

**FIRST AMENDMENT TO
AMENDED & RESTATED EXCLUSIVE FRANCHISE AGREEMENT FOR
PROVISION OF SOLID WASTE HANDLING SERVICES**

THIS FIRST AMENDMENT TO AMENDED & RESTATED EXCLUSIVE FRANCHISE AGREEMENT FOR PROVISION OF SOLID WASTE SERVICES (this “First Amendment”) is made and entered into this 21st day of June 2023 (the “Effective Date of the First Amendment”), by and between WASTE MANAGEMENT COLLECTION & RECYCLING, INC., a California corporation (“Franchisee”), and THE CITY OF BALDWIN PARK, a municipal corporation of the State of California (the “City”). City and Franchisee are occasionally herein referred to each as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, the Parties previously entered into that certain Amended & Restated Exclusive Franchise Agreement for Provision of Solid Waste Services, dated September 4, 2013 (the “Agreement”).

WHEREAS, Senate Bill (SB) 1383, the Short-lived Climate Pollutant Reduction Act of 2016, required the California Department of Resources Recycling and Recovery (“CalRecycle”) to develop certain regulations to reduce organics in landfills as a source of methane. As adopted by CalRecycle, the SB 1383 regulations place requirements on jurisdictions to support achievement of statewide organic waste disposal reduction targets.

WHEREAS, in accordance with Section 13.13 of the Agreement, the Parties desire to amend the terms and conditions of Franchisee’s provision of Solid Waste Collection, transportation, handling, processing, and diversion services as set forth in this First Amendment to incorporate provisions related to SB 1383 organic waste services.

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

1. Section 1.2.7 is hereby replaced in its entirety to read as follows:

1.2.7 [RESERVED].

2. Section 1.2.8 is hereby replaced in its entirety to read as follows:

1.2.8 [RESERVED].

3. Section 1.2.20 is hereby replaced in its entirety to read as follows:

1.2.20 Commercial/Industrial Premises. “Commercial/Industrial Premises” means property upon which a business activity is conducted, including but not limited to retail sales, services, manufacturing, assembling, storage, or wholesale operations, but excluding businesses conducted upon Single-Family Premises or Multi-Family Premises that are

permitted under applicable zoning regulations and that do not constitute the primary use of the property. Commercial/Industrial Premises may receive Bin Service, Roll-Off Service, or Cart Service. Commercial/Industrial Premises also include hotels, motels, other temporary housing facilities, and senior citizen housing complexes.

4. Section 1.2.23 is hereby replaced in its entirety to read as follows:

1.2.23 Container. “Container” means a Cart, Bin, Roll-Off Box, or other receptacle for Refuse, Recyclable Materials, or Organic Waste.

5. Section 1.2.24 is hereby replaced in its entirety to read as follows:

1.2.24 Contaminated or Contamination. “Contaminated” or “Contamination” or “Contaminated” means the presence of Prohibited Container Contaminants in a Container. For purposes of this Agreement, Franchise may issue a Contamination Fee to Accounts with Contaminated Container(s). “Contamination Fee” means an amount charged by Franchisee to Accounts to recover its costs for separating and processing Discarded Materials due to Contamination.

6. Section 1.2.28 is hereby replaced in its entirety to read as follows:

1.2.28 Green Waste. “Green Waste” means shrubbery, tree trimmings, yard waste, grass, weeds, straw or leaves, wood chips, untreated wood and other household garden waste associated with landscaping generated from Accounts and are no longer useful or wanted. Yucca leaves, palm fronds, tree stumps and tree roots are not considered Green Waste, which shall be treated as Refuse for the purposes of this Agreement. Green Waste is a subset of Organic Waste and shall not include Excluded Waste.

7. Section 1.2.34 is hereby replaced in its entirety to read as follows:

1.2.34 Food Waste. “Food Waste” means source separated Food Scraps and Food-Soiled Paper. Food Waste is a subset of Organic Waste and shall not include Excluded Waste.

8. Section 1.2.50 is hereby replaced in its entirety to read as follows:

1.2.50 Overage Fee. “Overage Fee” means a fee charged by Franchisee to Accounts to compensate it for its expenses in documenting and cleaning up litter and debris arising from overfilling of Containers.

9. Section 1.2.56 is hereby replaced in its entirety to read as follows:

1.2.56 Recyclable Materials or Recyclables. “Recyclable Materials” or “Recyclables” means any source separated material discarded by an Account or generator for the purpose of reuse, reprocessing or remanufacturing, consistent with the requirements of AB 939, including, but not limited to glass, newsprint, aluminum, cardboard, paper, plastics or metal. No Discarded Materials shall be considered Recyclable Materials unless such material

is separated from other waste materials by the Account. Recyclable Materials shall not include Excluded Waste.

10. Section 1.2.61 is hereby replaced in its entirety to read as follows:

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

1. Hazardous waste, as defined in the California Public Resources Code Section 40141.
2. Radioactive waste regulated pursuant to the Radiation Control Law (Chapter 8 (commencing with Section 114960) of Part 9 of Division 104 of the California Health and Safety Code).
3. Medical waste regulated pursuant to the Medical Waste Management Act (Part 14 (commencing with Section 117600) of Division 104 of the California Health and Safety Code). Untreated medical waste shall not be disposed of in a solid waste landfill, as defined in California Public Resources Code Section 40195.1. Medical waste that has been treated and deemed to be Solid Waste shall be regulated pursuant to Division 30 of the California Public Resources Code.

11. Section 1.2.68 is hereby replaced in its entirety to read as follows:

1.2.68 Temporary Service. “Temporary Service” means Bin Service or Roll-Off Service provided to premises on a Temporary, as needed basis, such that no Container remains on the Premises or a service location on Premises for more than thirty (30) calendar days at a time, or for more than sixty (60) calendar days of any ninety (90) calendar day period.

12. The following definitions are hereby added to Section 1 of the Agreement:

Change in Law. “Change in Law” shall mean any of the following events or conditions that has an effect on the performance of Franchisee’s obligations under this Agreement:

1. The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation of any applicable law; or,
2. The order, judicial interpretation, or judgment of any federal, state, or local governmental body (including, without limitation, any authority, board, bureau, commission, department, instrumentality or public body), or any court, arbitrator, administrative tribunal or public utility having jurisdiction over Franchisee’s

performance of this Agreement, provided such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of City or Franchisee (or subcontractor) asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure to contest any such order or judgment in good faith shall not constitute, or be construed as, such a willful or negligent action, error or omission or lack of reasonable diligence.

Discarded Materials. “Discarded Materials” shall mean Recyclable Materials, Organic Waste, Refuse, and Construction and Demolition Debris placed by an Account or generator in or around a Container for the purposes of collection, handling and processing by Franchisee. For the purpose of this Agreement, Discarded Materials does not include Edible Food or Excluded Waste.

Excluded Waste. “Excluded Waste” shall mean Biohazardous Waste, Infectious Waste, Hazardous Waste, Universal Waste, Special Waste, used cooking FOG (fats, oil, grease, and similar materials), toxic substances or material, explosives, firearms, automobiles, automobile parts, boats, boat parts, boat trailers, internal combustion engines, lead-acid batteries, dead animals, and those wastes under the control of the Nuclear Regulatory Commission. Excluded Waste also includes any material that is prohibited from being Collected, transported, or processed by Franchisee or disposed of in Class III landfills, or that would, as a result of or upon Collection, transportation, processing and/or disposal, be a violation of Applicable Law, would present a significant risk to human health or the environment, cause a nuisance, requires special handling by Franchisee, or otherwise create or expose Franchisee or City to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment and disposal of batteries and paint in compliance with Public Resources Code Sections 41500 and 41802. Excluded Waste also includes materials containing information (in hard copy or electronic format, or otherwise) which information is protected or regulated under any local, state or federal privacy or data security laws, including, but not limited to the Health Insurance Portability and Accountability Act of 1996, as amended. Excluded Waste does not include used motor oil and filters, or household batteries when properly placed for collection by customer as set forth in this Agreement.

Food Scraps shall mean all food such as, but not limited to, fruits, vegetables, meat, poultry, seafood, shellfish, bones, rice, beans, pasta, bread, cheese, and eggshells.

Food-Soiled Paper shall mean compostable paper material that is mixed in with Food Waste.

Prohibited Container Contaminants shall mean the following: (1) materials placed in a Recyclable Materials Container that are not identified as acceptable Recyclables Material; (2) materials placed in an Organic Waste Container that are not identified as acceptable Organic Waste; (3) materials placed in a Refuse Container that are acceptable Recyclable Materials and/or Organic Waste; and (4) Excluded Waste placed in any Container. For the purposes of this Agreement, “Prohibited Container Contamination” shall mean the presence in a Container of Prohibited Container Contaminants.

Refuse shall mean garbage and rubbish. Refuse shall not include Construction and Demolition Waste, Organic Waste, Recyclable Materials, or Excluded Waste as that term is defined in Section 50.18 of the Baldwin Park Code.

13. The term “Solid Waste” shall be amended to read “Refuse” in the Agreement, where the context refers to garbage or rubbish only, including but not limited to:

- Section 5.2.7;
- Section 5.3;
- Section 5.4;
- Section 5.5;
- Section 5.6;
- Section 5.8;
- Section 7.2; and
- Section 9.5.2.

14. The following Sections are hereby revised to replace the term “Green Waste” with “Organic Waste”:

- Section 1.2.39;
- Section 1.2.51;
- Section 5.2.7;
- Section 5.3;
- Section 5.4.5;
- Section 5.8.1;
- Section 6.3.6;
- Section 7.2.2;
- Section 7.2.3; and
- Section 9.5.2.

15. Section 3.2.2 is hereby replaced in its entirety to read as follows:

3.2.2 Self-Hauling. Self-hauling may be performed by City residents, Owners, or occupants of Premises. To qualify as a self-hauler” for purposes of this exemption, an Owner or occupant must remove and personally transport from his/her own Premises using his/her own equipment for the purpose of lawfully delivering same to a Disposal Site, MRF/TS, or Organic Waste processing facility authorized to receive and handle Refuse, Recyclables, or Organic Waste in accordance with Section 50.18(J) of Chapter 50 of Title V of the Code of Baldwin Park. The use of a subcontractor is not “self-hauling” within the meaning of this definition. Self-hauling of Refuse, Recyclables, or Organic Waste does not exempt the property owner from subscribing to franchise collection services.

16. Section 3.3.2 is hereby replaced in its entirety to read as follows:

3.3.2 Contract Modification Fee. The Franchisee at its sole expense, shall make a one-time, lump sum payment of One Million Dollars (\$1,000,000) within thirty (30) business days of execution of this First Amendment. The Parties further agree the Contract Modification Fee is material and essential to the Parties' agreement. In the event that the Contract and Modification Fee is invalidated and returned to Franchisee, Franchisee shall pay One Million Dollars (\$1,000,000) to the City to use for solid waste programs at its sole discretion.

17. Section 3.3.3 is hereby replaced in its entirety to read as follows:

3.3.3 AB 939 Fee. Franchisee shall charge a monthly fee of \$1.62 per Refuse Cart to Accounts for Single-Family Service for implementation of the Solid Waste Diversion programs required by AB 939. Franchisee shall charge a fee equal to three percent (3%) of the total Solid Waste charges billed on each invoice to Accounts for Multi-Family, Commercial and Roll-off Service for implementation of the Solid Waste Diversion programs required by AB 939. Such monthly surcharges shall be charged and collected by Franchisee as part of its total rate provided for the applicable service(s) in Exhibit A or as a separate line item. Franchisee shall pay all AB 939 fees collected to City quarterly within thirty (30) days of the end of each calendar quarter. The AB 939 Fee shall be adjusted annually by the percentage increase in the CPI in the same manner as the rates are adjusted under Section 8.2.3.

18. Section 3.3.4 is hereby replaced in its entirety to read as follows:

3.3.4 Integrated Waste Management Fund. Franchisee shall pay City's Integrated Waste Management Fund the amount of Thirty Thousand Dollars (\$30,000.00) each July 1 and January 1 during the Term, commencing July 1, 2023, for administration of the Agreement, implementation of diversion programs or public education. Late payments will be subject to an interest charge or one and one-half percent (1.5%) per month, or the highest rate allowable under applicable law, whichever is less.

19. Section 3.3.5 is hereby replaced in its entirety to read as follows:

3.3.5 New, Increased or Decreased Fees. The City has the right to impose new fees on the provision of Solid Waste Handling Services, and to increase the amount or percentage of the Franchise Fee, or other fees as described above, from that set forth above. In such event, as allowed under Section 8.2.4, Franchisee shall receive an adjustment to the rates to fully compensate its increased costs, including, if applicable, a one-time rate adjustment to the rates to fully compensate it where there is a delay between the effective date of the new or increased fee and the date on which it begins to receive increased compensation from billings related to the new or increased fee. The Franchise Fee may also be adjusted downward or eliminated by the City during the term of this Agreement without Franchisee's prior written consent if there is no increase to the rates in Exhibit A. If the Franchise Fee is adjusted upward, City shall provide written notice to Franchisee.

20. A new Section 3.3.7 (SB 1383 Fee) is hereby added as follows:

3.3.7 SB 1383 Fee. Franchisee shall charge a monthly fee of \$1.29 per Organic Waste Cart to Accounts for Single-Family Service for implementation of the Solid Waste Diversion programs required by SB 1383. Franchisee shall charge a fee equal to three percent (3%) of the total Organic Waste charges billed on each invoice to Accounts for Multi-Family, Commercial and Roll-off Service for implementation of the Solid Waste Diversion programs required by SB 1383. Such monthly surcharges shall be charged and collected by Franchisee as part of its total rate provided for the applicable service(s) in Exhibit A or as a separate line item. Franchisee shall pay all SB 1383 fees collected to City quarterly within thirty (30) days of the end of each calendar quarter. The SB 1383 Fee shall be adjusted annually by the percentage increase in the CPI in the same manner as the rates are adjusted under Section 8.2.3.

21. Section 3.4 is hereby replaced in its entirety to read as follows:

3.4 Ownership of Refuse, Recyclable Materials and Organic Waste. Ownership of Refuse, Recyclable Materials and Organic Waste shall transfer to the Franchisee when the Account generating such Recyclable Materials and Organic Waste places it for collection by the Franchisee or at the time received by Franchisee. Franchisee is thereby granted the right to retain, recycle, compost, dispose of and otherwise use such waste, or any part thereof, in accordance with applicable laws. Subject to the provisions of this Agreement, and excepting any material which is not Refuse, Recyclable Materials or Organic Waste and which was inadvertently or improperly discarded, Franchisee shall have the right to retain any benefit or profit resulting from its right to retain, recycle, compost, convert, dispose of or use the Refuse, Recyclable Materials and Organic Waste it collects, including, without limitation, CalRecycle container recycling payments, proceeds from the sale of Recyclable Materials, and the market value of all greenhouse gas (GHG) emissions, reduction, carbon, or renewable energy credits, offsets or similar benefits arising from the Solid Waste Handling activities undertaken by Franchisee pursuant to this Agreement. City shall have the right to report any such benefits as part of City's Climate Action Plan or similar plan, and Franchisee shall provide information requested by City for such reporting. Refuse, Recyclable Materials, Organic Waste, and any other material which is disposed of at a Disposal Site or other site (whether landfill, transformation facility, transfer station, organic processing facility, or material recovery facility) shall, as between the City and Franchisee, remain the responsibility of Franchisee, and Franchisee shall retain ownership of the same.

22. Section 4.1 is hereby replaced in its entirety to read as follows:

4.1 Term and Franchise Term.

The Term of this Agreement shall be for a period commencing on the Effective Date and ending on June 30, 2028 (the "Term"). Thereafter, the Term may be extended for an additional period of five (5) years by written mutual agreement of the Parties.

23. Section 5.1.1 is hereby replaced in its entirety to read as follows:

5.1.1 Furnishing of Services. The work to be performed pursuant to this Agreement shall include the furnishing of all labor, materials and equipment necessary for, and the collection of all Refuse, Recyclables and Organic Waste from, Residential Premises and

Commercial/Industrial Premises within the City according to the terms of this Agreement, and the disposal, recycling, processing and/or Diversion of such materials. Franchisee shall own or lease and maintain at its expense all equipment necessary to perform its duties as provided for under the Agreement, including sufficient equipment for field communication. All work shall be accomplished in a courteous, thorough, and workmanlike manner and adhere to the highest standards consistent with the best practice in the industry. Notwithstanding anything to the contrary, Franchisee may provide collection services under this Agreement to Residential Premises or Commercial/Industrial Premises through the use of shared Containers where Franchisee determines that such Premises are not reasonably able to store Containers or otherwise receive individualized collection services exclusively through the use of the automated Collection system contemplated by this Agreement.

24. Section 5.4.3 is hereby replaced in its entirety to read as follows:

5.4.3 [RESERVED].

25. Section 5.4.5 (Commercial/Industrial Service Requirements) is hereby renumbered as Section 5.4.6 (Commercial/Industrial Service Requirements) and Section 5.4.6(c) is hereby replaced in its entirety to read as follows:

(c) Overage. Where Franchisee identifies instances of overfilling of Containers, it will document the overfilling through the use of film or digital photography. Except in the case of observable Excluded Waste, Franchisee will place overfilled material into the collection vehicle, and will present documentation or proof of the overfilling to both the City and the Commercial/Industrial Account. Where notice and documentation or proof of overfilling was provided to the Commercial/Industrial Account, and Franchisee documents another instance of overfilling within any twelve-month period of notice, Franchisee is authorized to charge an Overage Fee and may deliver an increased Container size sufficient to contain the material to the Commercial/Industrial Premises and/or adjust the service rate to the rate then in effect for the increased Container size. Franchisee will maintain a log listing all Commercial/Industrial Premises where overfilled material was observed, and actions taken in response by Franchisee, which shall be maintained for inspection by the Chief Executive Officer upon request. In addition, Franchisee will provide the Chief Executive Officer or his/her designee with notification prior to delivering the increased Container size and adjusting the service rate at a Commercial/Industrial Account.

26. A new Section 5.4.5 (Organic Waste) is hereby added as follows:

5.4.5 Organic Waste.

(a) Franchisee shall provide for collection of Organic Waste from Commercial/Industrial Accounts, using Bins, Roll-Off Boxes or Carts, depending upon the Accounts' space limitations and volume of Organic Waste generated, subject to Section 5.1.1 and waivers granted by the City to Premises in accordance with Section 50.18(F) of Chapter 50 of Title V of the Code of Baldwin Park and 14 CCR Section 18984.11.

(b) Franchisee shall collect and remove all Organic Waste placed in Containers from every Commercial/Industrial Premises receiving Organic Waste collection service, at a frequency required to handle the Organic Waste generated.

(c) Implementation of these services will be reflected in the rates for services set forth in Exhibit A.

27. Section 5.6.5 (Multi-Family Service Requirements) is hereby renumbered as Section 5.6.6 (Multi-Family Service Requirements).

28. A new Section 5.6.5 (Organic Waste) is hereby added as follows:

5.6.5 Organic Waste.

(a) Franchisee shall provide for collection of Organic Waste from Multi-Family Accounts, using Bins, Roll-Off Boxes or Carts, depending upon the Accounts' space limitations and volume of Organic Waste generated, subject to Section 5.1.1 and waivers granted by the City to Premises in accordance with Section 50.18(F) of Chapter 50 of Title V of the Code of Baldwin Park and 14 CCR Section 18984.11.

(b) Franchisee shall collect and remove all Organic Waste placed in Containers from every Multi-Family Premises receiving Organic Waste collection service, at a frequency required to handle the Organic Waste generated.

(c) Implementation of these services will be reflected in the rates for services set forth in Exhibit A.

29. Section 5.5.3 is hereby replaced in its entirety to read as follows:

5.5.3 [RESERVED].

30. Section 5.5.4 is hereby replaced in its entirety to read as follows:

5.5.4 Organic Waste Cart Service.

(a) Franchisee shall provide weekly Cart Service for collection of Organic Waste at each Single-Family Account, on the same day as Refuse collection. Franchisee will supply each Single-Family Premises with one (1) approximately 64-gallon Organic Waste Cart. Accounts may request a 35-gallon Organic Waste Cart where space constraints or physical limitations make use of the 64-gallon cart impracticable.

(b) Accounts may, upon request, request additional Organic Waste Carts at the rate set forth in Exhibit A.

31. Section 5.5.5(b) is hereby replaced in its entirety to read as follows:

(b) Accounts may, upon request, request additional Recyclable Materials Carts at the rate set forth in Exhibit A.

32. Section 5.5.5, titled “Single-Family Service Requirements,” is hereby revised to be correctly renumbered as Section 5.5.6.

33. Section 5.5.6(b) is hereby replaced in its entirety to read as follows:

(b) Overage. Where Franchisee identifies instances of overfilling of Containers, it will document the overfilling through the use of film or digital photography. Except in the case of observable Excluded Waste, Franchisee will place overfilled material into the collection vehicle, and will present documentation or proof of the overfilling to both the City and the Single-Family Account. Where notice and documentation or proof of overfilling was provided to the Account, and Franchisee documents another instance of overfilling within any twelve-month period of such notice, Franchisee is authorized to charge an Overage Fee and may deliver an increased Container size sufficient to contain the material to the Single-Family Premises and/or adjust the service rate to the rate then in effect for the increased Container size. Franchisee will maintain a log listing all Single-Family Premises where overfilled material was observed, and actions taken in response by Franchisee, which shall be maintained for inspection by the Chief Executive Officer upon request. In addition, Franchisee will provide the Chief Executive Officer or his/her designee with notification prior to delivering the increased Container size and adjusting the service rate at a Single-Family Account.

34. Section 5.6.3 is hereby replaced in its entirety to read as follows:

5.6.3 [RESERVED].

35. Section 5.6.5(c) is hereby replaced in its entirety to read as follows:

(c) Overage. Where Franchisee identifies instances of overfilling of Containers, it will document the overfilling through the use of film or digital photography. Except in the case of observable Excluded Waste, Franchisee will place overfilled material into the collection vehicle, and will present documentation or proof of the overfilling to both the City and the Multi-Family Account. Where notice and documentation or proof of overfilling was provided to the Account, and Franchisee documents another instance of overfilling within any twelve-month period of such notice, Franchisee is authorized to charge an Overage Fee and may deliver the next larger-sized Container to the Multi-Family Premises and/or adjust the service rate to the rate then in effect for the Container size. Franchisee will maintain a log listing all Multi-Family Premises where overfilled material was observed, and actions taken in response by Franchisee, which shall be maintained for inspection by the Chief Executive Officer upon request. In addition, Franchisee will provide the Chief Executive Officer or his/her designee with notification prior to delivering the increased Container size and adjusting the service rate at a Multi-Family Account.

36. A new Section 5.7.5 is hereby added to the Agreement:

5.7.5 Community Clean-up Events. Each year beginning on July 1, 2023 and each July 1 thereafter, Franchisee shall provide at no cost to the City two community clean-up events for residents of the City at a time and place as the Parties may reasonably agree. Each event shall be for a period of four (4) hours. City shall provide staff and/or volunteers to manage entry and exit of residents from the events. Residents may bring a single load of up to two (2) cubic yards total of Solid Waste or E-Waste per event using their personal vehicle. Franchisee shall also provide document shredding services at each event. Residents may bring up to one (1) banker's box of Printing and Writing Paper per event for shredding. Accounts shall provide proof of residency and any other documents, information, or identification reasonably requested by Franchisee and provide such documentation to City staff prior to entry to an event.

37. Section 5.8.2 is hereby replaced in its entirety to read as follows:

5.8.2 City-Sponsored Events. Franchisee shall provide Refuse, Recyclable Materials, and Organic Waste Containers in sufficient numbers to serve up to four (4) City-sponsored events each Rate Year, at no cost to the City. Franchisee may use either Bins or cardboard Containers for this service, as appropriate. Franchisee shall use commercially reasonable efforts to maximize diversion of materials collected at City-sponsored events. Franchisee shall provide Organic Waste Containers only for use by food vendors permitted by the City to participate in the City-sponsored events under this Section 5.8.2.

38. Section 5.8.7 is hereby replaced in its entirety to read as follows:

5.8.7 Annual Benefit Fund. Franchisee shall make a contribution to an Annual Benefit Fund to be established by the City, at the request of the City, in the amount of One Hundred Thousand Dollars (\$100,000.00), commencing with the Rate Year beginning on July 1, 2023 and each Rate Year thereafter during the Term. The programs that may be undertaken by the City through the Annual Benefit Fund, include, but are not limited to, the following:

(a) Baldwin Park Open House and Recycling Program collecting cardboard, paper, and containers made from glass, aluminum, plastic, and steel.

(b) Bulky Item Program and additional collection days.

39. Section 5.8.8(b) is hereby replaced in its entirety to read as follows:

(b) Commencing with the Rate Year beginning on July 1, 2014, and every Rate Year thereafter during the term, Franchisee will implement a scholarship program providing one or more graduating high school students scholarships, with an aggregate value of not more than Two Thousand Five Hundred Dollars (\$2,500.00) each Rate Year at no cost to the City. Commencing with the Rate Year beginning on July 1, 2023, Franchisee shall provide up to four (4) scholarships at a value of Two Thousand Five Hundred Dollars (\$2,500.00) each per Rate Year at no cost to the City. Franchisee shall publicize its scholarship program and use reasonable efforts to encourage graduating City high school students to apply.

40. Section 6.1 is hereby replaced in its entirety to read as follows:

6.1 Change in Law. A Change in Law may require that Franchisee provide new, modified, or additional services under this Agreement, including pilot programs or innovative services that may entail new collection methods, or different services requirements for Accounts. In the event of a Change in Law, the Parties shall meet and confer in accordance with Section 6.2 and Franchisee shall be entitled to a rate adjustment in accordance with Section 8.2.4, without regard to the once per year limitation therein.

41. Section 6.2 is hereby replaced in its entirety to read as follows:

6.2 Joint Responsibilities; Development of Programs. The City and Franchisee shall meet and confer in good faith to jointly develop strategies and develop a program adequate to meet all new or revised requirements resulting from a Change in Law. In the event of any Change in Law, the Parties shall promptly meet and confer to negotiate in good faith the implementation of such Change in Law with respect to Franchisee's performance under this Agreement and shall reasonably cooperate in good faith with all effort by each other to meet the requirements of any such Change in Law including a rate adjustment in accordance with Section 8.2.4, without regard to the once per year limitation therein. If the City and Franchisee cannot agree on an amended program or service requirements, within one hundred twenty (120) days after initially commencing any meet and confer process, City shall be entitled to specify the program to be implemented, and, as appropriate, for the scope of the program implemented, the rates shall be adjusted in accordance with Section 8.2.4, without regard to the once per year limitation therein. In the event that Franchisee fails to implement a new or revised program within the time agreed by the Parties (which date may be extended by mutual written agreement), such failure may be an event of default under this Agreement, subject to the provisions of Section 10.3 and Section 10.4.

42. Section 6.3.6 is hereby replaced in its entirety to read as follows:

6.3.6 [RESERVED].

43. Section 6.4 is hereby deleted in its entirety and is of no force or effect.

44. Section 8.4.3 is hereby replaced in its entirety to read as follows:

8.4.3 Temporary Services; Special Services. Franchisee shall bill Single-Family Accounts, Multi-Family Accounts and Commercial/Industrial Accounts monthly in arrears for Temporary services, special fees, and service fees where the rate cannot be determined in advance. Payment is due within thirty (30) calendar days after the invoice date, and is considered overdue thirty (30) calendar days from the date of invoice.

45. Franchisee shall provide all services under this First Amendment beginning July 1, 2023. In the event that any rate adjustment required or contemplated by this First Amendment is not implemented as a result of a majority protest resulting from City's Proposition 218 hearing process, the parties shall meet and confer in good faith within thirty (30) days of such protest

to equitably reduce the services and obligations of Franchisee under this Agreement equal to the value of the adjustment.

46. Exhibit A-1 and Exhibit A-2 are hereby replaced in their entirety with Exhibit A, attached hereto as Attachment 1. Exhibit A is incorporated by reference as though fully set forth herein. The rates in Exhibit A shall take effect on September 1, 2023 pending Council approval.
47. A new Exhibit E is hereby added to the Agreement, attached hereto as Attachment 2. Exhibit E is incorporated by reference as though fully set forth herein.
48. **Notice.** All notices, demands, requests, proposals, approvals, consents and other communications which this First Amendment or the Agreement requires, authorizes or contemplates shall be in writing and shall either be personally delivered to a representative of the Parties at the address below or be deposited in the United States mail, first class postage prepaid, addressed as follows:

If to City: Attn: Enrique C. Zaldivar, CEO
City of Baldwin Park
14403 E. Pacific Avenue
Baldwin Park, CA 91706

If to Franchisee: Attn: Mike Hammer
Waste Management Collection & Recycling, Inc.
9081 Tujunga Avenue
Sun Valley, California 91352

With a copy to: Attn: Assistant General Counsel
Waste Management Collection & Recycling, Inc.
9081 Tujunga Avenue
Sun Valley, California 91352

The address to which communications may be delivered may be changed from time to time by a notice given in accordance with this Section. Each Party shall deliver all notices by personal delivery, nationally recognized overnight courier (with all fees prepaid), or certified or registered mail (in each case, return receipt requested, postage prepaid). A notice is effective only: 1) upon receipt by the receiving Party and 2) if the Party giving the notice has complied with the requirements of this Section.

49. **Governing Law.** The Agreement and this First Amendment shall be governed by, and construed and enforced in accordance with, the laws of the State of California without reference to its conflicts of laws principles.
50. **Authorization.** Each Party to this First Amendment hereby represents and warrants to the other Party that: (a) it has the full right, power, and authority to enter into this First Amendment and to perform its obligations hereunder; and (b) the execution of this First Amendment by the individual whose signature is set forth at the end of this First

Amendment on behalf of such Party, and the delivery of this First Amendment by such Party, have been duly authorized by all necessary action on the part of such Party.

51. **Counterparts.** This First Amendment may be executed in counterparts, each of which is deemed an original, but all of which constitute one and the same agreement. Delivery of an executed counterpart of this First Amendment electronically or by facsimile shall be effective as delivery of an original executed counterpart of this First Amendment.
52. **Entire Agreement.** This First Amendment constitutes the sole and entire agreement between the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter. To the extent there is any conflict or inconsistency between the terms and provisions of this First Amendment and the terms and provisions of the Agreement, the terms and provisions of this First Amendment shall control and govern the rights and obligations of the Parties.

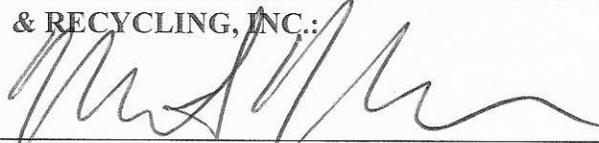
IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be executed as of the date first written above.

CITY OF BALDWIN PARK:

**WASTE MANAGEMENT COLLECTION
& RECYCLING, INC.:**



Emmanuel J. Estrada, Mayor



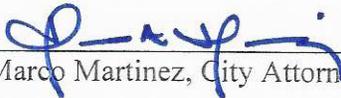
Mike Hammer, President – Southern California Area

ATTEST:



Christopher Saenz, City Clerk

APPROVED AS TO FORM:



Marco Martinez, City Attorney

ATTACHMENT 1

EXHIBIT A

**MAXIMUM SOLID WASTE RATES
Effective September 1, 2023**

Baldwin Park Residential Schedule of Charges	Rate
35 Gallon Refuse, 64 Gallon Recycle, 64 Gallon Organic Waste	\$22.31
64 Gallon Refuse, 64 Gallon Recycle, 64 Gallon Organic Waste	\$26.20
96 Gallon Refuse, 64 Gallon Recycle, 64 Gallon Organic Waste	\$29.81
Additional Containers	
Additional 35 Gallon Refuse Container	\$4.27
Additional 64 Gallon Refuse Container	\$5.70
Additional 96 Gallon Refuse Container	\$7.12
Additional 64 Gallon Organic Waste Container (in excess of two)	\$10.85
Additional 64 Gallon Recycling Container (in excess of two)	\$5.23
Senior Rate 35 Gal. Refuse, 64 Gal. Recycle, 64 Gal. Organic Waste	\$16.82
Senior Rate 64 Gal. Refuse, 64 Gal. Recycle, 64 Gal. Organic Waste	\$19.51
Senior Rate 96 Gal. Refuse, 64 Gal. Recycle, 64 Gal. Organic Waste	\$21.95
Other Fees	
Cart Replacement due to loss or misuse - Per cart	\$104.84
Extra Pickup	\$40.65
Reactivation Service Fee after non-payment cutoff (includes cart delivery) - Per trip	\$41.95
Cart Walk-In/Push Out Service (Valet) Surcharge - Per month	\$17.14
Residential nonservice day Bulky Item Pick Up	\$101.64
Contamination/Overage Fee - (after 2 notices in any 12-month period)	\$20.00
Residential Fees	
Residential AB 939 Fee—per refuse container, Standard rate customer	\$1.62
Residential AB 939 Fee – per refuse container, Senior rate customers	\$0.58
Residential SB 1383 Fee—per organic waste container, Standard rate customer	\$1.29
Residential SB 1383 Fee – per organic waste container, Senior rate customers	\$0.46
<i>AB 939/SB 1383 fee is in addition to above listed rates and applies to all residential service customers.</i>	

COMMERCIAL & MULTI-FAMILY REFUSE BIN COLLECTION AND DISPOSAL MONTHLY FEES:

RATES EFFECTIVE September 1, 2023							
Bin Size (Cubic Yard)	Frequency of Collection (No. of collections per week)						Extra PU
	1	2	3	4	5	6*	
1.5	\$107.90	\$178.03	\$248.16	\$318.30	\$388.43	\$458.57	\$80.93
2	\$138.73	\$228.90	\$319.07	\$409.24	\$499.41	\$589.58	\$104.05
3	\$200.38	\$330.63	\$460.88	\$591.13	\$721.37	\$851.62	\$150.29
4	\$262.04	\$432.36	\$602.69	\$773.01	\$943.33	\$1,113.66	\$196.53
6	\$400.76	\$661.26	\$921.76	\$1,182.25	\$1,442.75	\$1,703.24	\$300.57
*6th day (Saturday) service available for customers with service everyday Monday thru Friday only.							
Commercial AB 939 Fee – 3.0% in addition to above listed fees charge applies to all commercial service customers.							
No bin rental or installation fee on permanent commercial containers							

Commercial & Multi-Family Compactor Bin Collection and Disposal Monthly Rates Effective September 1, 2023							
Bin Size (cubic yard)	Frequency of collection						Extra PU
	1	2	3	4	5	6*	
2	\$400.76	\$661.26	\$921.76	\$1,182.25	\$1,442.75	\$1,703.24	\$300.57
3	\$ 601.14	\$ 991.89	\$1,382.63	\$1,773.38	\$2,164.12	\$2,554.87	\$450.86
4	\$801.53	\$1,322.52	\$1,843.51	\$2,364.50	\$2,885.49	\$3,406.49	\$601.15
*6th day (Saturday) service available for customers with service everyday Monday thru Friday only.							
Commercial AB 939 Fee – 3.0% in addition to above listed fees charge applies to all commercial service customers.							

COMMERCIAL & MULTI-FAMILY RECYCLING MONTHLY RATES Effective September 1, 2023

Bin Size (Cubic Yard)	Frequency of Collection (No. of collections per week)						Extra PU
	1	2	3	4	5	6*	
96 Gallon**	\$39.65	\$75.34	\$111.03	\$146.71	\$182.40	\$218.09	\$29.74
1.5	\$56.33	\$92.95	\$129.56	\$166.18	\$202.79	\$239.41	\$42.25
2	\$62.32	\$102.83	\$143.35	\$183.86	\$224.37	\$264.88	\$ 46.74
3	\$68.32	\$112.72	\$157.13	\$201.54	\$245.94	\$290.35	\$51.24
4	\$74.31	\$122.61	\$170.91	\$219.21	\$267.51	\$315.82	\$55.73
6	\$88.69	\$146.34	\$203.99	\$261.64	\$319.29	\$376.94	\$66.52
<i>*6th day (Saturday) service available for customers with service everyday Monday thru Friday only.</i>							
<i>** First 96 Gallon Recycling Bin serviced on Fridays only at no cost for each Commercial and Multi-Family account</i>							
<i>Commercial AB 939 Fee – 3.0% in addition to above listed fees charge applies to all commercial service customers.</i>							
<i>No bin rental or installation fee on permanent commercial containers</i>							

Organic Waste Bin Collection and Processing Monthly Rates Effective September 1, 2023							
Bin Size (cubic yard)	Frequency of collection						Extra PU
	1	2	3	4	5	6*	
64-Gallon Cart	\$77.07	\$127.17	\$177.26	\$227.36	\$277.45	\$327.55	\$57.80
2	\$154.14	\$254.33	\$354.52	\$454.71	\$554.90	\$655.09	\$115.61
<i>*6th day (Saturday) service available for customers with service everyday Monday thru Friday only.</i>							
<i>Commercial AB 939 Fee – 3.0% in addition to above listed fees charge applies to all commercial service customers.</i>							
<i>Commercial SB 1383 Fee - 3.0% in addition to above listed fees charge applies to all commercial service customers.</i>							
<i>No bin rental or installation fee on permanent commercial containers</i>							

Other Fees		
Service	Rate	Unit
1.5-Yard bin every other week (EOW) service	\$124.29	
Snapshot Overage fee	\$59.65	Per occurrence
City administrative fee - impound illegal receptacle	\$300.78	Per occurrence
Contamination fee	\$106.38	Per bin per occurrence
Locking lid	\$ 14.56	Per bin per month
Relocation fee	\$106.38	Per bin per occurrence
Lock replacement	\$30.09	Per occurrence
Scheduled commercial bulky item collection	\$37.32	Up to 3 cu. yards
Reactivation fee after non-payment cutoff	\$49.65	Per occurrence
Graffiti Removal fee	\$70.93	Per occurrence
Unscheduled commercial bulky item collection	\$110.54	Up to 3 cu. yards
Tilt Hopper	\$194.50	Per unit per month
Roll out or push out service (Valet service)	\$29.40	Per bin per # of service days a week

ROLL OFF AND INSTA-BIN SERVICES:
Effective September 1, 2023

10-12 Cubic Yard (Rock and/or Dirt) includes 5 tons of disposal	\$543.09	
25 Cubic Yard includes 5 tons of disposal	\$558.60	
30-40 Cubic Yard up to 5 tons	\$589.67	
Disposal tonnage over 5 tons	\$667.12	Per ton
Overweight fee	\$79.13	If over 10 tons, plus haul rate & disposal over 5 tons
One time delivery fee per container	\$667.12	
Cleaning fee	\$67.86	Per occurrence
Hourly Driver Rate	\$200.14	
Roll-off trip fee	\$200.14	Per occurrence
Relocation fee	\$173.45	Per occurrence
Roll-off Recycling Haul Rate	\$100.06	Per occurrence
Temp 3-yard bin (includes delivery & pick up)	\$199.87	Up to one week
Temp 3-yard bin Extra Collection	\$158.62	Per extra dump
Roll-off Impound Fee	haul plus disposal	
<i>No bin rental or installation fee on permanent commercial containers</i>		
<i>Roll-off AB 939 Fee – 3.0% in addition to above listed fees charge applies to all Roll-off service customers.</i>		
<i>Roll-off SB 1383 Fee – 3.0% in addition to above listed fees charge applies to all Roll-off service customers.</i>		

ATTACHMENT 2

EXHIBIT E SB 1383 PROVISIONS

Beginning on July 1, 2023, Franchisee shall provide Organic Waste services to Accounts in conformity with the following:

1. **SB 1383 Collection Services.** Franchisee shall provide three-container Organic Waste collection services in accordance with this Exhibit and 14 CCR Section 18984.1.
2. **Container Colors and Labeling.** All new Containers (excluding Roll-off Bins) placed in service after July 1, 2023 for all Accounts shall comply with color and labeling requirements specified in 14 CCR Section 18984.7 and 14 CCR Section 18984.8 respectively. Nothing in this Section shall require Franchisee to replace any functional Containers, including Containers purchased prior to July 1, 2023, that do not comply with the color requirements of this Section prior to the end of the useful life of those containers, or prior to January 1, 2036, whichever comes first.
3. **Contamination Monitoring.** Franchisee shall meet Container contamination minimization requirements in accordance with this Exhibit, 14 CCR Section 18984.5 and 14 CCR Section 18984.6. Franchisee agrees to utilize the following procedures to assist in minimizing Container contamination. Nothing in this Section 3 shall require Franchisee to collect a Container containing Excluded Waste (except de minimis volumes of HHW) that Franchisee identifies while performing the services contemplated under this Agreement under any circumstances.

Franchisee shall not be required to collect or process Excluded Waste, or any Organic Waste or Recyclable Materials that are not accepted by any facility to which Franchisee delivers such materials for processing under this Agreement.

- 3.1. Fee and Noticing Procedures for Single-Family Accounts. Franchisee may use electronic, digital, or visual image technology to visualize the contents of Recyclable Materials Containers, Organic Waste Containers, and Refuse Containers to identify the presence of Prohibited Container Contaminants. Upon identifying Prohibited Container Contaminants in a Container, Franchisee shall follow these contamination noticing procedures for Single-Family Accounts:

- 3.1.1. First and Second Occurrence. For the first and second occurrence within a twelve (12) month period of contamination for a particular Container, Franchisee may Collect the contaminated Container and shall deliver to the Single-Family Account a contamination violation notice that contains instructions on the proper procedures for sorting of Recyclable Materials, Organic Waste, and Refuse. Franchisee shall provide the contamination violation notice to the Account by phone, U.S. mail, e-mail, text, or other electronic means that for third and subsequent incidents of contamination the Account may be charged a contamination fee for the contaminated

Container, and Franchisee may increase the Container size, collection frequency, or require an additional Container.

3.1.2. Third or Subsequent Occurrence. For the third or subsequent occurrence within a twelve (12) month period of Contamination for a particular Container or type of material, Franchisee may collect the contaminated Container and shall charge the Account a Contamination fee as set forth in Exhibit A. Franchisee shall provide the contamination violation notice to the Account by phone, U.S. mail, e-mail, text, or other electronic means of such Contamination. Franchisee may also increase the Container size, collection frequency, or require an additional Container and charge the Account the appropriate rate(s) set forth on Exhibit A. City shall consult with Franchisee and consider appropriate remedies (which may include legal remedies) against the offending Account to discontinue the Contamination.

3.2. Fee and Noticing Procedures for Multi-Family Accounts. Franchisee may use electronic, digital, or visual image technology to visualize the contents of Recyclable Materials Containers, Organic Waste Containers, and Refuse Containers to identify the presence of Prohibited Container Contaminants. Upon identifying Prohibited Container Contaminants in a Container, Franchisee shall follow these contamination noticing procedures for Multi-Family Accounts:

3.2.1. For each occurrence of Contamination for a particular Container, Franchisee shall charge a Contamination fee in an amount set forth in Exhibit A. For repeated instances of Contamination, Franchisee may also increase the Container size, collection frequency, or require an additional Container and charge the Multi-Family Account the appropriate rate(s) set forth on Exhibit A. In addition, City shall consult with Franchisee and consider appropriate remedies (which may include legal remedies) against the offending Account to discontinue the contamination.

3.2.2. Franchisee shall deliver to the Multi-Family Account a contamination violation notice that contains instructions on the proper procedures for sorting of Recyclable Materials, Organic Waste, and Refuse. Franchisee shall deliver such notice to the Account by phone, U.S. mail, e-mail, text, or other electronic means.

3.3. Fee and Noticing Procedures for Commercial/Industrial Accounts. Franchisee may use electronic, digital, or visual image technology to visualize the contents of Recyclable Materials Containers, Organic Waste Containers, and Refuse Containers to identify the presence of Prohibited Container Contaminants. Upon identifying Prohibited Container Contaminants in a Container, Franchisee shall follow these contamination noticing procedures for Commercial/Industrial Accounts:

3.3.1. For each occurrence of Contamination for a particular Container, Franchisee shall charge a Contamination fee in an amount set forth in

Exhibit A. For repeated instances of Contamination, Franchisee may also increase the Container size, collection frequency, or require an additional Container and charge the Commercial/Industrial Account the appropriate rate(s) set forth on Exhibit A. In addition, City shall consult with Franchisee and consider appropriate remedies (which may include legal remedies) against the offending Account to discontinue the contamination.

3.3.2. Franchisee shall deliver to the Commercial/Industrial Account a contamination violation notice that contains instructions on the proper procedures for sorting of Recyclable Materials, Organic Waste, and Refuse. Franchisee shall deliver the contamination violation notice to the Account by phone, U.S. mail, e-mail, text, or other electronic means.

3.4. Route Reviews. Franchisee shall conduct a sufficient number of route reviews to adequately determine Accounts' overall compliance with 14 CCR Section 18984.5(b). The number of route reviews and timeframe of such reviews shall be decided by Franchisee, provided that the route reviews comply with 14 CCR Section 18984.5(b). The City has approved Franchisee's use of its Smart TruckSM system, including contamination monitoring via digital/video monitoring and the use of the internet to conduct such route reviews.

4. **Compliance Reviews**. Subject to Applicable Law governing data security and privacy rights, Franchisee shall, upon City's request, assist City with its annual compliance review of Commercial/Industrial Accounts as set forth in 14 CCR Section 18995.1(a)(1)(A). "Compliance review" shall have the same meaning as defined in 14 CCR Section 18982(a)(9). Any such compliance review shall mean a "desk" review of records Franchisee is required to maintain under this Agreement to determine the Account's compliance with 14 CCR Section 18984.9(a). Notwithstanding the foregoing, Franchisee shall not have any obligation to inspect the premises of any Account or pursue any enforcement action related to, or arising out of, 14 CCR Sections 18995.1, 18995.3, and 18995.4, which remain the sole obligations of City pursuant to applicable law. Franchisee is not required to perform any such "desk" review with respect to Food Recovery Organizations, Food Recovery Services and other similar entities regulated by 14 CCR Division 7, Chapter 12.
5. **Procurement of Recovered Organic Waste Products**. Franchisee and City shall meet and confer in good faith to discuss and develop a procurement agreement to assist the City in complying with its procurement obligations under 14 CCR §18993.1 at no cost to Franchisee or City.
6. **Public Education and Outreach**. Franchisee shall, at its sole expense, create all applicable education materials and conduct all education programs, activities, and recordkeeping in accordance with 14 CCR Sections 18985.1 and assist the City with its recordkeeping requirements under 14 CCR Section 18985.3. Franchisee shall cooperate and coordinate with the City on public education activities.
 - 6.1. Franchisee shall develop a list of Food Recovery Organizations and Food Recovery Services operating within the City, maintain the list on the Franchisee's City-specific

website, share the list with the City for the City to post the list on City website(s), and update the list annually. The list shall include, at a minimum, the following information about each Food Recovery Organization and each Food Recovery Service:

- 6.1.1. Name and physical address; and,
- 6.1.2. Contact information; and,
- 6.1.3. Collection service area; and,
- 6.1.4. An indication of types of Edible Food the Food Recovery Service or Food Recovery Organization can accept for Food Recovery.

6.2. At least annually, the Franchisee shall provide Commercial Edible Food Generators in the City with the following information:

- 6.2.1. Information about the City's Edible Food Recovery program; and,
- 6.2.2. Information about the Commercial Edible Food Generator requirements under 14 CCR Section 18991.3 and 14 CCR Section 18991.4; and,
- 6.2.3. Information, including location and contact information, about Food Recovery Organizations and Food Recovery Services operating within the City; and,
- 6.2.4. Information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Waste.

6.3. Franchisee may provide the information required above by including it with regularly scheduled notices, education materials, billing inserts, or other information disseminated to commercial businesses.

7. **SB 1383 Reporting.** Within ninety (90) days after the end of each calendar year, Franchisee shall provide an annual report to the City covering the most recently completed calendar year. Such report shall contain the following information:

7.1. Contamination Monitoring Report. Franchisee's report shall include the following information regarding route reviews conducted by Franchisee under this Agreement:

- 7.1.1. Documentation of route reviews conducted pursuant to 14 CCR Section 18984.5(b) and 14 CCR Section 18995.1, including a description of the process for determining the level of contamination and the number of route reviews conducted; and,
- 7.1.2. Documentation of "desk" compliance reviews conducted by Franchisee under Section 4 of this Exhibit E, in accordance with 14 CCR Section 18995.1, and the number of contamination notices, contamination fees

issued to Accounts, or targeted education materials issued to Accounts for Prohibited Container Contaminants, as applicable; and,

7.1.3. Copies of all documentation related to route reviews, “desk” compliance reviews, and notices issued to Accounts with Prohibited Container Contaminants; and

7.1.4. Documentation of the number of containers where the contents were disposed due to observation of Prohibited Container Contaminants.

7.2. Compliance Report. Franchisee’s report under this section shall include:

7.2.1. The total number of Accounts receiving each type of Organic Waste collection services; and,

7.2.2. The number of Organic Waste Accounts that received information and the type of education and outreach used; and,

7.2.3. The number of complaints that were received and reviewed by Franchisee under Section 4 of this Exhibit E; and,

7.2.4. Copies of information provided to Accounts related to the SB 1383 Regulations, including the date that the information was distributed to Accounts, the number of accounts receiving the information, if applicable, in accordance with 14 CCR Section 18985.3.

7.3. Implementation Record. Franchisee shall provide information and documentation needed for the City’s implementation record related to its performance of this Agreement as identified in 14 CCR Section 18995.2(f)(3), (4), (6), (7), (9), (11), and to the extent applicable, (5), (8), and (13).

7.4. Confidentiality. Franchisee acknowledges that City is legally obligated to comply with the California Public Records Act (“CPRA”). City acknowledges that Franchisee may consider certain records, reports, or information contained therein, which Franchisee is required to provide to City under this Agreement, to be of a proprietary or confidential nature or may include intellectual property of Franchisee, including, without limitation, any confidential information, copyrighted material, proprietary information, trade secrets or trademark/service mark, as well as any and all such documents or reports containing such information (together, “Franchisee’s Intellectual Property”). In such instances, Franchisee will inform City in writing of which records which may container Franchisee’s Intellectual Property. At such time as City receives a request for records under the CPRA or Federal Freedom of Information Act or a subpoena or other court order requesting disclosure of the records, City shall notify Franchisee of the request, subpoena or order and of City’s obligation and intent to provide a response within ten (10) days. Franchisee shall within five (5) days either: (i) consent in writing to the disclosure of the records; or (ii) seek and obtain, at Franchisee’s sole cost and expense, the order of a court of competent jurisdiction staying or enjoining the disclosure of the records. Nothing in this

Agreement shall require Franchisee to provide any of Franchisee's Intellectual Property to any third party under any circumstances.