

C R & R

Waste Contracts

EXHIBIT "B"

AMENDMENT TO THE FRANCHISE AGREEMENT
BETWEEN THE CITY OF PERRIS AND C R & R INCORPORATED
FOR THE COLLECTION, TRANSPORTATION, RECYCLING,
COMPOSTING AND DISPOSAL OF SOLID WASTE
AND CONSTRUCTION DEBRIS AND FOR PROVIDING
TEMPORARY BIN/ROLLOFF SERVICES
ENTERED INTO ON OCTOBER 25, 1993

This Amendment to the Franchise Agreement ("Franchise Agreement Amendment") is entered into this 30th day of May, 1995, by and between the city of PERRIS ("City") and C R & R Incorporated ("Grantee"), for collection transportation, recycling, composting, and disposal of solid waste and construction debris and for providing temporary bin/rolloff services.

R E C I T A L S

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB 939"), has declared that it is within the public interest to authorize and require local agencies to make adequate provisions for solid waste and construction debris handling within their jurisdictions; and

WHEREAS, pursuant to California Public Resources Code Section 40059(a)(1), the City Council of the City of Perris ("City") has determined that the public health, safety, and well-being require that an exclusive franchise be awarded to a qualified enterprise for the collection, transportation, recycling, composting, and disposal of solid waste and construction debris and for providing temporary bin/rolloff services in residential, commercial, construction, and industrial areas in the City of Perris; and

WHEREAS, the City Council of the City of Perris declares its intention to maintain reasonable rates for the collection, transportation, recycling, composting, and disposal of solid waste and construction debris and to provide temporary bin/rolloff services within City limits; and

WHEREAS, the City and Grantee entered into a Franchise Agreement for the collection, transportation, recycling, composting, and disposal of solid waste and construction debris and for the providing of temporary bin/rolloff services on October 25, 1993, and

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WHEREAS, Grantee under the terms of an agreement with the Redevelopment Agency of the City of Perris ("Agency") was to develop a solid waste transfer and recycling facility ("MRF"); and

WHEREAS, the Agency and Grantee were unable to obtain reasonable financing for the MRF and have agreed to terminate the agreement to develop the MRF; and

WHEREAS, since the MRF facility is referenced in the Franchise Agreement, it is necessary to amend the Franchise Agreement to reflect the termination of the MRF facility as originally contemplated.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Section 8 of the Franchise Agreement entitled Term and Optional Terms is revoked and replaced with the following language:

SECTION 8:

The Parties, recognizing that the financing or constructing of a material Recovery Facility ("MRF") is immaterial to this Agreement, agree to the following provisions regarding the term of this Agreement:

A. Term. The term of this Agreement shall be for ten (10) years and shall be extended each year for an additional year, thereby causing the term of this Agreement to continue to be effective for a ten (10) year period, upon the recommendation of the City Manager and approval of the City Council, commencing upon execution of this Agreement as long as all of the following conditions are satisfied:

(1) Grantee continues to successfully meet AB 939 goals; and

(2) Grantee continues to meet the performance standards contained in this Agreement.

2. All other terms and conditions of the Franchise Agreement are hereby acknowledged as being in full force and effect, and that

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the only change to said Franchise Agreement is as set forth above in Paragraph 1.

WITNESS the execution of this Agreement on the day and year written above.

CITY OF PERRIS

By Robert Flecken

ATTEST:

[Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
City Attorney

C R & R, INCORPORATED

[Signature]

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bin/rolloff service licenses, permits, or Resolutions previously granted by the County of Riverside or the City of Perris.

SECTION 2. DEFINITIONS.

Whenever any term used in this Franchise Agreement has been defined by Chapter 7.16 of the Perris Municipal Code or Division 30, Part 1, Chapter 2 of the California Public Resources Code, the definitions in the Municipal Code or Public Resources Code shall apply unless the term is otherwise defined in this Agreement.

A. AB 939.

"AB 939" shall mean the California Integrated Waste Management Act of 1989, as it may be amended from time to time.

B. Bins.

"Bins" shall mean those containers provided by Grantee for commercial, industrial, construction, and multi-family residential uses. Bins are of two types; (i) Bins (usually 3 cubic yards in size) which are picked up by refuse trucks by means of front loading apparatus; and (ii) Rolloff Bins (usually 40 cubic yards in size) which are picked up by trucks using rear loading winches onto rails.

C. City Limits.

"City Limits" means the boundaries of the City together with all amendments and changes thereto, which boundaries are shown by maps on Exhibit "A" described as the Franchise Area incorporated herein by reference and which are on file in the office of the City Clerk of the City Council.

D. Grantee.

"Grantee" means CR&R Incorporated, entity granted the Franchise pursuant to this Franchise Agreement.

E. Special Wastes.

"Special Wastes" shall mean all the items and materials which are set forth on Exhibit "B," "Special Wastes."

F. Non-Profit Organizations.

"Non-Profit Organizations" shall mean public schools within the City of Perris and organizations that so

meet the State and Federal regulations for exemption as a 501(c)(3) entity.

SECTION 3. ACCEPTANCE: WAIVER.

Grantee agrees to be bound by and comply with all the requirements of Chapter 7.16 and this Franchise Agreement. Grantee waives Grantee's right to challenge the terms of this Franchise Agreement and Chapter 7.16 under Federal, State or local law, or administrative regulation, as such laws and regulations exist as of the date of execution of this Agreement. Grantee waives any right or claim to serve the City or any part of the City under any prior grant of franchise, contract, license, or permit issued or granted by any governmental entity including any right under Section 49520 of the Public Resources Code.

SECTION 4. FRANCHISE AREA.

A. Franchise Area Defined. The Franchise Area granted by this Franchise Agreement shall be all residential, commercial, industrial, and construction premises within the legal jurisdiction of the City shown by maps on Exhibit "A". As provided below, the Franchise Area may be changed by annexation.

B. Annexation Covered by Existing Franchise. Territory annexed to the City that is covered by an existing solid waste or construction debris permit, license, agreement, or franchise granted by another public entity may continue to be served by the same grantee for the balance of the term of its permit, license, agreement, or franchise, subject to the provisions of Chapter 7.16, California law and the provisions of this Franchise Agreement.

SECTION 5. SERVICES PROVIDED BY GRANTEE.

A. General. Grantee shall provide the collection, transportation, recycling, composting, and disposal of solid waste and construction debris and for providing temporary bin/rolloff services within the Franchise Area in accordance with the terms of this Franchise Agreement, the California Integrated Waste Management Act and Chapter 7.16. Any subscriber missed on a herein described collection date shall be serviced within twenty-four (24) hours of notice thereof. Collection necessitated by an emergency may be made at different hours or on different days, subject to the prior written approval of the City Manager.

B. Single Family Residential.

(1) Weekly Service. Once each week between 6:00 a.m. and 8:00 p.m. Grantee shall collect the solid

waste, compostables, and recyclables (except bulky items and household hazardous waste) which have been placed, kept, or accumulated in containers at single family residences within the Franchise Area and placed at curbside prior to Grantee's normal weekly collection time. All solid waste, compostables, and recyclables must be placed within containers curbside without obstruction, so as to permit collection. Once each week Grantee shall collect the solid waste, compostables, and recyclables (except bulky items and household hazardous waste) which have been placed, kept, or accumulated in containers at single family residences that are billed directly by the Grantee within the Franchise Area and placed at curbside prior to Grantee's normal weekly collection time. City agrees to use its best efforts to enforce parking and other ordinances so as to facilitate this curbside collection system. Grantee may negotiate special pickup procedures, above and beyond the normal services described above, with customers for an additional fee in an amount mutually agreed upon between City and Grantee.

(2) Bulky Item, Clean Up Day and Household Hazardous Waste Services. Twice during each calendar year on dates mutually agreed upon between City and Grantee, Grantee shall provide a special clean-up service to all City residents at no extra cost to City or its residents. On said clean-up day, Contractor shall provide temporary bin/rolloff services to allow an unlimited amount of material or bulk waste transported to the bin by the resident and deposited in the bin by the resident, including, but not limited to, such items as couches, refrigerators, rugs, and water heaters, but not including dirt, sod, rock, concrete, or toxic/hazardous waste. "White Goods" such as refrigerators, stoves, etc. shall be recycled. There shall be no size or weight restrictions except that Grantee shall not be required to collect automobile bodies or items of like size and weight. Grantee with the assistance of the City shall cooperate to insure that all residents receive notice of the special clean-up day at least two weeks prior to the designated date. Clean up days exceeding the two per calendar year, per residential container customer, are to be handled on an individual basis. There will be no additional charge for such service. Semiannually, on dates designated by City as "Residential Household Hazardous Waste Roundup Day," Grantee shall conduct a residential household hazardous waste roundup at a central

location designated by the City. Grantee shall accept only those non-permit required household hazardous wastes that are all recyclable, i.e. to date, waste oil, water base paint, antifreeze, and lead/acid batteries. Therefore, no disposal fees shall be incurred and as such, charged to the City or customer. Grantee with City assistance, agrees to prepare all applications and manifests and to obtain all necessary approvals. All items, debris, solid waste and such other disposables remaining on the Site, from operation of bulky item, clean up day and residential household hazardous waste roundup day shall be removed from the site by Grantee.

C. Commercial, Industrial and Multi-Family Residential.

(1) Multi-Family Weekly Service. Not less often than once per week between 5:00 a.m. and 8:00 p.m., and more frequently if required to handle the waste stream of the premises where the bins are located, Grantee shall collect the solid waste (including bulky items which have been placed in a closed bin), compostables, and recyclables (except household hazardous waste) which have been placed for collection in solid waste or recycling bins.

(2) Bulky Item and Household Hazardous Waste Services. Grantee shall provide item services to multi-family residences as described in 5C(1) above; however, special consideration shall be provided by Grantee for those bulky items that are impractical and unreasonable to place in a bin. Grantee shall coordinate with individual property managers of multi-family residences to effect the bulky item services to the respective residents of the complex. The same household hazardous waste services provided, pursuant to Section 5B(2) above for container service residences, shall be made available to all multi-family residents in the Franchise Area.

(3) Commercial and Industrial Weekly Service. Not less often than once per week between 5:00 a.m. and 8:00 p.m., and more frequently if required to handle the waste stream of the premises where the bins are located, Grantee shall collect the solid waste, compostables, and recyclables which have been placed for collection in solid waste or recycling bins provided by Grantee.

D. Construction and Temporary Bin/Rolloff Services. Grantee shall provide construction and temporary bin/rolloff services using rates reflected in the most recent resolution adopted by the City Council of the City of Perris.

E. Recycling Program. The Grantee shall provide recycling services in the Franchise Area in accordance with the terms set forth in Exhibit "C", and the rates set forth as adopted by the City Council of the City of Perris.

F. Street Sweeping. Grantee shall provide street sweeping services at such time as City elects, if City elects to chose Grantee as provider. The rates for street sweeping shall be that mutually agreed upon by the City and Grantee. Grantee shall provide all labor, materials, equipment (described in Section 20), and permits required to conduct public street sweeping services in accordance with accepted standards for municipal street cleaning. The term "street" shall mean the paved area between the normal curb line of a roadway, whether an actual curb line exists or not. It does not include any roadways that would cause damage to the equipment used. It does not include sidewalks, area adjacent to the roadway, or parking lots other than the parking lots specified below. The term debris shall mean all materials normally picked up by a mechanical sweeper, such as sand, glass, paper, cans, rocks, leaves, and other materials. Sections 8, 12 through 15, 17 through 23, and 25 through 26 equally apply to street sweeping services as well as the collection, transportation, recycling, composting, and disposal of solid waste and construction debris and providing temporary bin/rolloff services. Failure to provide efficient and effective street sweeping services shall be considered as a material breach of this Franchise Agreement.

(1) Residential Service. Grantee shall sweep and remove all debris from residential public streets including all curbs and medians on a monthly basis.

(2) Commercial and Industrial Service. Grantee shall sweep and remove all debris from all commercial, industrial, streets including all curbs and medians, and City public parking lots owned and maintained by the City in the Franchise Area and future areas obtained through annexation, on a weekly basis set forth by the City Council. Commercial and industrial streets shall be swept in accordance with a schedule prepared by Grantee. Residential streets shall be swept on the day after the area's designated refuse collection day after all solid waste, recycling, and composting containers in the area have been serviced.

(3) Through the public education program, residents shall be encouraged not to park on

residential streets on the day scheduled for solid waste curbside and street sweeping services. City may, at City's sole option, implement no parking zones, with or without a violation system, on scheduled solid waste curbside and street sweeping days if the public education program is deemed ineffective and the mechanized refuse collection and street sweeping services are adversely affected.

(4) When necessary for proper cleaning, Grantee shall make more than one pass on a street without extra charge. Sweeping debris at a curb or median face to be a maximum depth of four (4) inches at the curb or median face and twenty (20) inches out from the curb or median face. Grantee shall immediately respond when notified by City to resweep unsatisfactory areas at no charge to City.

(5) Sweeping residential streets is authorized between the hours of 6:00 a.m. and 5:00 p.m., Monday through Friday and commercial and industrial streets and City public parking lots shall be swept between the hours of 12:01 a.m. and 7:00 a.m., Monday through Saturday. Grantee shall notify the City Manager or designee when Grantee is prevented from performing effective sweeping services due to inclement weather. Sweeping services deferred due to inclement weather shall be completed the following day, weather permitting or at such time as weather is no longer inclement. Grantee shall perform all extra work caused by inclement weather without charge to City.

(6) Grantee shall dispose, recycle or otherwise process all materials collected by street sweeping activities in accordance with local, state and federal regulations. Grantee shall make arrangements with the local water authority for use of fire hydrants to obtain water necessary for the operation. Neither debris landfilling and water costs shall be charged to City.

(7) For additional sweeping services requested by City that are above and beyond that which is described above, Grantee shall be paid by City at an amount mutually agreed upon City and Grantee.

G. Collection/Sweeping on Holidays. If the day of collection or street sweeping on any given route falls on a Holiday observed by the landfill or other lawful disposal site to which refuse or debris collected within the Franchise Area is taken for disposal, or recycling facility to which recyclables are taken, Grantee shall provide collection or sweeping services

for such route on the workday next following such Holiday and shall not provide collection or sweeping services on such Holiday, except that Grantee shall never provide collection or sweeping services on New Year's Day, Thanksgiving Day, or Christmas Day.

H. Public Education Program. Grantee shall provide a Public Education Program to educate Perris residents of the Perris Recycling Program as follows:

(1) Community Recycling Incentives. Grantee shall return all recycling rebates to the community in some form, to be determined by the City, to encourage and promote a successful recycling program. This provision shall include the City's Recycling Program which the City provides for City-generated recyclable goods.

(2) Community Recycling Education. Grantee agrees to conduct a Public Education Campaign on recycling. The public education and marketing campaign will be multi-faceted and conducted in two phases. The first phase will begin prior to the first collection and will focus on introducing the recycling program to the public. The second phase will coincide with the implementation of CR&R's program and provide on-going promotion of the program. The following components may be included in the Campaign:

(a) Media Relations.

News Releases. Grantee shall, as requested by City, assist in writing and disseminating news releases outlining the scope, benefits, and schedule of the recycling program. Grantee shall develop an at-a-glance fact sheet describing details of the program.

Feature Articles and Editorial Support. Grantee shall, as requested by City, contact appropriate editors at target media outlets requesting that publications and broadcast stations write and produce feature stories on the recycling program.

To encourage Perris residents, Grantee shall, as requested by City, arrange editorial board meetings with target media outlets for the purpose of describing the recycling program, its significance, and benefits to the City

of Perris and all communities of Southern California.

Slide Show Presentation. Grantee shall begin production of a promotional slide show to be used as an educational tool by CR&R volunteers at community events, local service clubs, schools and other community outlets.

Advertising. Grantee shall, as requested by City, secure an ad in a local newspaper announcing the beginning of the recycling program to area residents. The ad will encourage participation in the program.

Non-Profit Groups. Grantee may utilize non-profit volunteers to distribute materials and talk one-on-one about the recycling program with residents prior to the beginning of the first collection. In addition, speakers shall be available to public and private groups.

Public Service Announcements. Grantee shall, as requested by City, begin distribution of a continuing series of public service announcements to the local cable station and radio.

Continuing Education. Grantee shall provide an annual newsletter illustrating the progress and current amount of recyclable material diverted by the recycling program. This literature should provide suggestions to enhance the recovery of more recyclable materials. Grantee shall write, print, and distribute this newsletter on an annual basis at no cost to City.

I. Additional Services. The following additional services are hereby provided to City, free of charge, by Grantee:

(1) Grantee shall assist City (by providing staff support) in development of a Recycling Market Development Zone. Grantee shall provide rolloff containers to any non-profit group free of charge, for the expressed purpose of the group collecting recyclable materials. Grantee shall pay these organizations top dollar for the recyclables collected and deposited in the rolloff containers.

(2) Grantee shall make itself available to make presentations to non-profit organizations within City regarding recycling and waste reductions.

(3) Grantee shall make available upon request, a refuse collection vehicle for demonstrations at schools and other public events.

(4) Grantee shall develop and distribute a quarterly newsletter in English and Spanish regarding on-going recycling and waste reduction efforts.

(5) Grantee shall assist and cooperate with City in organizing City cleanup days, free of charge. Grantee shall provide a total of fifty (50) bins (40 cubic yards), bin transportation, and pay all landfill fees for each load every calendar year, 25 bins per clean up day. City shall coordinate with County for 2 days land fill fees free of charge.

(6) Grantee shall clean out any overflowing bins or enclosures within twenty-four (24) hours of notification by City, free of charge. Grantee shall work with the City Manager or designee in identifying continual problems in customer bins or enclosures.

(7) Grantee shall pickup all Christmas trees on the first two scheduled pickup days after Christmas Day, and the first scheduled pickup day after New Year's Day. All efforts shall be used to divert trees from the landfill, by any method legally acceptable to City.

(8) Grantee shall supply City and all Franchise Area schools with earthquake/catastrophe preparedness containers (only) so that every student and municipal employee have the necessary supplies readily available should the need arise.

(8.1) Grantee shall provide rolloff containers for telephone book collection twice a year.

(9) Grantee, at City's sole option, shall provide refuse collection and recycling to the following locations within the Franchise Area, at no charge to City or the entities listed:

(a) City Fire Stations

(b) City Police Stations

(c) City Hall, City Public Buildings, City Parks, and City Maintenance Yard

J. Special Wastes. Grantee may, but it is not required to, provide such collection, transportation, and disposal services for special wastes. Grantee may provide such services for special wastes if contracted to do so by customers under separate written contracts negotiated between Grantee and the customer generating such special wastes. A schedule of fees for these special waste services shall be approved by the City Manager.

SECTION 6. FRANCHISE FEE.

Grantee shall pay to City a Franchise Fee which shall be ten percent (10%) on Grantee's Gross Revenues per month payable in advance on the first day of each month during the term of this Agreement. In addition, on the third anniversary thereafter the City shall determine whether to make an annual increase for additional three year periods. Said determination shall be made based upon current economic conditions and such other factors as the City deems appropriate.

SECTION 7. LETTER OF CREDIT; INSURANCE COVERAGE.

A. Cash Bond. Contemporaneously with the execution of the Franchise Agreement, the Grantee shall deposit a cash bond in the sum of Twenty Five Thousand Dollars (\$25,000) in an interest bearing account. The cash bond shall be on terms acceptable to the City Attorney. The cash bond shall serve as security for the faithful performance by Grantee of all the provisions and obligations of this Franchise Agreement.

(1) After thirty (30) days following Grantee's failure to pay the City an amount owing under this Franchise Agreement, the cash bond may be assessed by the City upon five (5) days prior written notice to the Grantee for purposes including, but not limited to:

(a) Failure of Grantee to pay the City sums due under the terms of the Franchise Agreement.

(b) Reimbursement for costs borne by the City to correct Franchise Agreement violations not corrected by Grantee, after due notice.

(c) Monetary remedies or damages assessed against Grantee due to breach of the Franchise Agreement.

(2) The Grantee shall deposit a sum of money sufficient to restore the cash bond to the original amount within thirty (30) days after notice from the City that any amount has been withdrawn from the cash bond.

B. Insurance Coverage. Contemporaneously with the execution of this Franchise Agreement, the Grantee shall deposit copies of insurance policies or endorsements evidencing the existence of policies of insurance required pursuant to this Franchise Agreement.

SECTION 8. TERM AND OPTIONAL TERMS.

The Parties, recognizing that the financing or constructing of a Material Recovery Facility ("MRF") is material to this Agreement, agree to the following provisions regarding the term and optional terms of this Agreement:

A. Term. The term of this Agreement shall be for ten (10) years and shall be extended each year for an additional year, thereby causing the term of this Agreement to continue to be effective for a ten (10) year period, upon the recommendation of the City Manager and approval of the City Council, commencing upon execution of this Agreement as long as all of the following conditions are satisfied:

- (1) Grantee continues to successfully meet AB 939 goals; and
- (2) Grantee continues to exceed the performance standards contained in this Agreement; and
- (3) Grantee obtains bond financing for, and starts to construct, a MRF within the City of Perris prior to July 1, 1994.

B.1. Optional Terms. If bond financing is not obtained or construction of a MRF is not started prior to July 1, 1994, Grantee may continue to perform this Agreement and the term of this Agreement shall be for ten (10) years commencing upon execution of this Agreement as long as all of the following conditions are satisfied:

- (1) Grantee pays the mitigation fee pursuant to the Material Recovery Facility Operations Agreement, herein incorporated by this reference. In addition, Grantee reimburses the Redevelopment Agency of the City of

Perris ("Agency") for land costs and all such costs associated with the development of the Perris MRF pursuant to the Owner Participation Agreement between Grantee and Agency for development of the Perris MRF, not to exceed Three Million Dollars (\$3,000,000) within a three (3) year period; or

- (2) Grantee does not pay such mitigation fee, but rather Grantee immediately reimburses Agency for land costs and all such costs associated with the development of the Perris MRF pursuant to the Owner Participation Agreement between Grantee and Agency for development of the Perris MRF, not to exceed Three Million Dollars (\$3,000,000); and
- (3) Grantee continues to successfully meet AB 939 goals; and
- (4) Grantee continues to exceed the performance standards contained in this Agreement; and
- (5) Grantee implements a three (3) bin system to recycle waste, or Grantee transports waste to another MRF, or Grantee transports waste to the MRF located in Stanton, California.

The Parties agree that at any time during the ten (10) year term under Section 8(B.1.) above, the term of this Agreement may revert back to a ten (10) year term eligible for yearly extensions, as described in Section 8(A) above, which commenced upon execution of this Agreement if Grantee obtains bond financing or starts to construct a MRF within the City of Perris any time during the ten (10) year term.

B.2. In the alternative, if bond financing is not obtained or construction of a MRF is not started prior to July 1, 1994, the term of this Agreement shall be for five (5) years commencing July 2, 1994 as long as Grantee satisfies the following conditions:

- (1) Grantee implements a three (3) bin system to recycle waste, or Grantee transports waste to another MRF, or Grantee transports waste to the MRF located in Stanton, California; and
- (2) Grantee continues to successfully meet AB 939 goals; and
- (3) Grantee continues to exceed the performance standards contained in this Agreement.

The Parties agree that at any time during the five (5) year term under Section 8(B.2.) above, the term of this Agreement may revert back to a ten (10) year term eligible for yearly extensions, as described in Section 8(A) above, which commenced upon execution of this Agreement if Grantee obtains bond financing or starts to construct a MRF within the City of Perris any time during the five (5) year term.

SECTION 9. FRANCHISE TRANSFERRABLE; CITY CONSENT REQUIRED.

A. The franchise granted by this Franchise Agreement shall not be transferred, sold, hypothecated, sublet, or assigned, nor shall any of the rights or privileges herein be hypothecated, leased, assigned, sold, or transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest, or property therein, pass to or vest in any person, except the Grantee, either by act of the Grantee or by operation of law, without prior written consent of the City Council of City expressed by written Resolution. Any attempt by Grantee to assign this franchise without the consent of City shall be void.

B. If the Grantee attempts to transfer the franchise prior to obtaining City consent, all of the profits or twenty-five percent (25%) of the Gross Revenues, from the date of attempted transfer until the date of City consent, whichever is greater, shall be returned to the customers on a pro rata basis.

C. The City shall not unreasonably withhold its consent to transfer the franchise granted by this Franchise Agreement. The City may impose conditions of approval on a Franchise Agreement transfer, including, but not limited to conditions requiring acceptance of amendments to Chapter 7.16 and this Franchise Agreement, and the payment of a transfer fee to the City.

D. City consent is required for any change in control of Grantee. "Change in control" shall mean any sale, transfer, or acquisition of Grantee. Grantee is a corporation, and any acquisition of more than ten percent (10%) of Grantee's voting stock by a person, or group of persons acting in concert, who already owns less than 50% of the voting stock, shall be deemed a change in control.

E. Any change in control of the Grantee occurring without prior City approval shall constitute a material breach of this Franchise Agreement.

SECTION 10. FRANCHISE TRANSFER; FEES.

A. Any application for a franchise transfer shall be made in a manner prescribed by the City Manager. The application

shall include a transfer fee in an amount to be set by City by a written Resolution of the City Council, to cover the cost of all direct and indirect administrative expenses including consultants and attorneys, necessary to adequately analyze the application and to reimburse City for all direct and indirect expenses. In addition, the Grantee shall reimburse the City for all costs not covered by the transfer fee. Bills shall be supported with evidence of the expense or cost incurred. The applicant shall pay such bills within thirty (30) days of receipt.

B. These franchise transfer fees are over and above any franchise fees specified in this Franchise Agreement.

SECTION 11. IMPOSITION OF DAMAGES OR TERMINATION.

A. If the City Manager determines that the Grantee's performance pursuant to this Franchise Agreement has not been in conformity with reasonable industry standards which are obtained in similar cities in Southern California, the provisions of this Franchise Agreement, the requirements of Chapter 7.16, the requirements of the California Integrated Waste Management Board, including, but not limited to, requirements for source reduction and recycling (as to the waste stream subject to this Franchise Agreement) or any other applicable Federal, State, or local law or regulation, including but not limited to the laws governing transfer, storage, or disposal of special wastes, the City Manager may advise Grantee in writing of such deficiencies. The Manager may, in such written instrument, set a reasonable time within which correction of all such deficiencies is to be made. Unless otherwise specified, a reasonable time for correction shall be no more than sixty (60) days from the receipt by the Grantee of such written notice. The City Manager shall review the Grantee's response and refer the matter to the City Council or decide the matter and notify the Grantee of that decision, in writing. A decision or order of the City Manager shall be final and binding on Grantee if the Grantee fails to file a "Notice of Appeal: with the City Manager within thirty (30) days of receipt of the City Manager's decision. Within ten (10) working days of receipt of a Notice of Appeal, the City Manager shall either refer the appeal to the City Council for proceeding in accordance with Section 12C-D, below, or refer the matter to the Solid Waste Committee ("Committee") as provided in Section 13, below for a recommendation to the City Council prior to the appeal.

B. The City Council, in such case, may set the matter for hearing. The City Council shall give Grantee, and any other person requesting the same, fourteen (14) days written notice of the time and place of the hearing. At the hearing, the City Council shall consider the report of the City Manager indicating the deficiencies, and shall give the Grantee, or its representatives and any other interested person, a reasonable opportunity to be heard.

C. Based on the evidence presented at the public hearing, the Council shall determine by Resolution whether the Franchise Agreement should be terminated or liquidated damages imposed. If, based upon the record, the City Council determines that the performance of Grantee is in breach of any material term of this Franchise Agreement or any material provision of any applicable Federal, State, or local statute or regulation, the City Council, in the exercise of its sole discretion, may terminate forthwith, the Franchise Agreement or impose liquidated damages, as defined below. The decision of the City Council shall be final and conclusive, subject to referral of the matter for an administrative hearing pursuant to Section 13, below. Grantee's performance under its franchise is not excused during the period of time prior to the City Council's final determination as to whether such performance is deficient.

D. This right of termination or to impose liquidated damages is in addition to any other rights of City upon a failure of Grantee to perform its obligations under this Franchise Agreement.

E. The City further reserves the right to terminate Grantee's franchise or impose liquidated damages in the event of any of the following:

(1) If the Grantee practices, or attempts to practice, any fraud or deceit upon the City.

(2) If the Grantee becomes insolvent, unable, or unwilling to pay its debts, or upon listing of an order for relief in favor of Grantee in a bankruptcy proceeding.

(3) If the Grantee fails to provide or maintain in full force and effect, the worker's compensation, liability, indemnification coverage or cash bond as required by the Franchise Agreement.

(4) If the Grantee willfully violates any orders or rulings of any regulatory body having jurisdiction over the Grantee relative to this Franchise Agreement, provided that the Grantee may contest any such orders or rulings by appropriate proceedings conducted in good faith, in which case no breach of the franchise shall be deemed to have occurred.

(5) If the Grantee ceases to provide collection and street sweeping services required under this Franchise Agreement over all or a substantial portion of its Franchise Area for a period of seven (7) days or more, for any reason within the control of the Grantee.

(6) If the Grantee willfully fails to make any payments required under the Franchise Agreement and/or refuses to provide City with required information, reports, and/or test results in a timely manner as provided in the Franchise Agreement.

(7) Any other act or omission by the Grantee which materially violates the terms, conditions, or requirements of this franchise, Chapter 7.16, the California Integrated Waste Management Act of 1989, as it may be amended from time to time or any order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if the Grantee cannot reasonably correct or remedy the breach within the time set forth in such notice, if the Grantee should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.

F. Liquidated Damages.

(1) The City finds, and the Grantee agrees, that as of the time of the execution of this Franchise Agreement, it is impractical, if not impossible to reasonably ascertain the extent of damages which shall be incurred by the City as a result of a material breach by Grantee of its obligations under this Franchise Agreement. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to members of the public who are denied services or denied quality or reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Franchise Agreement to individual members of the general public for whose benefit this Franchise Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms; (iii) that services might be available at substantially lower costs than alternative services, and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and (iv) the termination of this Franchise Agreement for such breaches, and other remedies are, at best, a means of future correction and not remedies which make the public whole for past breaches.

(2) Accordingly, the City Council may, in its discretion, assess liquidated damages not to exceed the sum of One Thousand Dollars (\$1,000) per day, for each calendar day that service is not provided by Grantee in accordance with this Franchise Agreement. The amount of the liquidated damages shall be increased by the past year's consumer price index for the Los Angeles-Anaheim-Riverside area on March 1 and effective July 1 of each year. In addition, the Council may order the assessment against the cash bond required by Section 8(A), above, the termination of the Franchise Agreement, or both.

(3) The City finds, and the Grantee acknowledges and agrees that the above described liquidated damages provisions represent a reasonable sum in light of all of the circumstances. Said liquidated damages sum shall be applicable to each calendar day of delay during which Grantee has been found by the City Council to be in material default pursuant to this Section. The Grantee shall pay any liquidated damages assessed by the City Council within ten (10) days after they are assessed. If they are not paid within the ten (10) day period, the City may withdraw them from the security fund established by the cash bond required by Section 8(A), above, order the termination of the franchise granted by this Franchise Agreement, or both.

SECTION 12. ADMINISTRATIVE HEARING PROCEDURES.

A. Should Grantee contend that the City is in breach of this Franchise Agreement, it shall file a request with the City Manager for an administrative hearing on the allegation before City's Committee which shall make recommendation to the City Council.

B. Committee may (i) order the City or the Grantee to undertake remedial action to cure the breach and to prevent occurrence of similar breaches in the future; (ii) assess compensatory damages and/or levy a penalty upon the Grantee consistent with the terms of this Franchise Agreement; or (iii) find there has been no breach. If it is found that there has been no breach, such a decision precludes the City from conducting a default hearing. For any occurrence or series of related occurrences, a penalty may be assessed. The amount of the penalty shall be reasonably related to the seriousness of the breach of the Franchise Agreement.

C. Any failure of the Grantee to comply with the Committee's order shall be deemed a material breach of the

Franchise Agreement, and may be ground for termination of the Franchise Agreement.

D. The Committee shall commence the hearing within thirty (30) days of selection unless the parties and Committee otherwise agree. Any party to the hearing may issue a request to compel reasonable document production from the other party. Disputes concerning the scope of document production and enforcement of document requests shall be subject to agreement by the parties, or if agreement is not reached within twenty (20) days of that document request, then by disposition by order of the Committee. Any such document request shall be subject to the proprietary rights and rights of privilege of the parties, and the Committee shall adopt procedures to protect such rights. Except as may be otherwise specifically agreed by the parties, no other form of pretrial discovery shall be available to the parties; provided that if either party notifies the Committee that a material violation of the franchise or rights in connection therewith is claimed by either party, the provisions of Code of Civil Procedure Section 1283.05 shall apply.

E. Neither party may communicate separately with the Committee. All subsequent communications between a party and the Committee shall be simultaneously delivered to the other party. This provision shall not apply to communications made to schedule a hearing or request a continuance.

F. Until final judgement is entered from the Committee proceeding under the foregoing provisions and the time for appeal or other post-judgment petition has expired, the imposition or enforcement of any penalties or sanctions provided in the Franchise Agreement and related to the subject matter of the hearing shall be stayed. The Committee may modify or cancel any proposed penalties or sanctions upon a finding that the party subject thereto acted with substantial justification or if the interests of justice so require.

G. Any party to a hearing may petition the City Council on the decision rendered by the Committee. A petition for an appeal must be filed with the City Clerk no later than within ten (10) days after the Committee final decision.

SECTION 13. CITY'S ADDITIONAL REMEDIES.

In addition to the remedies set forth in Sections 12-13, above, City shall have the following rights:

A. To rent or lease equipment from Grantee for the purpose of street sweeping and collecting, transporting, recycling, composting, and disposing of solid waste and construction debris and providing temporary bin/rolloff services which Grantee is obligated to sweep City streets and collect, transport, recycle, compost, and dispose of solid waste and

construction debris and provide temporary bin/rolloff services pursuant to this Franchise Agreement, for a period not to exceed six (6) months in the event of termination of services. In the case of equipment not owned by Grantee, Grantee shall assign to City, to the extent Grantee is permitted to do so under the instruments pursuant to which Grantee possesses such equipment, the right to possess the equipment. If City exercises its rights under this Section, City shall pay to Grantee the reasonable rental value of the equipment, as determined by City, so taken for the period of City's possession thereof;

B. The right to license others to perform the services otherwise to be performed by Grantee hereunder, or to perform such services itself; and

C. The right to obtain damages and/or injunctive relief. Both parties recognize and agree that in the event of a breach under the terms of this Franchise Agreement by Grantee, City may suffer irreparable injury and incalculable damages sufficient to support injunctive relief, to enforce the provisions of this Franchise Agreement and to enjoin the breach thereof.

SECTION 14. RIGHTS OF CITY TO PERFORM DURING EMERGENCY.

A. Should Grantee, for any reason whatsoever, except the occurrence or existence of any of the events or conditions set forth in Section 26(A), "Force Majeure," below, refuse or be unable to provide street sweeping services and collect, transport, recycle, compost, and dispose of solid waste and construction debris and provide temporary bin/rolloff services any or all of the refuse, compostables, and recyclables which it is obligated under this Franchise Agreement for a period of more than seventy-two (72) hours, and if as a result thereof, debris, refuse, compostables, recyclables, and construction debris should accumulate in City to such an extent, in such a manner, or for such a time that the City Manager should find that such accumulation endangers or menaces the public health, safety, or welfare, then in such event City shall have the right, upon twenty-four (24) hour prior written notice to Grantee, during the period of such emergency, to temporarily take possession of any or all equipment and facilities of Grantee previously used in providing street sweeping services and the collection, transportation, recycling, composting, and disposal of solid waste and construction debris and provide temporary bin/rolloff services under this Franchise Agreement, and to use such equipment and facilities to sweep City streets and to collect, recycle, compost, and transport any or all debris, refuse, compostables, recyclables, and construction debris and provide temporary bin/rolloff services which Grantee would otherwise be obligated to sweep, collect, recycle, compost, transport, and dispose of solid waste and construction debris and provide temporary bin/rolloff services pursuant to this Franchise

Agreement. Grantee agrees that in such event it shall fully cooperate with City to effect such a transfer of possession for City's use.

B. Grantee agrees that, in such event, City may take temporary possession of and use all of said equipment and facilities without paying Grantee any rental or other charge, provided that City agrees that, in such event, it assumes complete responsibility for the proper and normal use of such equipment and facilities. City agrees that it shall immediately relinquish possession of all of the above mentioned property to Grantee upon receipt of written notice from Grantee to the effect that it is able to resume its normal responsibilities under this Franchise Agreement.

SECTION 15. PRIVACY.

A. Grantee shall strictly observe and protect the rights of privacy of customers. Information identifying individual customers or the composition or contents of a customer's waste stream shall not be revealed to any person, governmental unit, private agency, or company, unless upon the authority of a court of law, by statute, or upon valid authorization of the customer. This provision shall not be construed to preclude Grantee from preparing, participating in, or assisting in the preparation of waste characterization studies or waste stream analyses or performing waste audits which may be required by AB 939.

B. Grantee shall not market or distribute mailing lists with the names and addresses of Perris customers.

C. The rights accorded customers pursuant to this Section shall be in addition to any other privacy right accorded customers pursuant to Federal or State law.

SECTION 16. REPORTS AND ADVERSE INFORMATION.

A. Annual Reports.

Sixty (60) days after the close of Grantee's fiscal year, the Grantee shall submit a written annual report, in a form approved by the City, including, but not limited to, the following information:

- (1) A summary of the previous year's (or, in the case of the initial report year, the initial year's) activities including, but not limited to, services begun or discontinued during the reporting year, and the number of customers for each class of service;

(2) A report, in a form satisfactory to the City, on the City's progress in meeting and maintaining its ability to meet its goals under AB 939, along with any recommended changes.

(3) A revenue statement, setting forth biannual Franchise Fees and the basis for the calculation thereof, certified by an officer of the Grantee;

(4) A list of Grantee's officers and member of its board of directors.

(5) A list of stockholders or other equity investors holding five percent (5%) or more of the voting interest in the Grantee and nay subsidiaries unless Grantee is a public corporation whose annual reports are publicly available.

B. Adverse Information.

Grantee shall provide City two copies of all reports, or other material adversely affecting the Franchise Agreement, submitted by Grantee to the EPA, the California Integrated Waste Management Board, or any other Federal or State agency. Copies shall be submitted to City simultaneously with Grantee's filing of such matters with said agencies. Grantee's routine correspondence to said agencies need not be automatically submitted to City, but shall be made available to City upon written request.

(1) The Grantee shall submit to City copies of all pleadings, applications, notifications, communications, and documents of any kind, submitted by the Grantee to, as well as copies of all decisions, correspondence, and actions by, any Federal, State, and local courts, regulatory agencies, and other government bodies relating specifically to Grantee's performance of services pursuant to this Franchise Agreement. Any confidential data exempt from public disclosure shall be retained in confidence by the City and its authorized agents and shall not be made available for public inspection.

(2) Grantee shall submit to the City such other information or reports in such forms and at such times as the City requires.

(3) All reports and records required under this or any other section shall be furnished at the sole expense of the Grantee.

(4) A copy of each of Grantee's annual and other periodic public financial reports and those of its parent, subsidiary, and affiliated corporation and other entities, as the City requests, shall be submitted to the City within thirty (30) days after receipt of a request.

C. Failure to Report.

The refusal, failure, or neglect of the Grantee to file any of the reports required, or the inclusion of any materially false or misleading statement or representation made knowingly by the Grantee in such report shall be deemed a material breach of the Franchise Agreement, and shall subject the Grantee to all remedies, legal or equitable, which are available to the City under the Franchise Agreement or otherwise.

SECTION 17. ANNUAL REVIEW OF PERFORMANCE AND QUALITY OF SERVICE.

A. At City's sole option, within ninety (90) days of the first anniversary of the execution date of this Franchise Agreement, and each year thereafter throughout the term of the Franchise Agreement, City may hold a public hearing at which the Grantee shall be present and shall participate, to review the Grantee's performance and quality of service. The reports required by this Franchise Agreement regarding customer complaints shall be utilized as the basis for review. In addition, any customer may submit comments or complaints during the review meetings, either orally or in writing, and these shall be considered.

B. Within thirty (30) days after the conclusion of the public hearing, City shall issue a report with respect to the adequacy of performance and quality of service. If any noncompliance with the franchise is found, City may direct Grantee to correct the inadequacies in accordance with Sections 12 and 13, above.

SECTION 18. SYSTEM AND SERVICES REVIEW.

A. To provide for technological, economic, and regulatory changes in street sweeping and waste stream collection and recycling, to facilitate renewal procedures, to promote competition in the sweeping, refuse, and recycling industry, and to achieve a continuing, advanced sweeping, refuse collection, and recycling system, the following system and services review procedures are hereby established.

B. Grantee shall attend all regular meetings of the City's Solid Waste Advisory Committee.

C. At City's sole option, City may hold a public hearing on or about the first anniversary date of the Franchise Agreement at which the Grantee shall be present and shall participate, to review the sweeping, refuse collection, and recycling system and services. Subsequent system and services review hearings may be scheduled by City each year thereafter. It is City's intent to conduct any system and services review concurrently with any Annual Review of Performance and Quality of Service as provided for in Section 17, above.

D. Sixty (60) days after receiving notice from the City, Grantee shall submit a report to City indicating the following:

(1) All street sweeping, refuse collection, composting, and recycling services reported in street sweeping, refuse collection, and recycling industry trade journals that are being commonly provided on an operational basis, excluding tests and demonstrations, to communities in the United States with comparable populations, that are not provided to City; and

(2) Changes recommended to improve the City's ability to meet the goals of AB 939 and to keep City streets clean and free of debris.

(3) Any specific plans for provision of such new services by the Grantee, or a justification indicating why Grantee believes that such services are not feasible for the Franchise Area.

E. Topics for discussion and review at the system and services review hearing shall include, but shall not be limited to, services provided, feasibility of providing new services, application of new technologies, customer complaints, rights of privacy, amendments to the Franchise Agreement, developments in the law, new initiatives for meeting or exceeding AB 939's goals and regulatory constraints.

F. City and the Grantee may each select additional topics for discussion at any systems and services review hearing.

G. Not later than sixty (60) days after the conclusion of each system and service review hearing, City shall issue a report. The report shall include a listing of any street sweeping, refuse collection, and recycling services not then being provided to City that are considered technically and economically feasible by City. City may require Grantee to provide such services within a reasonable time, for reasonable rates and compensation.

SECTION 19. COMPENSATION.

A. Grantee Rates.

Grantee shall provide the services described in this Franchise Agreement in accordance with the rates fixed by City from time to time by ordinance of the City Council.

B. Modification and Adjustment of Rates.

Rates for service shall be established by the City Council by Ordinance. Such rates shall remain in effect until adjusted by City by an Ordinance of the City Council after the City Council has held a legally noticed public hearing. City shall use the methodology described in Exhibit "E" to adjust the rates.

C. Notice of Rate Increases: The Grantee shall provide the City and customers, at least thirty (30) days in advance of the beginning of a billing period, written notice of the implementation of changes in any of its rates and charges which are not subject to regulation by the City. The notice shall include a statement of the reasons for the rate increase.

D. Resolution of Disputes Regarding Rate Adjustments: Any dispute regarding the annual "CPI" and Landfill Tipping Fee adjustment, or the computation thereof, of the rates or any other dispute regarding Grantee's reimbursement for fees, special services, or extraordinary costs shall be decided by the City Manager, City Council, or City's Committee and shall remain in effect pending resolution of such dispute. The effective date of any dispute resolution, whether retroactive or prospective, shall reasonably be determined by the City Manager, City Council, or City's Solid Waste Advisory Committee, as appropriate.

F. Billing and Payment:

(1) Grantee shall bill all customers for services directly. Grantee shall provide itemized bills, distinctly showing charges for all classifications of services, including the charges for late payment. The Grantee shall not designate that portion of a customer's bill attributable to the franchise fee as a separate item on customers' bills. Billings may be made current monthly for commercial and bin service customers. Billings for residential customers shall be made current quarterly. City reserves the right to require current monthly for residential service customers throughout the term of this Agreement.

G. Delinquent Accounts. Grantee may discontinue service as set forth in this Section and Chapter 7.16. Persons who have not remitted required payments within thirty (30) days

after the date of billing shall be notified on forms approved by City. Said forms shall contain a statement that services may be discontinued fifteen (15) days from the date of notice if payment is not made before that time. Upon payment of the delinquent, redelivery, or reinstatement fees, if applicable, Grantee shall resume collection on the next regularly scheduled collection day.

H. Refunds. Grantee shall refund to each customer, on a pro rata basis, any advance service payments made by such customer for service not provided when service is discontinued by the customer.

SECTION 20. COLLECTION AND STREET SWEEPING EQUIPMENT.

A. Grantee shall provide an adequate number of vehicles and equipment for street sweeping services and the collection, transportation, recycling, and disposal of solid waste for which it is responsible under this Franchise Agreement. The equipment of Grantee used under this Franchise Agreement shall be subject to inspection by City on a semiannual basis but shall not be subject to any permit fees therefor.

(1) All vehicles used by Grantee under this Franchise Agreement shall be registered with the Department of Motor Vehicles of the State of California, shall be kept clean and in good repair, shall be uniformly painted. A sufficient supply of parts, brooms, etc., must be kept on hand to ensure timely and continuous fulfillment of this Franchise Agreement.

(2) All bins and containers, upon execution of this Agreement, provided shall and continuously thereafter shall be supplied clean to customers and maintained by Grantee according to City and State standards.

(3) Solid waste collection vehicles shall be washed at least once every seven (7) calendar days. Street sweepers shall be washed either before or after its daily route. Street sweepers must be equipped with an efficient water spray system, if applicable, for dust control and the spray system must be maintained in excellent operating condition.

(4) A local or toll free telephone number, and vehicle number for CR&R, Inc. shall be visibly displayed on all vehicles in letters and figures no less than five inches (5") high. All refuse collection vehicles and street sweepers shall display the words "Serving the City of Perris" in letters no less than eight inches (8") high. All

vehicles shall display the seal of the City of Perris, in a figure at least twelve inches (12") in diameter.

(5) All vehicles, high visibility bins, rolloffs, earthquake/catastrophe preparedness containers, and the residential container designated as the refuse container shall display the "Solid Waste Haulers Anti-Drug Campaign" decal or such other decals chosen by the City, including decals announcing special events of the City, notification of waste collection events including Household Hazardous Waste Roundup Days, Citywide Clean-up Days and the City's Recycling Program. The decal on the residential refuse container shall be located on the side of the container that will face the street when placed at curbside. The small inscription area on the top of all of the residential containers shall be labeled as follows: refuse container - "Property of the City of Perris," recycling container - "Recycling - Everyones' Responsibility," and greenwastes container - "25% By 1995 - 50% By 2000."

SECTION 21. PUBLIC ACCESS TO GRANTEE.

A. Office Hours.

Grantee's office hours shall be, at a minimum, from 8:00 a.m. to 5:00 p.m. daily, on all collection days. A representative of Grantee shall be available during office hours for communication with the public at Grantee's principal office. In the event that normal business cannot be rectified over the telephone, a representative of Grantee shall agree to meet with the public at a location agreeable to Grantee and the public. Normal office hours telephone numbers shall either be a local or toll free call. Grantee shall also maintain a local or toll free after hours telephone number for use during other than normal business hours. Grantee shall have a representative or answering service at said after-hours telephone number during all hours other than normal office hours.

B. Service Complaints.

(1) All customer complaints shall be directed to Grantee. Grantee shall record all complaints received by mail, by telephone, or in person (including date, name, address of complainant, and nature of complaint). Grantee agrees to use its best efforts to resolve all complaints by close of business of the second business (waste collection and street sweeping) day following the date on which such complaint is received. Service complaints may be investigated by the City Manager

or the Manager's designee. Unless a settlement satisfactory to complainant, the Grantee, and the Manager's designee is reached, the complainant may refer the matter to the City Manager for review.

(2) Grantee shall maintain records listing the date of consumer complaints, the customer, describing the nature of the complaint or request, and when and what action was taken by the Grantee to resolve the complaint. All such records shall be maintained and shall be available for inspection by City, as described in Section 26. Grantee shall prepare monthly summaries of consumer complaints. The summaries shall be available and delivered monthly to the City Manager or the City Manager's designated representative.

C. Government Liaison Person.

The Grantee shall designate a "government liaison person" who shall be responsible for working with the City Manager or the City Manager's designated representative to resolve consumer complaints. Such complaints shall be reported to City's Solid Waste Advisory Committee at its regularly scheduled meetings.

SECTION 22. RESOLUTION OF DISPUTED CUSTOMER COMPLAINTS.

A. The Grantee shall notify customers of this complaint arbitration procedure at the time customers apply for or are provided service, and subsequently, annually.

B. A customer dissatisfied with Grantee's decision regarding a complaint may ask the City to review the complaint. To obtain this review, the customer must request City review within thirty (30) days of receipt of Grantee's response to the Complaint, or within forty-five (45) days of submitting the complaint to the Grantee, if the Grantee has failed to respond to the complaint. The City may extend the time to request its review for good cause.

C. Before reviewing the complaint, the City Manager shall refer it to the Grantee. If the Grantee fails to cure the complaint within ten (10) days, the City Manager shall review the customer's complaint and determine if further action is warranted. The City Manager may request written statements from the Grantee and customer, and/or oral presentations.

D. The City Manager shall determine if the customer's complaint is justified, and if so, what remedy, if any, shall be imposed. The remedy under this Section shall be limited to a rebate of customer charges related to the period of breach of any

of the terms of this Franchise Agreement or a penalty of up to \$100 for any single event or services of related events, or any actual damages.

E. The City Manager may delegate these duties to the City's Solid Waste Advisory Committee. The decision of the City Manager or the Committee shall be final. Grantee may seek review pursuant to Section 13, above.

SECTION 23. OWNERSHIP OF SOLID WASTE.

Once solid waste, compostables, recyclables, and yard waste are placed for collection by Grantee, ownership shall transfer to Grantee. Subject to Grantee's duty to meet the source reduction and recycling goals which apply to City, Grantee is hereby granted the right to retain, recycle, compost, dispose of, and otherwise use such solid waste placed for collection by Grantee, compostables, recyclables, and yard waste, or any part thereof, in any lawful fashion or for any lawful purpose desired by Grantee. Grantee shall bear any loss and shall have the right to retain any profit resulting from its recycling, composting, disposal of, or use the solid waste, compostables, recyclables, and yard waste which it collects. Solid waste, compostables, recyclables, yard waste, or any part thereof, which is disposed of at a disposal site or site (whether landfill, transformation facility, transfer station, or material recovery facility), shall become the property of the owner or operator of the disposal site or sites once deposited there by Grantee. However, City, at its sole option, shall retain the right to require or designate the transformation facility, transfer station, material recovery facility or other disposal or diversion facility to be used to retain, recycle, compost, process, and dispose of solid waste, yard waste, recyclables, and compostables collected under this Agreement. In this instance, Grantee shall conduct a rate audit and recommend a rate adjustment.

SECTION 24. INDEMNIFICATION AND INSURANCE.

A. Indemnification of City.

Grantee agrees that it shall protect, defend with counsel approved by City, indemnify, and hold harmless City, its officers, employees, and agents from and against any and all losses, liabilities, fines, penalties, claims, damages, liabilities, or judgments, including attorneys fees, arising out of or resulting in any way from Grantee's exercise of this franchise, unless such claim is due to the sole negligence or willful acts of the City, its officers, employees, agents, or contractors, or from the City's grant of this franchise to Grantee. Subject to the scope of this indemnification and upon demand of the City, made by and through the City Attorney, the Grantee shall appear in and defend the City and its officers,

employees, and agents in any claims or actions, whether judicial, administrative, or otherwise arising out of the exercise of the Franchise Agreement.

B. Indemnification of Grantee.

The City shall indemnify, defend and hold the Grantee, its affiliates and their respective officers, directors, employees, and shareholders harmless from and against any and all liabilities, losses, damages, claims, actions, causes of action, costs, and expenses (including reasonable attorneys' fees) arising from or in any manner related to the sole negligence or willful acts of the City, its officers, employees, agents, or contractors.

C. Hazardous Substances Indemnification.

Grantee shall indemnify, defend with counsel approved by City, protect and hold harmless City, its officers, employees, agents, assigns, and any successor or successors to City's interest from and against all claims, actual damages (including but not limited to special and consequential damages), natural resources damage, punitive damages, injuries, costs, response remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted against, City or its officers, employees, agents, or Grantees arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance or hazardous wastes at any place where Grantee stores or disposes of municipal solid waste or construction and street debris pursuant to this Franchise Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, "CERCLA," 42 U.S.C. Section 9607(e) and California Health and Safety Code Section 25364, to insure, protect, hold harmless, and indemnify City from liability.

D. AB 939 Indemnification.

Grantee agrees to protect, defend, with counsel approved by City, and indemnify City against all fines or penalties imposed by the California Integrated Waste Management Board in the event the source reduction and recycling goals or any other legal requirements of AB 939 and its progeny are not met by City with respect to the waste stream collected under this Franchise Agreement.

E. Worker's Compensation Insurance.

Grantee shall obtain and maintain in full force and effect throughout the entire term of this Franchise Agreement workers' compensation insurance in accord with the provisions and requirements of the Labor Code of the State of California. The Endorsement that implements the required coverage shall be filed and maintained with the City Clerk throughout the term of this Franchise Agreement. The policy providing coverage shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in coverage or in limited except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City. The policy shall also be amended to waive all rights of subrogation against the City, its elected or appointed officials, employees, agents, or Grantees for losses which arise from work performed by the named insured for the City.

F. Public Liability Insurance.

Grantee shall obtain and maintain in full force and effect throughout the entire term of this Franchise Agreement a Board Form Comprehensive General Liability (occurrence) policy with a minimum limited of FIVE MILLION DOLLARS (\$5,000,000) aggregate and ONE MILLION DOLLARS (\$1,000,000) per occurrence for bodily injury and property damage, with any self-insured retention not exceeding TWO HUNDRED THOUSAND DOLLARS (\$200,000) per occurrence. Said insurance shall protect Grantee and City from any claim for damages for bodily injury, including accidental death, as well as from any claim for property damage which may arise from operations performed pursuant to this Franchise Agreement, whether such operations be by Grantee itself, or by its agents, employees, and/or subgrantees. Copies of the policies or endorsements evidencing the above required insurance coverage shall be filed with the City Clerk. All of the following endorsements are required to be made a part of the insurance policies required by this Section:

(1) "The City, its employees, agents, Grantees, and officers, are hereby added as insureds as respects liability arising out of activities performed by or on behalf of Grantee."

(2) "This policy shall be considered primary insurance as respects any other valid and collectible insurance the City may possess including any self-insured retention the City may have, and any other insurance the City does possess shall be considered excess insurance and shall not contribute with it."

(3) "This insurance shall act for each insured, as though a separate policy had been written for each. This, however, shall not act to increase the limit of liability of the insuring company."

(4) "Thirty (30) days prior written notice by certified mail, return receipt requested, shall be given to the City in the event of suspension, cancellation, reduction in coverage or in limits, or non-renewal of this policy for whatever reason. Such notice shall be sent to the City Clerk."

The limits of such insurance coverage, and companies, shall be subject to review and approval by the City Manager every year and may be increased at that time and match the coverage provided by the City's own liability insurance policy. The City shall be included as a named insured on all policies and endorsements.

G. Modification.

The insurance requirements provided herein may be modified or waived in writing by the City Council upon the request of Grantee, provided the City Council determines such modification or waiver is in the best interests of City considering all relevant factors, including the fact that the parent of Grantee may be self-insured up to a certain acceptable amount.

SECTION 25. GRANTEE'S BOOKS AND RECORDS; AUDITS.

A. Grantee shall maintain all records relating to the services provided hereunder, including, but not limited to, customer lists, billing records, accounts payable records, maps, AP 939 compliance records, and customer complaints, for the full term of this Franchise Agreement, and an additional period of not less than three (3) years, or any longer period required by law. This City shall have the right, upon five (5) business days advance notice, to inspect all maps, AB 939 compliance records, customer complaints, and other like materials of the Grantee which reasonably relate to Grantee's compliance with the provisions of the Franchise Agreement. Such records shall be made available to City at Grantee's regular place of business, but in no event outside the County of Riverside.

B. Should any examination or audit of Grantee's records reveal an underpayment of any fee required under this Franchise Agreement, the amount of such underpayment shall become due and payable to City not later than fifteen (15) days after written notice of such underpayment is sent to Grantee by City. Such audit shall be at Grantee's sole expense. Should an underpayment of more than three percent (3%) be discovered, Grantee shall bear the entire cost of the audit.

SECTION 26. GENERAL PROVISIONS.

A. Force Majeure.

Grantee shall not be in default under this Franchise Agreement in the event that the street sweeping and temporary bin/rolloff services and the collection, transportation, recycling, composting, and disposal of solid waste and street and construction debris provided by the Grantee are temporarily interrupted or discontinued for any of the following reasons: riots, wars, sabotage, civil disturbances, insurrections, explosion, natural disasters such as floods, earthquakes, landslides, and fires, strikes, lockouts, and other labor disturbances or other catastrophic events which are beyond the reasonable control of Grantee. Other catastrophic events do not include the financial inability of the Grantee to perform or failure of the Grantee to obtain any necessary permits or licenses from other governmental agencies or the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of the Grantee. In the event a labor disturbance interrupts services by Grantee as required under this Franchise Agreement, City may elect to exercise its rights under Section 15 of this Agreement. In addition, the parties to this Agreement agree that if any part, term or provision of this Agreement is held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain that particular part, term or provision held to be invalid.

B. Independent Contractor.

Grantee is an independent contractor and not an officer, agent, servant, or employee of City. Grantee is solely responsible for the acts and omissions of its officers, agents, employees, Grantees, and subgrantees, if any. Nothing in this Franchise Agreement shall be construed as creating a partnership or joint venture between City and Grantee. Neither Grantee nor its officers, employees, agents, or subgrantees shall obtain any rights to retirement or other benefits which accrue to City employees.

C. Property Damage.

Any physical damage caused by the negligent or willful acts or omissions of employees, Grantees, or subgrantees of the Grantee to private or public property shall be repaired or replaced.

D. Right of Entry.

Grantee shall have the right, until receipt of written notice revoking permission to pass is delivered to Grantee, to enter or drive on any private street, court, place, easement, or

other private property for the purpose of providing street sweeping and temporary bin/rolloff services and the collection, transportation, recycling, composting, and disposal of solid waste and construction and street debris pursuant to this Franchise Agreement.

E. Law to Govern: Venue.

The law of the State of California shall govern this Franchise Agreement. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Riverside. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.

F. Fees and Gratuities.

Grantee shall not, nor shall it permit any agent, employee, or subgrantee employed by it to, request, solicit, demand, or accept, either directly or indirectly, any compensation or gratuity for street sweeping and temporary bin/rolloff services and the collection, transportation, recycling, composting, and disposal of solid waste and construction and street debris otherwise required under this Franchise Agreement.

G. Prior Agreements and Amendment.

This Franchise Agreement is intended to carry out City's obligations to comply with the provisions of the California Integrated Waste Management Act of 1989 ("AB 939"), as it from time to time may be amended, and as implemented by regulations of the California Integrated Waste Management Board ("Regulations"), as they from time to time may be amended. In the event that AB 939 or other State or Federal laws or regulations enacted after this Franchise has been enacted, prevent or preclude compliance with one or more provisions of this Franchise Agreement, such provisions of the Franchise shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations. No other amendment of this Franchise Agreement shall be valid unless in writing duly executed by the parties.

H. Compliance with Franchise Agreement.

Grantee shall comply with those provisions of the Perris Municipal Code which are applicable, and with any and all amendments to such applicable provisions during the term of this Franchise Agreement.

I. Notices.

All notices required or permitted to be given under this franchise shall be in writing and shall be personally

delivered or sent by telecopier (fax), or United States certified mail, postage prepaid, return receipt request, and addressed as follows:

To City: City of Perris
101 North "D" Street
Perris, CA 92570
Attention: Michael Napolitano, City Manager
Telecopier: (714) 657-1087

Copy to: City Attorney
Best, Best & Krieger
P. O. Box 1028
Riverside, CA 92501
Attention: Elise K. Traynum
Telecopier: (714) 682-4612

To Grantee: CR&R Incorporated
P. O. Box 125
Stanton, CA 90680
Attention: David Fahrion or Michael Silva
Telecopier: (714) 893-7833

or to such other address as either party may from time to time designate by notice to the other given in accordance with this Section. Notice shall be deemed effective on the date personally served or, if mailed, three (3) business days from the date such notice is deposited in the United State mail.

J. Savings Clause and Entirety. If any non-material provision of this Franchise Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability or such provision shall not affect the validity and enforceability of any of the remaining provisions of this Franchise Agreement.

K. Exhibits Incorporated.

Exhibits "A" through "E" are attached to and incorporated in this Franchise Agreement by reference.

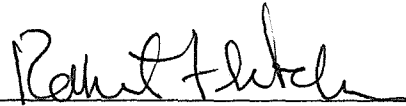
L. Identification Required.

(1) Grantee shall provide its employees, Grantees, and subgrantees with identification for all individuals who may make personal contact with residents of the City.

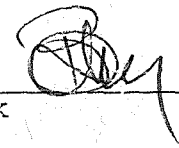
(2) The Grantee shall provide a list of current employees, Grantees, and subgrantees to the City upon request. The City may require the Grantee to notify customers yearly of the form of said identification.

WITNESS the execution of this Agreement on the day and year written above.

CITY OF PERRIS

By: 
Mayor

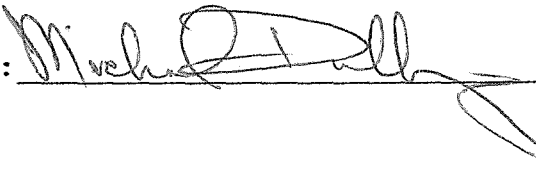
ATTEST:


City Clerk

APPROVED AS TO FORM:


Best, Best & Krieger
City Attorneys

CR&R INCORPORATED

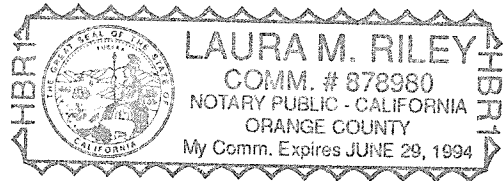
By: 

ACKNOWLEDGMENT

STATE OF California,)
)
COUNTY OF Orange,) SS.

On 11-3-93, before me, the undersigned, A Notary Public in and for the State of California, personally appeared Michael Dulberg, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Signature: Laura M. Riley



CORPORATE SEAL

EXHIBIT "A"

FRANCHISE AREA

All portions of the City as shown on the map below.

[TO BE PROVIDED BY CR&R]

EXHIBIT "B"
SPECIAL WASTES

Flammable waste.

Containerized waste (e.g., a drum, barrel, portable tank, box, pail, etc.).

Waste transported in a bulk tanker.

Liquid waste.

Sewage sludge.

Waste from a pollution control process.

Residue and debris from the cleanup of a spill or release of chemical substances, commercial products or any other special wastes.

Contaminated soil, waste, residue, debris, and articles from the cleanup of a site or facility formerly used for the generation, storage, treatment, recycling, reclamation, or disposal of any other special wastes.

Dead animals.

Manure.

Waste water.

Explosive substances.

Radioactive materials.

Materials which have been exposed to highly infectious or contagious diseases.

Hazardous materials.

EXHIBIT "C"

RECYCLING PROGRAMS, SERVICE COMMENCEMENT,

AB 939 TOPICS, AND FACILITY CONSIDERATIONS

A. Grantee guarantees to City that it shall cause at least twenty-five percent (25%) by January 1, 1995, and fifty percent (50%) by January 1, 2000, of the waste stream collected under this Franchise Agreement to be diverted from ultimate deposit in landfills or transformation facilities in accordance with the regulations implementing the California Integrated Waste Management Act of 1989 (as amended) (also known as "AB 939"). Grantee shall implement alternatives identified in the City's Source Reduction and Recycling Element (SRRE) and Household Hazardous Wastes Element (HHWE). Grantee shall be responsible to implement the public education and awareness portions of the SRRE and HHWE, at Grantee's expense. Grantee shall provide City with written reports in a form adequate to meet City's reporting requirements to the California Integrated Waste Management Board and to the County of Riverside throughout the term of this Franchise wherein its performance under this program is set forth in detail.

B. On July 1, 1994, Grantee shall conduct a waste audit of all contracted commercial, residential and multi-family accounts to determine their recyclable content, prior to services being rendered at Grantee's sole expense. The process used to conduct this waste audit shall be shared with the City of Perris and the County to ensure permit compliance and acceptance. Those accounts that contain a significant recyclable content shall be processed through the Perris MRF that shall process salvaged separated materials for reuse. Customers achieving this content, or high, shall only be charged the service rates adopted by the City Council. If customers desire to commence a source separated recycling program, a recycling container shall be provided by Grantee and customers shall be responsible for transporting such recyclables to the MRF.

C. Prior to completion of MRF, Grantee may implement a three-can system to separate waste from recyclables and from greenwaste pursuant to Section 8.

D. The failure of Grantee to achieve the above shall be deemed a material breach of this Franchise Agreement.

EXHIBIT "D"

MINIMUM CONTAINER SPECIFICATIONS

Grantee shall provide containers for refuse collection:

Each container provided for the residential curbside program shall have a capacity of sixty (60) gallons or one hundred (100) gallons and be constructed of rigid, durable, and recyclable materials with a minimum five (5) year life expectancy warranted by the manufacturer. Grantee shall be responsible for the replacement of container, wheels, lids, hinges, axles, and handles. The containers shall meet the following specifications in all material respects. Any deviations from the specifications shall be approved by the City Manager or designee.

1. Cart Body:

Rotationally molded, first quality, Union Carbide GPEP-803-LMDPE. Certified to contain ultraviolet stabilization provided by the equivalent of .5% of UV 531 stabilization compound. Certified to meet a minimum ESCR rating exceeding 1000 hours for both 100% and 10% Igepal solutions.

2. Cart Handle Mounts:

Integrally molded part of cart body. External handle diameter, 1.375 inches. Features three comfortable and convenient gripping areas.

3. Cart Lid:

Rotationally molded, first quality, Union Carbide GPEP-803-LMDPE. Nominal thickness, 0.125 inches. Certified to contain ultraviolet stabilization provided by the equivalent of .0% of UV stabilization compound.

Attached with hinge which rotates with no interference. Encases PVC pipe within 1/4" walls.

Domed to facilitate runoff of water.

Imprinted with "Instructions" and "Indications and Contraindications" in English and Spanish.

4. Wheel Retainers:

Plastic coated steel.

5. Axles:

5/8" galvanized solid steel fully supported by cart body. No bolts or rivets used for mounting.

6. Wheels:

12 inch by 2 inch (nominal) HDPE. Minimum R.M.A. load rating of 180 pounds per wheel.

7. Safety Bar:

Minimum 1.00 inch diameter, 16 gauge, galvanized steel tube. Stainless steel optional.

Rotates freely on its axis to facilitate safe engagement and disengagement of dumper locking hook.

Accessible for quick, clean, and easy removal and replacement from exterior of cart by maintenance personnel in the field without use of power tools.

8. Capacity:

Container volume 60 U.S. gallons or 100 U.S. gallons.

9. Dimensions:

Width: 31 inches. Fits through gates and doors.

Length: 36 inches.

Height: 45 lines.

10. Color:

Ultraviolet stabilized, non-fading gray, green, and black. Special colors available.

11. Stability:

Designed to prevent being turned over by winds of up to 25 mph in any direction when empty.

EXHIBIT "E"

ANNUAL RATE ADJUSTMENT METHODOLOGY

The rates above, shall be automatically adjusted to reflect changes in the consumer price index and landfill fees. The CPI adjustment shall be made annually and such adjustments shall be effective as of the first day of July of each calendar year. The CPI adjustment shall be equal to the amount derived by multiplying (a) the previous rate by (b) the percentage increase or decrease in the Consumer Price Index for all urban consumers within the Los Angeles-Anaheim-Riverside Metropolitan Area during the prior calendar year. The comparison shall be made for each March 1st during the term hereof and shall be effective each July 1st. The first CPI adjustment shall occur July 1, 1994. The landfill tipping fee adjustment shall a pro-rata pass through of any tipping fee increase, and shall be effective at the start of the first full billing period after the landfill tipping fee is adjusted. As of the effective date of this Franchise Agreement, the landfill tipping fee is \$31.50. The formulas for the annual CPI and Landfill Tipping Fee Adjustments are as follows which includes a 10% franchise gross up factor of .9:

1. CPI Formula—

(a) Residential Rate x 78% x CPI/.9 (franchise fee factor) =

(b) Commercial Rate x 71.5% x CPI/.9 (franchise fee factor) =

2. Landfill Tipping Fee Formula

(a) \$.21 per \$1.00 per ton landfill increase times current published residential recycling (less greenwaste) diversion rate, e.g., \$8.00 landfill increase with a 25% diversion rate would equal: $$.21 \times \$8 = \$1.68 \times 25\% = \$.42 - \$1.68/.9$ franchise fee factor = \$1.40 rate increase

(b) \$.91 per \$1.00 per ton landfill increase times current published nonresidential recycling diversion rate less greenwastes, concrete, and asphalt, e.g., \$8.00 landfill increase with a 25% diversion rate would equal: $$.91 \times \$8 = \$7.28 \times 25\% = \$1.82 - \$7.28/.9$ franchise fee factor = \$6.07 rate increase

Extraordinary or Unexpected Costs

In addition to, and not in lieu of, the annual CPI increase described above, Grantee may also be granted rate increases in an amount equal to Grantee's extraordinary increases or in its costs. The City Manager shall determine the application process for such extraordinary cost increases. Such extraordinary cost

increases or decreases shall be subject to City Council approval. Such extraordinary increases in its cost of collection shall include, by way of example and not by way of limitation: (1) a change in the location of the landfill or other lawful disposal sites to which the Grantee is required to transport solid waste collected hereunder; and (2) changes in the local, State or Federal laws governing temporary bin/roll-off services and collection, separation, transportation, recycling, composting, or disposal of solid waste and construction debris, (3) levied MRF fees to comply with AB 939, and (4) the pro-rata amount of transportation and disposal-cost of operating a household hazardous waste program shall be included by Grantee as an additional cost of service to be included in future rate increases.

RESOLUTION NUMBER 3643

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS AMENDING RUBBISH COLLECTION CHARGES AS PERMITTED IN SECTION 7.16.050 (D) OF THE PERRIS MUNICIPAL CODE AND RESCINDING RESOLUTION NUMBER 3408

WHEREAS, the Consumer Price Index has increased by 4.7%; and Diesel Fuel No.2 increased by 47.5%; and the County of Riverside has increase their landfill tipping fees by 4.5%; and

WHEREAS, said increase is necessary to defray these costs by increasing the rates and charges to the recipient of such services;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris, California, as follows:

Section 1. Pursuant to 7.16.050 (D) of the Perris Municipal Code, the rates and charges of Chapter 7.16 are adjusted as follows:

“Section 7.16.050 Rubbish Collection, Disposal and Street Sweeping”

1. A monthly charge for rubbish collection, transfer, disposal and street sweeping services is hereby levied upon each occupied household and business establishment, in accordance with the following rates:

(a) Residential

(1) Single family residences, mobile homes, apartments, condominiums, town homes, bungalow courts, and multiple residences per dwelling unit, using 100 gallon individual receptacles.

Monthly Rate: \$20.26

(2) Single family residences, mobile homes, apartments, condominiums, town homes, bungalow courts, and multiple residences per dwelling unit, using 60 gallon individual receptacles.

Monthly Rate: \$15.99

(3) Additional 100 gallon individual receptacles.

Monthly Rate: \$ 7.51

(4) Additional 60 gallon individual receptacles.

Monthly Rate: \$ 6.42

(b) Commercial and Industrial

(1) Individual receptacles

Once per week pick up: \$20.76

(c) Commercial, Industrial, and Multiple Residences

(1) Two cubic yard container	1 x week	\$105.83
	2 x week	\$196.71
	3 x week	\$287.59
	4 x week	\$378.47
	5 x week	\$469.35
	6 x week	\$560.23

(2) Three cubic yard container	1 x week	\$123.15
	2 x week	\$229.58
	3 x week	\$336.01
	4 x week	\$442.44
	5 x week	\$548.87
	6 x week	\$655.30

(d) Other

(1) 10 to 40 cubic yard roll-off container \$176.00 + MRF/Landfill fees

(e) Street Sweeping Services

(1) Weekly Commercial, Arterial and Downtown Area

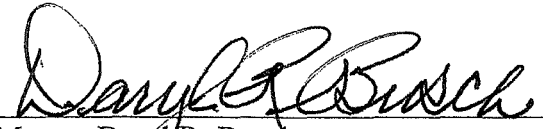
(2) Bi-weekly Residential Area

Additional Commercial Rate: \$4.70 per pick up per month

These rates shall become effective July 1, 2006.

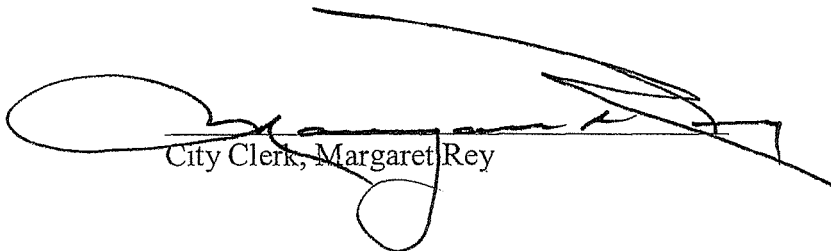
Section 2. Resolution Number 3408 is hereby rescinded.

APPROVED, SIGNED and **ADOPTED** this 30th day of May, 2006.



Mayor, Daryl R. Busch

ATTEST:



City Clerk, Margaret Rey