods, earthquakes, fires, acts of God, acts of a public enemy, epidemics, quarantine restrictions, or any other causes beyond the control or not the fault of Contractor, and such breach or default could not have been prevented by reasonable foresight on the part of Contractor.

35. **EMERGENCY.** Notwithstanding Contractor's exclusive franchise rights set forth in Section 4 (Exclusive Privilege and Duty), in the event of an emergency due to natural disaster which interrupts the collection of Solid Waste by Contractor, the Board of Supervisors shall have the right to declare a temporary suspension of this Agreement for the reasonable duration of the emergency and until such time as County determines that Contractor is able to reassume all obligations under this Agreement. Should Contractor fail to demonstrate to the satisfaction of the Board of Supervisors that required services can be resumed by Contractor prior to the expiration of a six (6) month period, this Agreement may be terminated at the direction of the Board. During the period of any suspension or termination of the Franchise Agreement under this section, the County shall have the right to assume Contractor's obligations pursuant to the Section 34.
36. **COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS.** Contractor shall comply with Applicable Law now in effect or as may be promulgated or amended from time to time by the Government of the United States, the State of California, the County and any other agency now authorized, or which may become authorized in the future, to regulate the services to be performed herein regarding the collection, removal and disposal of Solid Waste and recycling of material. The Applicable Law includes but is not limited to County Ordinance Code Chapter 418-6 (on mandatory subscription to Solid Waste collection service), and the County's Materials Diversion Ordinance. Contractor's reasonable costs of compliance shall be included in the Collection Rates allowed by County, as may be adjusted from time to time in accordance with the terms of this Agreement.
37. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement between the Parties pertaining to Contractor's collection and disposition of Solid Waste from within the Franchise Area, and this Agreement fully supersedes all prior written or oral negotiations and communications between the Parties leading up to this Agreement.
38. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any litigation arising out of this Agreement shall be filed in a state or federal court in California that has jurisdiction over the parties to and the subject matter of the litigation.
39. **AMENDMENT OR MODIFICATION.** This Agreement may not be amended or modified except in writing signed by the Parties hereto and following approval by County's Board of Supervisors, which shall be within its discretion to approve. The parties agree to meet and confer in good faith if amendments or modifications are proposed.
40. **POLICE POWERS.** Nothing in this Agreement is intended to or may limit County authority

pursuant to its police power.

41. **CONTEST OF AGREEMENT'S TERMS.** In the event either party to this Agreement attempts to challenge the validity of any portion of this Agreement, such action in attempting to challenge the Agreement shall constitute a material breach of this Agreement and the non-breaching party shall have the right to elect to terminate forthwith without suit or other proceeding.

This section shall not be construed to prevent either party from seeking redress from the courts for the purpose of legal review of administrative proceedings regarding rate setting or County actions taken pursuant to this Agreement, or for the purpose of interpreting or enforcing the provisions contained in this Agreement.

42. **SEVERABILITY.** In the event legal action is brought by a person or entity, other than the parties to this Agreement, to challenge, invalidate, contest or set aside any of the provisions of this Agreement, each and every term and condition, and each and every section and paragraph is severable from the remaining terms, conditions, sections, and paragraphs. The invalidation of any term, condition, section or paragraph as a result of a legal action, brought by a person or entity not a party to this Agreement shall not affect the validity or enforceability of the remaining provisions. However, if material provisions hereof are affected, the parties agree to negotiate in good faith to reach agreement on revisions which preserve the substance hereof to the greatest extent allowed by law.

43. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and that, when taken together, constitute one and the same instrument.

44. **SUCCESSORS; NO THIRD-PARTY BENEFICIARIES.** This Agreement shall be binding upon the Parties and their successors and assigns. However, this provision shall not be construed as an authorization to assign, transfer, hypothecate, or pledge this Agreement. Any assignment or transfer of this Agreement shall be governed by Section 29. Except to the extent this Agreement may expressly provide otherwise, nothing in this Agreement is intended to confer on any person other than the Parties and their successors and assigns any rights or remedies by reason of this Agreement.

45. **CONSTRUCTION.** The section headings and captions of this Agreement are, and the arrangement of this Agreement is, for the sole convenience of the Parties to this Agreement. The section headings, captions, and arrangement of this Agreement do not in any way affect, limit, amplify, or modify the terms and provisions of this Agreement. This Agreement shall not be construed as if it had been drafted by one of the Parties, but rather as if both Parties have drafted it. The Parties to this Agreement and their attorneys have read and reviewed this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this Agreement.

46. **WAIVER.** A waiver of breach of any covenant or provision in this agreement by either party shall not be deemed a waiver of any other covenant or provision in this Agreement, and no

waiver shall be valid unless it is in writing and executed by the waiving Party's authorized representative. The acceptance of any monies which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach or violation by the other party of any provision of this Agreement.

47. **GUARANTY.** Prior to the Effective Date, Contractor shall provide to the Director, proof of guaranty by Republic Services, Inc., of the performance by Contractor of each and every provision of this Agreement to be performed by Contractor. Proof of Guaranty shall be substantially in the form set forth in **Exhibit D**.
48. **SURVIVAL OF OBLIGATIONS.** Obligations of this Agreement which embody continuing obligations, including but not limited to Section 26 (Indemnification), shall survive the termination or expiration of this Agreement.
49. **ENTIRE AGREEMENT.** This Agreement represents the full and entire agreement between the parties hereto with respect to the matters covered herein, and there are no other agreements whether written or oral that are not included within this Agreement.

Exhibits:

- Exhibit A – Map of Franchise Area
- Exhibit B – Residential & Commercial Services and Maximum Rates
- Exhibit C – Services for County Designated Locations and Facilities
- Exhibit D – Guaranty
- Exhibit E – Liquidated Damages

[Remainder of page left blank. Signatures on next page.]

COUNTY OF CONTRA COSTA

CROCKETT SANITARY SERVICE, INC.

By: _____
Chair, Board of Supervisors

By: _____
Name: _____
Title: _____

Attest: Monica Nino, Clerk of the Board of Supervisors and County Administrator

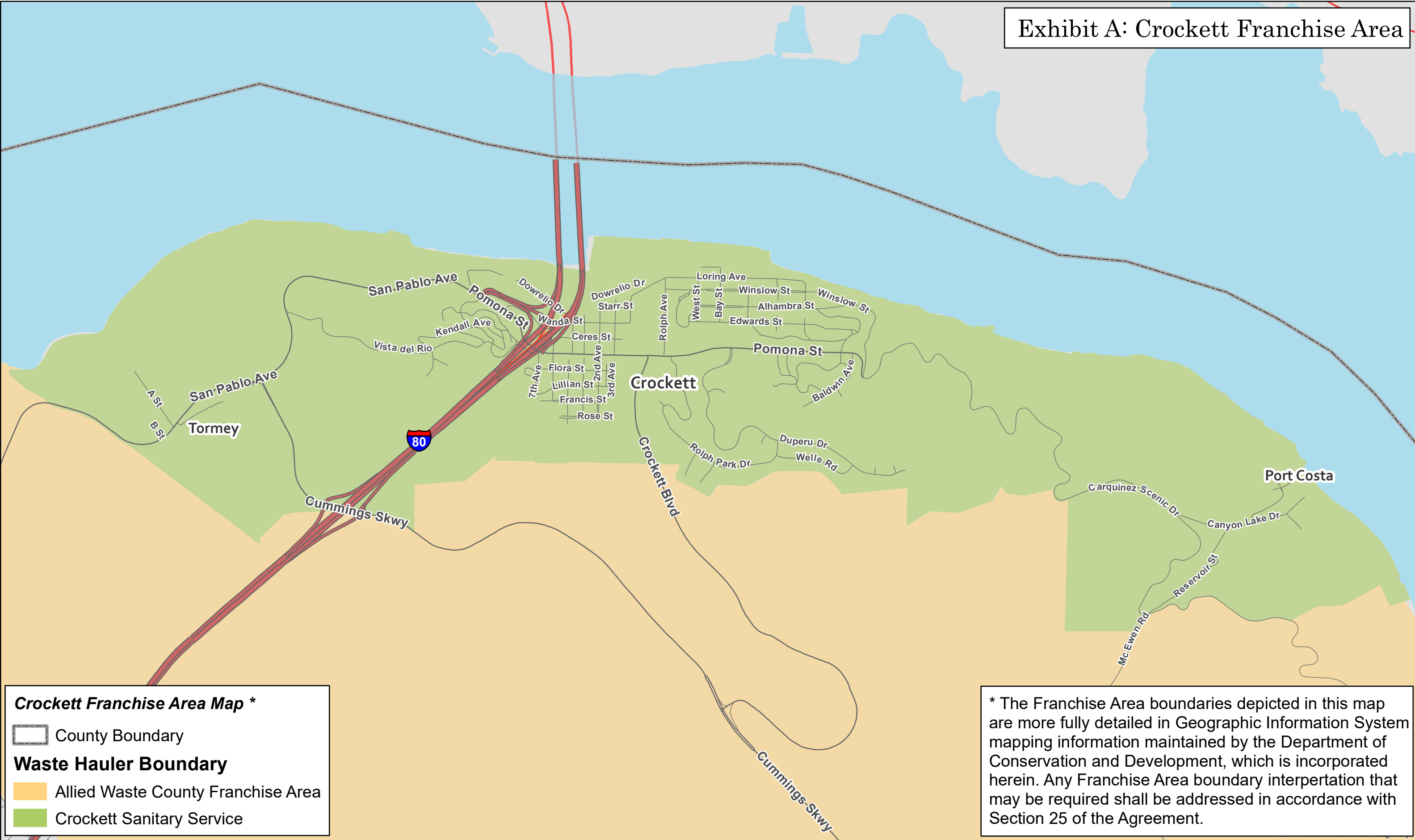
By: _____
Name: _____
Title: _____

By: _____
Deputy

Note: Two officers must sign on behalf of a corporation. The first must be the chairman of the Board, president or any vice president; the second must be the secretary, any assistant secretary, the chief financial officer or any assistant treasurer. (Corp. Code, § 313.)

G:\Conservation\Deidra_Collection\Franchised Haulers\Crockett Garbage Service\2025 Negotiations\Final Agreement\Crockett Agreement_Final.docx

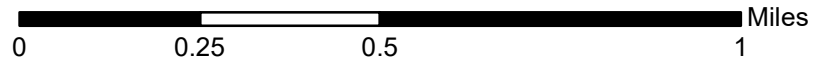
Exhibit A: Crockett Franchise Area



Crockett Franchise Area Map *

- County Boundary
- Waste Hauler Boundary**
- Allied Waste County Franchise Area
- Crockett Sanitary Service

* The Franchise Area boundaries depicted in this map are more fully detailed in Geographic Information System mapping information maintained by the Department of Conservation and Development, which is incorporated herein. Any Franchise Area boundary interpretation that may be required shall be addressed in accordance with Section 25 of the Agreement.



Map created 6/12/2026
 by Contra Costa County Department Conservation and Development
 Community Development Division--GIS Group
 30 Muir Rd, Martinez, CA 94553-0095
 This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



EXHIBIT B

RESIDENTIAL & COMMERCIAL SERVICES AND MAXIMUM RATES Crockett, Port-Costa and Tormey

Dated: June 2026

Section 1: GENERAL OBLIGATIONS RELATED TO BASIC SERVICES

Contractor shall offer to provide the services set forth herein and shall provide collection services requested by customers. The collection services specified herein may be modified from time to time as provided for in Sections 11 and 15 of the Agreement.

Contractor shall cause source-separated Organic Waste collected in the Franchise Area not to be used as landfill cover; instead, collected Organic Waste shall either be composted or otherwise diverted in accordance with the Integrated Waste Management Act subject to the review and approval of the Director or his designee.

Contractor shall provide quarterly reports and an annual report with information requested by the Director or his/her designee pertaining to collection and diversion activities, including, but not limited to quantities collected, participation, contamination levels and other operational statistics for routine and on-call pickup of Solid Waste, Recyclable Material, Organic Waste and construction and demolition (C&D) materials.

Section 2: RESIDENTIAL SERVICES

Contractor shall provide basic residential service for single-family homes and duplexes upon request of residential Customers consisting of routine collection of trash, Recyclable Material, and Organic Waste and supplemental on-call collections as set forth in this Section 2 and Section 4 of this Exhibit B. Routine collection includes weekly collection of waste using a black wheeled cart for curbside collection (select from 20-gallon, 35-gallon, 65-gallon or 95-gallon cart sizes), or customer provided trash container for backyard collection, as well as weekly collection of recycling and organic waste using blue and green wheeled carts respectively (65-gallon size for each cart).

Customers may also request additional containers. Contractor may charge the appropriate monthly fee, plus any additional fees set forth herein.

A. ROUTINE COLLECTION

1. **Pickup Locations:** Customers shall have the choice of selecting backyard or curbside trash service. Curbside collection is available at a reduced rate for all but mini-can (20-gallon) service. Contractor shall collect trash from carts placed at the curb (curbside service) or from the Customers' containers placed on their property (backyard service). Contractor shall provide collection for Recyclable Material (organic and non-organic) in blue and green wheeled carts that Customers place at the curb. Backyard service for organic and non-organic Recyclable Materials (organic and non-organic) shall be made available to Customers where no one in the household is able to move carts to the curb, at the standard residential rate. Annual medical certification of disability is required.

2. **Containers:** Only wheeled carts provided to Customers by Contractor will be serviced unless Customers request backyard service using their own trash container (20-gallon, 32-gallon or 45-gallon). Contractor shall provide each Customer with three separate wheeled carts to be used for curbside collection of trash, organic Recyclable Material and non-organic Recyclable Material. Customers shall select their cart sizes from the following options to be made available by Contractor: 20-gallon, 35-gallon, 65-gallon or 95-gallon black trash carts; 65-gallon blue Recyclable Material carts, and 65-gallon green organic Recyclable Material carts.
3. **Frequency:** Contractor shall provide weekly collection of trash and Recyclable Material (organic and non-organic) placed by Customers in accordance with the above requirements.
4. **On-call Collection Services:** Except for collection of bagged material using prepaid bag ties, collections will be on-call (at customer request).

B. ON-CALL CURBSIDE CLEAN-UP (Bagged Materials)

Contractor shall offer residential Customers one (1) On-Call Curbside Clean-up each year at no additional charge and provide such Clean-ups within ten (10) working days of Customer's request. The following parameters apply to On-Call Curbside Clean-ups:

1. On-call curbside clean-ups can be used for either trash or Green Waste only. No Food Waste is allowed in either the trash or Green Waste collections.
2. On-call clean-ups are scheduled upon request of the Customer. Clean-ups will be arranged to occur on the next regularly scheduled collection day.
3. Mixed set-outs of trash and Recyclable Material will be collected and disposed of as Solid Waste.
4. A maximum of two cubic yards of bagged material (up to fifteen 35-gallon bags) will be collected in each on-call curbside clean-up.
5. All items must be bagged.
6. Filled bags must weigh no more than 30 pounds and be strong enough to hold contents securely.
7. All bagged materials must be placed at the curb for collection.
8. Branches/twigs can be tie-bundled (up to 18 inches in diameter, four (4) feet in length).

C. SCHEDULED CURBSIDE CLEAN-UP (Bagged Materials)

Contractor shall offer residential Customers one (1) scheduled Curbside Clean-up each year at no additional charge. Contractor shall notify all residential Customers fourteen (14) days in advance, informing residential Customers of the scheduled clean-up date and how to properly participate. The following parameters apply to scheduled Curbside Clean-ups:

1. Scheduled Bagged Clean-ups can be used for either Solid Waste or all Green Waste only collection. No Food Waste is allowed in either the Solid Waste or the Green Waste only collections.
2. Mixed waste set-outs will be collected and disposed of as Solid Waste.
3. A maximum of two cubic yards of bagged material (15 35-gallon bags) will be collected in each scheduled Curbside Clean-up.

4. All items must be bagged.
5. Filled bags must weigh no more than 30 pounds and be strong enough to hold contents securely.
6. All bagged materials must be placed at the curb for collection.
7. Branches/twigs can be tie-bundled (up to 18 inches in diameter, four (4) feet in length).

D. ON-CALL CURBSIDE BULKY COLLECTION

Contractor shall offer residential Customers residing in single-family homes or multi-family residential dwellings of up to four units up to one on-call curbside bulky item collection each year at no additional charge upon Customers request.

The following parameters apply to on-call curbside bulky item collection:

1. Two (2) major residential appliances or other bulky items (which may include Christmas tree) or up to ten (10) e-waste items may be disposed of in one (1) on-call curbside bulky item collection per year.
2. Each item to be collected can weigh no more than 200 pounds.
3. Only bulky items that won't fit in waste cart, cannot be bagged for annual on-call curbside clean-up and are not collected for Recycling curbside will be accepted.
4. On-call curbside bulky item collection will be scheduled on a different date than the regular route, which is disclosed to Customers at the time they call. Collection will be scheduled on a date to be agreed upon by the Contractor and Customer.

E. OPTIONAL SERVICES AVAILABLE FOR ADDITIONAL CHARGE

Contractor provides residential Customers the option of requesting the following services. Maximum rates for basic services approved by the County do not include these optional services. Contractor may impose an extra charge to provide listed services if the Customer is made aware of and agrees to the charges in advance.

1. Extra waste pickup (on-call) – Upon request by a Customer, Contractor shall provide Customer with an estimate of the cost of collection of the items, and then schedule a pick up date with the customer.
2. Collection of extra bagged material (prepaid bag ties on customer provided bags) – Contractor will pickup bagged material on the scheduled collection date if the bags are marked with prepaid bag ties that Customer may purchase in advance. Material placed in plastic bags will be picked up by the garbage truck and disposed of as trash. Material placed in compostable bags will be picked up by the Organic Waste truck and recycled.
3. Extra bulky item pickup (on-call)
4. Cart wash out (on-call)
5. Same week on-call curbside clean-ups or on-call curbside bulky item collection

Contractor shall include revenues from optional services in calculations of Gross Annual Revenues subject to the Franchise Fee under Section 22 of this Agreement.

Contractor shall properly segregate the revenues and costs associated with these optional services requested by Customers for the purposes of rate setting. Contractor shall account for these revenues and costs in the rate application(s) submitted to the County.

Section 3: COMMERCIAL SERVICES

Contractor shall provide the following services to commercial Customers, which includes Multi-Family Customers, upon request. The basic or minimum service level for commercial and Multi-Family Customers shall consist of three containers (black, blue and green). Contractor shall provide the County with information and assistance requested by the Director for the purpose of maintaining compliance with Applicable Laws.

Contractor shall offer the County the opportunity to participate in each bulk purchase of internal containers and other assets (posters, bags, etc.) to increase recycling by commercial Customers.

A. SOLID WASTE (TRASH) COLLECTION

1. Contractor shall provide commercial Customers with the option of selecting trash bin sizes ranging from one (1) to seven (7) cubic yards, or 35-gallon, 65-gallon or 95-gallon carts.
2. Contractor shall provide commercial Customers with bin service the option to select their preferred frequency of trash collection, ranging from one (1) to five (5) times per week.

B. RECYCLING COLLECTION

Contractor shall offer to collect for recycling the materials specified in Section 4 of this Exhibit from commercial Customers at a service level up to equal their solid waste service subscription at no additional charge and shall provide such services upon request.

Contractor shall provide additional recycling collection services to commercial Customers, including but not necessarily limited to the following:

1. Increased frequency of collection for commercial recyclable materials (including multi-family): from carts and bins, at a minimum weekly and up to three times per week for bins, upon request of Customer.
2. Collection of commercial source-separated organic materials (including all compostable food waste and food-soiled paper) up to three times per week, as requested by the Customer.
4. Collection of an expanded list of materials in the recycling containers.
5. Assistance and support from Contractor's sustainability coordinators to maximize success of diversion programs.

Contractor shall mail notices regarding collection service options for organic and non-organic Recyclable Materials to all commercial Customers. The written notice shall address cart/bin sizes and frequency options and include a list of Recyclable Material collected as specified in Section 4 of this Exhibit as well as options to arrange for new or expanded collection services. The form and content of the Customer notice shall be subject to the review and approval of the Director or his designee. This can be addressed in Customer informational materials required under Section 9(d) of the Agreement.

C. MULTI-FAMILY ON-CALL CURBSIDE CLEAN-UP

Contractor shall offer Multi-Family Residential Complexes (MFD) of up to 20 units, one (1), fifteen (15) bag, curbside clean-up event each year. Curbside Bagged Clean-up Collection Service shall be governed by the following terms and conditions:

1. Contractor shall provide one (1) scheduled curbside bagged collection of up to fifteen (15) bags per MFD unit each year at no additional charge. The Curbside collection event shall be arranged, organized and supervised by the MFD Property Manager.
2. Curbside bagged collection can be either (1) curbside bagged pickups or (2) Roll-off container service.
3. Each bag of discards to be collected can weigh no more than forty (40) pounds.
4. Organic Waste consisting of Green Waste only—grass clippings and yard waste but no Food Waste is allowed—in plastic bags strong enough to hold up to 40 pounds of material—can be collected. Mixed waste (Solid Waste and Organic Waste) loads shall be collected as Solid Waste.
5. Only non-hazardous, dry, small Recyclable Materials that can be contained without cutting/tearing the bags, and which materials are not accepted in the curbside recycling program, with each bag weighing no more than 40 pounds, will be collected in this service.
6. MFD bagged clean-up collection will be scheduled on a date in the regular route schedule on a date to be agreed upon by the Contractor and Customer.

D. MULTI-FAMILY ON-CALL BULKY ITEM COLLECTION

Contractor shall offer MFDs of 20 units or less, one (1) curbside Bulky Item pick-up or roll-off container collection per calendar year. Bulky Item collection service shall be governed by the following terms and conditions:

1. Bulky Item collection service shall be arranged by the MFD's Property Manager and the collection method can be either curbside pickup or roll-off container as determined by the Contractor.
2. Contractor shall provide one (1) Bulky Item collection per unit at the MFD for residential household appliances, or other residential bulky items, or, alternatively, up to five (5) e-waste items each year, at no additional charge.
3. Each item to be collected can weight no more than 200 pounds.
4. Acceptable Bulky Items are: Non-Hazardous E-waste and Bulky Items that (a) won't fit in a Cart, or (b) cannot be bagged for the annual On-Call Curbside Clean-up and are not accepted in the curbside recycling program.
5. The Bulky Item routes will be scheduled to run on different days of the week, Monday - Friday. MFD curbside bulky item collection will be scheduled on a date within the regular weekly route schedule, to be agreed upon by the Contractor and Customer.

E. COMMERCIAL PROGRAMS MANDATED BY THE STATE

1. Contractor shall provide the County with information and assistance requested by the Director for the purpose of monitoring, documenting and maintaining compliance with Applicable Laws, including but not limited to Assembly Bill 341 (AB 341), Assembly Bill 1826 (AB 1826), and Senate Bill 1383 (SB 1383).
2. Contractor shall provide the County with a report for each calendar year detailing

the number of covered entities as defined by the above referenced laws (“Covered Entities”), that are or are not participating in Recyclable Material collection and Organic Waste collection, the number of waste assessments conducted, a summary of any additional educational and outreach efforts that may have been undertaken. Contractor shall also provide additional information required for reporting to CalRecycle upon request of the Director or his designee.

3. Contractor shall publish information on its website on how businesses, public entities, and multi-family complexes can comply with Applicable Laws.
 - a. Contractor shall make printed information about AB 341 and SB 1383 requirements readily available to businesses, public entities, and multi-family complexes. This information can be in the form of newsletters, bill messages, bill inserts, letters, e-mail notifications, or special similar methods of notification approved by the Director or his designee.
 - b. Contractor shall provide waste assessments to commercial Customers upon request. During waste assessments, Contractor shall provide Customers with information and/or materials related to mandatory Recyclable Materials and Organic Waste collection.

Section 4: RESOURCE RECOVERY AND DIVERSION

Contractor shall collect the following materials for recycling or composting from residential and commercial Customers on a weekly basis at no additional charge.

A. RECYCLING

Contractor shall collect and recycle the following materials placed in **curbside recycling carts** and/or **commercial recycling bins/carts**:

1. Aluminum cans, clean foil & clean foil food containers
2. Glass bottles, jars (all colors)
3. Plastic #1 -7 beverage and food containers
4. Steel/tin cans
5. Scrap metal
6. Mixed rigid plastic packaging and other food containers
7. All mixed plastics
8. Plastic bags, film and wrapping (properly bagged)
9. Uncoated and uncontaminated paper (newspaper, white paper, mixed paper, colored paper, chipboard, clean cardboard with no food or drink contamination, phone books, paper bags, junk mail, envelopes, clean cardboard egg cartons, magazines, paperback books, catalogs etc.)
10. Juice and milk cartons

Contractor shall provide used oil recycling kits to Customers upon request as well as collect the following items for recycling curbside on an on-call basis:

1. Used motor oil
2. Used oil filters

The above list may be modified from time to time by agreement of the County and Contractor pursuant to the provisions of the Franchise Agreement.

B. ORGANIC WASTE

Contractor shall collect and compost the following materials placed in **curbside organic waste carts** or **commercial organic waste bins/carts**:

Green Waste

1. Yard trimmings
2. Grass clippings
3. Leaves and flowers
4. Pine needles
5. Weeds
6. Natural unflocked Christmas trees (cut/trimmed to fit in green waste carts)
7. Untreated and unpainted wood (cut/trimmed to fit in green waste carts)
8. Pinecones, nuts and other organic debris from plants and trees, except palm fronds or ivy

Other Organic Materials

9. Coffee filters
10. Cardboard, paper egg cartons and other paper products soiled with food and drink contamination
11. Uncooked fruit and vegetables
12. Waxy cardboard
13. Waxed paper
14. Food soiled paper
15. Food waste
16. Pet hair
17. Manure

The above list may be modified from time to time by agreement of the County and Contractor or pursuant to the provisions of the Franchise Agreement.

C. CONSTRUCTION AND DEMOLITION DEBRIS RECOVERY

Contractor shall offer debris boxes to a Customer upon request for collection and Recycling of Recyclable construction and demolition (C&D) debris. Recyclable C&D debris includes, but is not necessarily limited to: glass, paper, cardboard, wood, concrete, plastic, ferrous and non-ferrous metal, aluminum and any other C&D material that is feasibly capable of being Recycled.

Contractor may charge for C&D debris box services provided that Customer is made aware of and agrees to the estimated charges in advance. Maximum rates subject to County approval do not include or apply to these debris box services. County does not set maximum rates for debris box services. Contractor shall include revenues from debris box services in calculations of Gross Annual Revenues under Section 22 of this Agreement. Contractor shall account for debris box revenues and costs in the rate application(s) submitted to the County.

Section 5: MAXIMUM COLLECTION RATES

Contractor shall charge no more than the below listed maximum approved Collection Rates for basic services for Customers:

A. MAXIMUM COLLECTION RATES FOR RESIDENTIAL SERVICE¹

| <i>Weekly Backyard³ - Customer Can (MONTHLY RATES)</i> | |
|--|--|
| Waste Can Size | Maximum Rate⁴ - Weekly Waste, Recycling & Organic includes post-collection processing & disposal |
| 20-gal | \$52.62 |
| 32-gal | \$63.74 |
| 45-gal | \$83.39 |
| Additional Waste Cans (See table below for Additional Recycling or Green Waste Carts) | |
| 32-gal | \$39.70 |
| 45-gal | \$55.57 |

| <i>Weekly Curbside² - Customer Can (MONTHLY RATES)</i> | |
|--|---|
| Waste Can Size | Maximum Rate⁴ - Weekly Waste, Recycling, & Organics Including post-collection processing & disposal |
| 20-gal | \$52.62 |
| 32-gal | \$62.16 |
| 45-gal | \$81.70 |
| Additional Waste Cans (See table below for Additional Recycling or Green Waste Carts) | |
| 32-gal | \$38.38 |
| 45-gal | \$54.19 |

| <i>Weekly Curbside² - Wheeled Carts (MONTHLY RATES)</i> | |
|---|---|
| Waste Cart Size | Maximum Rate⁴ - Weekly Waste, Recycling, & Organics Including post-collection processing & disposal |
| 20-gal | \$52.62 |
| 35-gal | \$62.16 |
| 65-gal | \$108.04 |
| 95-gal | \$130.98 |
| Additional Waste Carts (See table below for Additional Recycling or Green Waste Carts) | |
| 35-gal | \$38.35 |
| 65-gal | \$75.46 |
| 95-gal | \$94.00 |

- 1 Basic residential service = Weekly collection of one waste can/cart (Backyard or Curbside), plus weekly curbside collection of one 65-gallon cart each for Recycling and Organic Waste,
- 2 Curbside = Collection of Solid Waste in 20, 32 or 45-gal customer can, or 20, 35, 65 or 95-gal waste cart.
- 3 Backyard = On-site Solid Waste collection service of 20, 32 or 45-gal customer can (carry out from and return to backyard), not applicable to Recycling or Organic Wastes
- 4 Rates based on waste container size, filled to rim, with lids fully closed.

| SPECIAL SERVICES/ANCILLARY CHARGES | |
|--|-------------|
| Service | Rate |
| Return Trip | \$44.72 |
| Carry-out Service (with no medical disability certification) | \$11.81 |
| Additional Cart – Recycle/Organics | \$9.50 |
| Holiday tree | \$24.08 |
| Contamination – Per Cart | \$38.76 |
| Overage Fee – Per Cart | \$14.95 |
| Prepaid Bag Tie | \$8.77 |
| Cart Wash | \$51.02 |

| EXTRA BULKY ITEM PICKUP | |
|--------------------------------|-------------|
| Description | Rate |
| Truck fee | \$76.25 |
| Same week fee | \$22.27 |
| Small miscellaneous item | \$50.47 |
| Washer/dryer | \$66.04 |
| Freezer/refrigerator | \$104.19 |
| TV | \$164.48 |
| Tire | \$34.80 |
| Tire with rim | \$54.03 |

B. MAXIMUM COLLECTION RATES FOR COMMERCIAL SERVICE

CART AND BIN SERVICE

| Cart Service – Curbside | |
|--|---------------------------------|
| Cart Size | Monthly Rate⁵ |
| 35-gal | \$81.18 |
| 65-gal | \$171.48 |
| 95-gal | \$212.06 |
| ⁵ Weekly waste collection + weekly Recycling and Organics Waste collection (65-gallon carts). | |

| Bin Service | | | | | |
|--|-----------------------------|----------|----------|----------|------------|
| Bin Size | Monthly Rate | | | | |
| | Collections per week | | | | |
| | 1 | 2 | 3 | 4 | 5 |
| 1-yard | \$321.58 | \$513.10 | \$652.70 | \$793.70 | \$932.09 |
| 2-yard | \$432.01 | \$652.70 | \$805.44 | \$958.14 | \$1,110.78 |
| Notes: Includes collection of Recycling and Organic Waste in containers equivalent in size to containers used for Solid Waste | | | | | |

ROLL-OFF DEBRIS BOX SERVICE

| <i>Debris Box Service</i> | | |
|----------------------------------|----------------------------------|---|
| Box Size | Per Pull Rate⁶ | Included Disposal (Tons)⁷ |
| 10-Yard | \$575.21 | 1.00 ton |
| 14-Yard | \$854.41 | 1.5 tons |
| 20-Yard | \$974.47 | 1.75 tons |

⁶ Temporary rental - 5-day maximum.
⁷ Additional charge of \$100.00 per ton applies for disposal in excess of the amounts listed above.

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EXHIBIT C

SERVICES FOR COUNTY DESIGNATED LOCATIONS AND FACILITIES

Dated: June 2026

Section 1: GENERAL OBLIGATIONS RELATED TO SERVICES FOR COUNTY DESIGNATED LOCATIONS AND FACILITIES

Contractor shall provide Solid Waste collection and recycling/disposal services at designated locations within the Franchise Area pursuant to Sections 16 and 18 of the Franchise Agreement. This includes services at specified County buildings, street cans and other public facilities (see “Routine Services” below). Contractor shall provide on-call services at locations within the County rights-of-way or at properties being abated by the County (see “On-Call Services” below).

Section 2: ROUTINE SERVICES

Contractor shall collect green waste, recycling and/or Solid Waste upon request at County designated locations. The following list of locations and related service levels may be modified from time to time pursuant to Section 16 of the Franchise Agreement. As of the date of this Exhibit C, routine service levels for each currently designated location are as follows:

| Public Facilities Being Served in Crockett-Tormey- Port Costa | | Location | SERVICE LEVEL <i>[Weekly unless otherwise specified]</i> | | |
|---|------------------------------|--|---|-------------------------|------------------------|
| | | | Trash (Qty/Size) | Recycling (Qty/Size) | Organics (Qty/Size) |
| i. | Crockett Community Center | 850 Pomona St | 10 / 95-gal <i>[twice per week]</i> | 5 / 65-gal | N/A |
| ii. | Street cans in Crockett (19) | (1) 1325 Pomona St – Valona Market (left side of Market store front) | 35-gal | N/A | N/A |
| | | (2) 1300 Pomona St – Northwest Corner of Pomona St & 2 nd Ave | 35-gal | N/A | N/A |
| | | (3) Northwest Corner of Pomona St & 3 rd Ave | 35-gal <i>[twice per week]</i> | N/A | N/A |
| | | (4) 1245 Pomona St – Leonard’s Automotive (Crockett Auto Service) Near Southwest Corner of Pomona St & 3 rd Ave | 35-gal <i>[twice per week]</i> | N/A | N/A |
| | | (5) Front of John Swett High School – Northeast Corner of Pomona St & Crockett Blvd near Bus Stop | 35-gal | N/A | N/A |
| | | (6) Rolph Memorial – Southwest Corner of Rolph Park Dr & Pomona St | 35-gal | N/A | N/A |
| | | (7) 491 Pomona St – J & L Market, Southeast Corner of Pomona St & Atherton Ave | 35-gal <i>[twice per week]</i> | N/A | N/A |
| | | (8) 628 2 nd Ave – across from Toot’s Tavern, Northwest Corner of Ceres St & 2 nd Ave | 35-gal | N/A | N/A |
| | | (9) 2 nd Ave & Wanda St – Southwest Corner near bus stop | 35-gal | N/A | N/A |
| | | (10) 501 Port St – Fishing area near The Nantucket restaurant | 35-gal | N/A | N/A |
| | | (11) Southwest Corner of Rolph Ave & Loring Ave at Bus Stop | 35-gal | N/A | N/A |
| | | (12) West side of Rolph Ave just South of Rolph Ave & Winslow St | 35-gal | N/A | N/A |

| Public Facilities Being Served in Crockett-Tormey-Port Costa | | Location | SERVICE LEVEL <i>[Weekly unless otherwise specified]</i> | | |
|--|--|--|---|-------------------------|------------------------|
| | | | Trash (Qty/Size) | Recycling (Qty/Size) | Organics (Qty/Size) |
| ii. | Street cans in Crockett (19) | (13) 891 Loring Ave – Southeast Corner of Loring Ave & Rolph Ave (along Rolph Ave) | 35-gal | N/A | N/A |
| | | (14) 900 Loring Ave – Crockett Historical Museum, Northwest Corner of Loring Ave & Rolph Ave | 35-gal | N/A | N/A |
| | | (15) Crockett Plaza – Northeast Corner of 2nd Ave & Pomona St adjacent to 729 2 nd Ave | 35-gal <i>[twice per week]</i> | N/A | N/A |
| | | (16) 746 Loring Ave, Crockett-Carquinez Fire Station No. 78 – Northeast Corner of Loring Ave & West St | 35-gal | N/A | N/A |
| | | (17) Adjacent to 733 Loring Ave (East side), Across the Street from Crockett-Carquinez Fire Station (746 Loring Ave) | 35-gal | N/A | N/A |
| | | (18) Crockett Plaza – Near Northeast Corner of 2nd Ave & Pomona St in center Northeast side of Plaza | 35-gal <i>[twice per week]</i> | N/A | N/A |
| | | (19) Crockett Plaza – Near Southeast Corner of 2nd Ave & Pomona Street in Southeast corner of Plaza adjacent to 1214 Pomona St | 35-gal <i>[twice per week]</i> | N/A | N/A |
| | Street Cans – Port Costa (2) | (20) Near 101 Canyon Lake Drive, Southwest Corner of Canyon Lake Dr & Reservoir St | 35-gal | N/A | N/A |
| | | (21) Near 23 Canyon Lake Dr, on West side of Street adjacent to Street Bench | 35-gal | N/A | N/A |
| iii. | Lift Station at CSD Sanitary Treatment Plant | 400 Port St | 5-yd <i>[On-call]</i> | N/A | N/A |
| iv. | Crockett Library | 991 Loring Ave | 2 / 35-gal | 2 / 65-gal | 2 / 65-gal |
| v. | Crockett-Carquinez Fire Station | 746 Loring Ave | 95-gal | 3 / 65-gal | 65-gal |
| | Crockett-Carquinez Fire Station | 1425 Lillian St | 65-gal | 65-gal | 65-gal |
| | Port Costa Fire Station | 49 Canyon Lake Dr | 35-gal | 65-gal | 65-gal |
| vi. | Crockett Pool/Park | 850 Pomona St, Alexander Park area on Rolph Ave | 5 / 95-gal <i>[twice per week]</i> | 3 / 65-gal | N/A |

Section 3: ON-CALL SERVICES

Contractor shall provide on-call Solid Waste collection and recycling/disposal services at locations within the County rights-of-way or at properties being abated by the County within the Franchise Area, upon written request of the Director or their designee. The manner in which the on-call services required in Section 16 of the Agreement are to be arranged, provided and reported is described in Sections 3.A. and 3.B. Similarly, the community clean-up services required in Section 18 of the Agreement are to be scheduled, provided and reported as described in Section 3.C. Contractor shall provide operational and cost data by on-call service type upon request of the Director or his designee. In order to be considered for rate setting purposes, Contractor shall separately track costs for providing said on-call services requested by the County and such costs shall be segregated in rate applications. Expenses incurred by Contractor in performing services pursuant to Sections 16 and 18 of the Agreement will be treated as allowable for rate setting purposes to the extent such costs are properly accounted for in the rate

application(s) submitted by Contractor.

- A. RIGHT-OF-WAY LOCATIONS:** Contractor shall remove Solid Waste and Recyclable Material from specified locations in the County rights-of-way, as defined by the County, within three (3) business days of receiving each written request from the Director or his designee.

Contractor shall track and report to Director all on-call services provided by Contractor at requested right-of-way locations. Contractor shall utilize the on-call service reporting template provided by Director or his designee, unless an alternative reporting format is approved by the Director or his designee.

Contractor shall provide up to six (6) right-of-way pick-ups to remove illegally dumped debris per year (unused pick-ups will be available in subsequent years).

- B. ABATEMENT PROJECT LOCATIONS:** Upon written request of the Director or their designee, Contractor shall provide and service requested receptacle(s) at the specified abatement project locations in accordance with the following parameters:

1. Contractor shall identify mutually agreeable date that the requested receptacle(s) will be delivered to the specified location within three business days of the written request.
2. Contractor shall deliver the requested receptacle(s) on the date mutually agreed upon.
3. Contractor shall remove the requested receptacle(s) on the date mutually agreed upon.
4. Contractor shall track and report to Director all receptacles provided to County by Contractor and document the amount of material disposed or Recycled from receptacles. Contractor shall utilize the on-call service reporting template provided by the Director or his designee, unless an alternative reporting format is approved by the Director or his designee.

Contractor is not obligated to provide these services until an associated rate change takes effect.

- C. COMMUNITY CLEAN-UPS:** Contractor shall provide and service up to eight (8) 20-cubic yard debris boxes per year, unless some other combination of boxes with equivalent total capacity is approved by the Director or his designee, at community clean-up locations in the Franchise Area specified by the Director or his designee pursuant to Section 18 of the Franchise Agreement. Contractor shall track and report in writing to Director the number of community clean-up boxes utilized at each location and associated amounts disposed of or Recycled semi-annually.

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EXHIBIT D

GUARANTY

Dated: June 2026

This Guaranty is made and entered into this 23rd day of June 2026, by and between the County of Contra Costa (hereinafter "County") and Republic Services, Inc., a Delaware corporation ("Guarantor").

WHEREAS, Crockett Sanitary Service, Inc., a California corporation ("Contractor"), a wholly owned subsidiary of Guarantor, desires to enter into a certain Franchise Agreement with the County (the "Agreement") for the provision of solid waste handling service within specified areas in the unincorporated area of the County;

WHEREAS, pursuant to Section 47 of the Agreement, the County has required that Contractor obtain certain assurances from Guarantor, as to all conditions and obligations of the Agreement to be fulfilled by Contractor; and

WHEREAS, in order to induce the County to approve the Agreement with Contractor, Guarantor desires to provide the County with said assurances as to all conditions and obligations of the Agreement to be fulfilled by Contractor;

NOW, THEREFORE, the County and Guarantor hereby agree as follows:

1. Guarantor hereby guarantees to the County the full performance by Contractor of all conditions and obligations in the Agreement which are to be fulfilled by Contractor, provided that the County has fulfilled all of its obligations under the Agreement, and in particular, without limiting the foregoing, that the County has provided Contractor with the requisite notice(s), and opportunities to cure as provided for in the Agreement.

2. The County agrees to give Guarantor notice by certified mail, return receipt requested, at:

Republic Services, Inc.
Attn: Vice President & Deputy General Counsel
5353 E. City North Drive
Phoenix, AZ 85054

each time that the County becomes aware of any fact or circumstance which may give rise to an obligation of Guarantor to perform pursuant to this Guaranty.

3. Notwithstanding any provision in this Guaranty to the contrary, the Guarantor may exercise or assert any and all legal or equitable rights, defenses, counter claims or affirmative defenses under the Agreement or Applicable Law which the Contractor could assert against any Party seeking to enforce the Agreement against

the Contractor, and nothing in this Guaranty shall constitute a waiver thereof by the Guarantor.

4. The County shall not sell, assign or otherwise transfer this Guaranty, or its rights or obligations thereunder, without the prior written consent of Guarantor, which consent shall not be unreasonably withheld if the assignment is to a municipal corporation.

5. This Guaranty constitutes the entire agreement between the Parties to this Guaranty with respect to the transactions contemplated by this Guaranty. Nothing in this Guaranty is intended to confer on any Person other than the Guarantor, the Authority and their permitted successors and Assigns under this Guaranty any rights or remedies under or by reason of this Guaranty.

6. This Guaranty may be executed in any number of counterparts, some of which may not bear the signatures of all Parties to this Guaranty. Each counterpart, when so executed and delivered, is deemed to be an original and all counterparts, taken together, shall constitute one and the same instrument; *provided, however*, that in pleading or proving this Guaranty, it shall not be necessary to produce more than one (1) copy (or sets of copies) bearing the signature of the Guarantor.

IN WITNESS WHEREOF, this Guaranty has been executed on the date first above written.

COUNTY OF CONTRA COSTA

GUARANTOR

By: _____

By: _____

Its: _____

By: _____

Its: _____

EXHIBIT E

LIQUIDATED DAMAGES

Dated: June 2026

The Parties acknowledge and agree that provision of consistent, reliable waste collection services is of utmost importance to County and its West County residents. Further, they agree that the County has relied on Contractor's ability, performance, and commitment to quality of service in awarding the Franchise Agreement. The Parties further recognize that some qualified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The Parties further recognize that if Contractor fails to achieve the performance standards or fails to submit required documents in a timely manner, the County and West County residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages which the County and residents will suffer.

Therefore, without prejudice to the County's right to treat uncorrected non-performance as an event of default under this Franchise Agreement, the Parties agree that the following liquidated damage amounts represent a reasonable estimate of such damages.

LIQUIDATED DAMAGES

In the event that Contractor fails to perform its obligations under this Agreement specifically set forth below, the County may impose the following liquidated damages upon the Contractor in addition to any other available remedies the County may have.

| A. CONTRACTOR RELIABILITY | |
|---|--|
| 1. For each failure to collect Solid Waste, Recyclable Material or Organic Waste that have been properly set-out for collection, from an existing Customer on the scheduled collection day, if the missed pick-up is not cured by close of the next work day. | \$25.00 / day (if not cured within 24 hours) |
| 2. For each failure to collect Solid Waste, Recyclable Material, or Organic Waste that have been properly set out for collection, from the same existing Customer on two (2) consecutive scheduled pick-ups. | \$50.00 / day (if not cured within 24 hours) |
| 3. For each failure to properly conduct on-call curbside clean-up or bulky item pick-ups as provided in this Agreement. | \$50.00 / occurrence (if not cured within 24 hours) |
| 4. For each failure to commence service to a new Customer within seven (7) calendar days after order received and account number established. | \$50.00 / day (if not cured within 24 hours) |
| 5. For each failure to deliver a replacement container to a Customer or repair existing container within seven (7) calendar days of request. | \$25.00 / occurrence (if not cured within 24 hours) |
| 6. For each failure to deliver a different container size to a customer within seven (7) business days of request. | \$25.00 / occurrence (if |

| | |
|--|--|
| | not cured within 24 hours) |
| 7. For each failure to notify County of a change in post-collection facility used to manage Organic Waste for County approval as required by SB 1383 regulations. | \$50.00 / day |
| 8. Subject to Force Majeure, for each incident where two different waste streams (Solid Waste, Recyclable Material, and Organic Waste) are collected in the same non-split body vehicle. | \$500.00 / incident |
| 9. Failure to provide Recyclable Material and Organic Waste collection services to each and every Customer that is not meeting the following circumstances: 1) Customer has a County-approved waiver from recycling and/or organics recycling service, or 2) Contractor documents Customer is sharing recycling and/or organic recycling services with another Customer. | \$100 / customer per day (if not cured within 48 hours) |
| 10. Failure to conduct route audits as required by this Agreement and SB 1383. | \$100 / missed route |
| 11. Failure to pick up abandoned waste (illegally dumped) within twenty-four (24) hours upon request from the County. | \$250 / day per incident (if not cured within 24 hours) |
| 12. Failure to provide roll-off containers for a Community Clean-Up event. | \$300 / missing container |
| B. QUALITY | |
| 1. For each failure to immediately clean-up material spilled from contractor's vehicles, Solid Waste, recycling or organics containers. | \$25.00 / day (if not cured within 24 hours) |
| 2. For each occurrence of collecting Solid Waste, recyclable or organic materials, during unauthorized hours of operation. | \$50.00 / occurrence |
| 3. For each failure to repair any Solid Waste, recycling or organics collection vehicle in accordance with Section 9 within 24 hours of receiving notification from the County representative. | \$50.00 / day per vehicle (if not cured within 24 hours) |
| 4. For each failure to obtain approval from the County for changes in collection operations (i.e., frequency, place of pick-up or any other manner of collection, etc.). | \$250.00 / day |
| 5. For each failure of not tagging containers that are left uncollected. | \$50.00 / day (if not cured within 24 hours) |
| 6. Vehicle fluid leak incidents from Contractor Collection vehicles where clean up is not commenced within 90 minutes of notification from County representative. | \$100 / incident |
| C. CUSTOMER RESPONSIVENESS | |
| 1. For each documented failure to return Customer calls received during non-business hours no later than 5:00pm of the following business day. | \$50.00 / occurrence |
| 2. Failure to respond to each complaint within three (3) business days of receipt of complaint. | \$200 / incident per customer (if not cured within 72 hours) |

| | |
|--|--|
| 3. Failure to maintain call center hours as required by Section 12 Customer Service Standards. | \$250 / day |
| D. PUBLIC EDUCATION | |
| 1. Failure to obtain County approval prior to sending out quarterly residential or commercial newsletters. | \$150.00 / occurrence |
| 2. Failure to send out quarterly residential or commercial newsletters. | \$250.00 / occurrence |
| 3. Failure to send or deliver to customers the information concerning the conditions of service at least once a year as required by Section 12 of the Agreement. | \$250.00 / occurrence |
| E. REPORTING REQUIREMENTS & TIMELY SUBMISSIONS | |
| 1. Failure to submit to County any required reports in the timeframes required under the provisions of this Agreement. Any report or other required submission shall be considered late until a correct and complete report is received by the County. | \$50.00 / day (if not cured within 24 hours) |
| 2. For each occurrence of County requesting information required to be maintained by contractor where contractor fails to provide such information to the County within seven (7) days. | \$50.00 / day (if not cured 24 hours) |
| 3. Failure to submit to County monthly Franchise Fee payments by the twentieth day of the month following the end of each month for which Solid Waste Collection was provided. | 1% of the total amount due if fees are 1-10 days late; and 10% of the total amount due if fees are more than 10 days late. |
| F. FACILITY-RELATED SERVICES | |
| 1. Failure to provide adequate capacity to accept and process County franchise recyclable and organic recyclable materials in accordance with applicable laws. | \$100.00 / ton |
| G. MISCELLANEOUS | |
| 1. Failure for collection containers to be compliant with Section 9 of this Agreement and/or SB 1383 labeling and color requirements. | \$100 / Collection container not compliant |
| 2. Failure of Contractor to provide proof of corporate surety bond as required by Section 25 of this Agreement. | \$250 / day |
| 3. Failure of Contractor to provide proof of insurance as required by Section 27 of this Agreement. | \$250 / day |

Above amounts will be adjusted by the County annually on January 1, to reflect changes in the San Francisco-Oakland-Hayward Consumer Price Index for All Urban Consumers for the 12 month period between August 1 to-July 31 immediately preceding the January 1 when the adjustment is effective (August – August period).

Prior to assessing Liquidated Damages, the Director shall give Contractor notice of intent to do so. The notice shall include a brief description of the incident of non-performance and any information or documentation relating to the incident or non-performance.

Contractor may, within ten (10) days after receiving the notice, request a meeting with the County Representative. At said meeting, Contractor may present evidence in writing and through testimony of its employees and other information relevant to the incident or non-performance. The Director, or designee, shall provide Contractor with a written explanation of his or her determination on each incident or non-performance prior to authorizing any assessment of Liquidated Damages (“final authorized assessment of Liquidated Damages”).

Within fourteen (14) days of receiving a final authorized assessment of Liquidated Damages from the County, Contractor shall remit to the County the damages specified in said assessment.

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