



DEAN D. EFSTATHIOU, Acting Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE: **AS-0**
001838

May 27, 2008

Mr. Jay Ware, General Manager
Ware Disposal, Inc.
P.O. Box 8206
Newport Beach, CA 92658-8206

Dear Mr. Ware:

TRANSMITTAL OF EXECUTED AGREEMENT

Enclosed is your copy of Agreement No. 001838 for work entitled Exclusive Franchise Agreement for the Service Area of East Charter Oak/Foothill/Ramona/Spadra as approved by the Board of Supervisors and executed by the Acting Director of Public Works. This Agreement will commence on June 1, 2008.

Please continue to submit the updated proof of insurance and performance assurance. The proof of insurance must reflect the County as additionally insured. Please send the proof of insurance and performance assurance to: County of Los Angeles Department of Public Works, Administrative Services Division, Attention Mr. Anthony Ford, Agreement No. 001838, P.O. Box 1460, Alhambra, California 91802-1460.

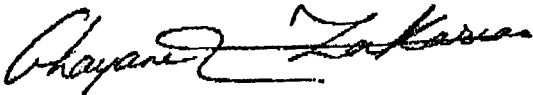
Your Public Works Contract Manager for this service will be Ms. Virginia Maloles of our Environmental Programs Division, who may be reached at (626) 458-3562, Monday through Thursday, 7 a.m. to 5:30 p.m.

Mr. Jay Ware
May 27, 2008
Page 2

As Public Works Ombudsman for service contracts, please call me if you encounter a problem that cannot be resolved by the Contract Manager. I can be reached at (626) 458-4078, Monday through Thursday, 7 a.m. to 5 p.m.

Very truly yours,

DEAN D. EFSTATHIOU
Acting Director of Public Works



GHAYANE ZAKARIAN, Chief
Administrative Services Division

MS

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Enc.

bc: Environmental Programs (Rubin w/o enc., Banna, Maloles)
Fiscal (Contracts Unit)
Administrative Services (Campaz, Ford) (w/o enc.)

001838

DEPARTMENT EXECUTE

EXCLUSIVE
FRANCHISE AGREEMENT

BETWEEN
THE COUNTY OF LOS ANGELES
AND
WARE DISPOSAL, INC.

FOR
PROVISION
OF
REFUSE, RECYCLABLES, AND GREEN WASTE

AUTOMATED CART SERVICES
AT
RESIDENTIAL PREMISES
AND CERTAIN MULTIFAMILY AND COMMERCIAL PREMISES

FOR THE SERVICE AREA OF
EAST CHARTER OAK/FOOTHILL/RAMONA/SPADRA

JUNE 1, 2008

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THIS AGREEMENT is made and entered into on May 22, 2008, by and between the County of Los Angeles, a political subdivision of the State of California (COUNTY), and Ware Disposal, Inc., a California Corporation (FRANCHISEE).

RECITALS

WHEREAS, Municipal Solid Waste (MSW) Management Services have been provided by private haulers pursuant to permit. Historically, in the approximately 2,700 square mile unincorporated territory of the COUNTY, with a population of approximately one million inhabitants, MSW Management Services have not been provided by the COUNTY itself but rather by private industry through competitive, free enterprise, and open-market, private operations, except in Garbage Disposal Districts where the Garbage Disposal Districts contract with private haulers. Residents and businesses have individually arranged for Solid Waste collection. Customer service charges have been negotiated between customers and haulers. The practice of private arrangements for MSW Management Services between a hauler and Customers will continue under this AGREEMENT, but in order to limit the wear and tear on COUNTY streets, reduce pollution from collection vehicle exhaust, increase customer service accountability, improve Assembly Bill (AB) 939 program implementation performance and reporting accuracy, and facilitate more efficient franchise agreement administration and enforcement by COUNTY staff, only FRANCHISEE will arrange with Customers for MSW Management Services, subject to the terms of this AGREEMENT.

WHEREAS, the COUNTY is authorized to award franchises to private haulers. Article XI, § 7 of the California State Constitution authorizes the COUNTY to protect the public health and safety by exercising its authority over police and sanitary matters. Historically, the COUNTY Department of Health Services issued permits to haulers for the hauling of solid waste with requirements to protect public health and safety, including frequency of collection and collection vehicle maintenance. It will continue to do so, and FRANCHISEE will continue to obtain that permit and comply with all of its provisions.

WHEREAS, California Public Resources Code § 40059 specifically authorizes the COUNTY to prescribe the terms and conditions of aspects of MSW Management Services, including frequency of collection; means of collection and transportation; level of services; charges and fees; and the nature, location, and extent of providing MSW Management Services; and whether the services are to be provided by means of nonexclusive, partially exclusive, or wholly exclusive franchise, contract, license, permit or otherwise.

WHEREAS, the County Code authorizes the COUNTY'S Director of Public Works to require franchises in any part of the unincorporated territory of the COUNTY not served by a Garbage Disposal District.

WHEREAS, the COUNTY must comply with AB 939. The State of California has found and declared that the amount of solid waste generated in California coupled with diminishing landfill space and potential adverse environmental impacts from landfilling have created an urgent need for State of California and local agencies to enact and implement an aggressive new integrated waste management program. Through enactment of AB 939, the State of California has directed agencies, such as the COUNTY, to divert 50 percent of all solid waste through source reduction, recycling, and composting activities. The California Integrated Waste Management Board has granted the COUNTY a time line to achieve compliance with the AB 939 diversion requirements. Compliance is based in part on executing and implementing this AGREEMENT in order to secure cooperation with FRANCHISEE'S AB 939 waste diversion programs, record keeping, and reporting.

WHEREAS, the COUNTY'S Director of Public Works has determined to require franchises for Franchise Services. In order to assist residents and businesses located in the Service Area to receive quality MSW Management Services and to provide the COUNTY with programs, records, and reports that will help the COUNTY comply with AB 939, the Director of Public Works has determined to franchise MSW Management Services in portions of the COUNTY, under the terms of this AGREEMENT. The COUNTY gave the FRANCHISEE a 5-year notice under California Public Resources Code § 49520 of the COUNTY'S intent to authorize, among other options, the exclusive franchising of MSW Management Services in portions of the COUNTY.

WHEREAS, residents and businesses in the service area are not required to subscribe to Franchise Services. They may self-haul their refuse, and this AGREEMENT excludes the collection of self-hauled waste. Owners and occupants of residential premises may collect solid waste in their own containers, transport in their own vehicles and themselves dispose of solid waste generated at their premises. The obligation to FRANCHISEE'S customers under this AGREEMENT to pay Customer Service Charges under this Agreement does not arise because they own property, but because they generate refuse and do not exercise their right to self-haul.

WHEREAS, the FRANCHISEE will perform Franchise Services in accordance with the laws governing the safe collection, transport, recycling and disposal of Residential and Commercial Solid Waste, such as AB 939, Recovered Conservation and Recovery Act (RCRA), and Comprehensive Environmental Response Compensation and Liability Act (CERCLA). The COUNTY will not exercise control over the disposal or other disposition of the Solid Waste handled by the FRANCHISEE, and the COUNTY will not designate or determine the use of any given solid waste facility. FRANCHISEE acknowledges that by entering into this AGREEMENT, the COUNTY does not assume any of FRANCHISEE'S obligation to or responsibility for providing Franchise Services, and the COUNTY does not become a "generator" or an "arranger" as those terms are used in the context of CERCLA § 107(a)(3). FRANCHISEE agrees that FRANCHISEE, an independent entity, and not the COUNTY, is arranging for Franchise Services provided under this AGREEMENT. Although minimum scope of Franchise Services, Service Specifications, and Service Standards are set forth in this

AGREEMENT, the COUNTY has not, and by this AGREEMENT does not, supervise Franchise Services or assume title to Solid Waste.

WHEREAS, the COUNTY consulted with representatives of private haulers in developing this AGREEMENT. The COUNTY and representatives of the private hauling industry met many times to discuss the scope of Franchise Services, Service Specifications, Service Standards and other Performance Obligations and to address certain of the industry's questions, comments and concerns, and the COUNTY provided multiple drafts of this AGREEMENT to these representatives.

WHEREAS, the FRANCHISEE has set its compensation (the Customer Service Charges) through competitive procurement. The COUNTY issued a Request for Proposals to provide services under this AGREEMENT, and private waste hauling companies submitted proposals, including their proposed schedule of rates and charges. The COUNTY selected FRANCHISEE based, *inter alia*, on FRANCHISEE'S price proposal. Under this AGREEMENT, the FRANCHISEE cannot charge more than the Customer Service Charges, which it bills and collects from its customers.

WHEREAS, the FRANCHISEE is awarded this AGREEMENT. The Board of Supervisors determines and finds pursuant to California Public Resources Code § 40059, that the public health, safety, and welfare require that FRANCHISEE be awarded this AGREEMENT for Franchise Services pursuant to Chapter 20.70 of the County Code.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

SECTION 1 - GRANT OF RIGHT AND PRIVILEGE TO PROVIDE FRANCHISE SERVICES

- A. Grant of Franchise.** COUNTY grants to FRANCHISEE the right and privilege described in this Section. COUNTY'S grant is conditioned on FRANCHISEE being at all times ready, willing, and able to fully and timely meet all of its Performance Obligations. FRANCHISEE accepts this Franchise subject to all of the terms and conditions in this AGREEMENT and the exclusions in subsection B.
1. **Grant of Exclusive Franchise for Collection in Carts.** COUNTY grants to FRANCHISEE the exclusive right and privilege together with the obligation to make and enter into independent arrangements with Customers for the provision of Franchise Services to Residential Premises, subject to the exclusions in subsection B.
 2. **Grant of Nonexclusive Franchise.**
 - a. ***Recyclables.*** COUNTY grants to FRANCHISEE the nonexclusive right and privilege together with the obligation to arrange to provide Franchise Services with respect to Recyclables discarded by

Customers if prescribed in Exhibit 3A. Notwithstanding the foregoing, however, Customers may donate or sell any or all of their Recyclables to Persons other than FRANCHISEE.

B. Exclusions from Franchise.

1. **Customer Self-Haul.** This Franchise excludes the right and privilege to Collect self-hauled Solid Waste. Owners and occupants of Residential Premises and other Persons performing services other than MSW Management Services (such as roofers and gardeners) at those Premises may collect in receptacles other than Containers provided by FRANCHISEE, transport in their own vehicles, and themselves dispose of some or all of the Solid Waste generated at those Premises.
2. **COUNTY and Third-Party Agencies.** This Franchise excludes the right and privilege to arrange to provide Franchise Services to Premises owned or controlled by any of the following entities:
 - a. COUNTY or any other entity governed by the Board of Supervisors;
 - b. The State of California;
 - c. Any school district;
 - d. Any entity that is excluded by law from the obligation to subscribe to Franchise Services under this AGREEMENT.

This Franchise does not prohibit FRANCHISEE from executing separate agreements with those entities to provide MSW Management Services.

3. **Collection of Solid Waste in Bins at Residential Premises.** This Franchise excludes the right and privilege to provide Collection of Solid Waste in Carts for any Residential Customer requesting Bins instead of Carts. That Customer may arrange with FRANCHISEE or another Person to provide MSW Management Services in Bins.
4. **Collection of Solid Waste in Carts at Commercial Premises and Multifamily Premises.** As provided in Section 1A2b, this Franchise excludes the exclusive right and privilege to provide Collection of Solid Waste in Carts at Commercial Premises and Multifamily Premises.
5. **Rights Under California Public Resources Code § 49520.** This Franchise excludes the right and privilege to arrange for provision of Franchise Services with any Person who is receiving solid waste handling services from a solid waste enterprise that has the statutory right to continue to provide solid waste handling services to that Person in accordance with California Public Resources Code § 49520 *et seq.* This Franchise does not prohibit FRANCHISEE from executing separate agreements with those Persons to provide Franchise Services.

- C. **Definition of Rights.** FRANCHISEE acknowledges having received a timely notice from COUNTY under California Public Resources Code § 49520 before entering into this AGREEMENT, which notice precludes FRANCHISEE from asserting the right to continue to provide MSW Management Services in the Service Area without a franchise agreement as may be required by COUNTY, now or in the future.

FRANCHISEE further acknowledges that the signing of this AGREEMENT does not confer on FRANCHISEE any rights under California Public Resources Code § 49520 and that FRANCHISEE does not have the right to make any claim under California Public Resources Code § 49520 but only under the terms of this AGREEMENT. Notwithstanding the foregoing, in accordance with California Public Resources Code § 49523, COUNTY and FRANCHISEE agree, based on the mutually satisfactory terms of providing Franchise Services set forth in this AGREEMENT and receipt of compensation therefor, that FRANCHISEE shall cease providing MSW Management Services in the Service Area on the Termination Date even if that Termination Date should occur before the expiration of the period described in California Public Resources Code § 49520. FRANCHISEE'S agreement and acknowledgments in this AGREEMENT do not foreclose COUNTY from reprocurring agreements for MSW Management Services, including from FRANCHISEE, after termination of this AGREEMENT, by exclusive, partially exclusive, or wholly exclusive franchise, contract, license, permit or otherwise, with or without competitive bidding.

- D. **Franchise Fee.** In consideration for this Franchise, FRANCHISEE shall pay COUNTY the Franchise Fee at the time and in the amount and manner established from time to time by COUNTY ordinance or resolution of the Board of Supervisors. FRANCHISEE shall not separately identify the Franchise Fee in correspondence with Customers, including in Subscription Orders, bills, or invoices. FRANCHISEE'S fees, charges, and other compensation from providing MSW Management Services to Residential Premises in Bin, as authorized but not required in Exhibit 3A, will not be included in the calculation of the Franchise Fee.

SECTION 2 – TERM

- A. **Term.** This AGREEMENT commences on the date both parties have executed this AGREEMENT and expires on the Termination Date provided in Exhibit 3A.
- B. **Obligations Upon Expiration or Termination of AGREEMENT.** The following provisions will survive the expiration or termination of this AGREEMENT:
1. All acknowledgments, including those in the following Sections:
 - Section 1C with respect to inapplicability of cited California Public Resources Code provisions
 - Section 3A with respect to COUNTY responsibility

- Section 11A with respect to COUNTY'S need for Record maintenance
 - Section 12A with respect to AB 939 compliance
 - Section 21F with respect to FRANCHISEE choice and initiative
 - Section 23C3 with respect to child support
 - Section 23A with respect to a legal day's work
2. All representations and warranties, including those made in accordance with the following Sections:
 - Section 21F with respect to review of this AGREEMENT
 - Section 24B, Authority to Execute
 - Exhibit 20H, FRANCHISEE'S Representations and Warranties
 3. All Indemnities
 4. All obligations to pay any due and payable monetary amounts, or claims for those amounts, including:
 - Any Franchise Fees
 - Payment of Transfer Deposits and Transfer Costs defined in Section 19C
 - Damages under Section 18D
 5. All obligations to maintain and submit Records and Reports, including:
 - The final Annual Report
 - Information with respect to Solid Waste Facilities
 - Copies of certificates of insurance or other evidence of coverage and
 - Records of Disposal
 - Notice of destruction of Records of Disposal
 - Inspection and audit
 6. Any other provisions of this AGREEMENT and rights and obligations of the Parties stated to survive the Termination Date, including this subsection B with respect to removal of Containers.

If FRANCHISEE is not awarded an agreement to allow FRANCHISEE to continue to provide MSW Management Services substantially similar to Franchise Services in the Service Area after the expiration or termination of this AGREEMENT, FRANCHISEE shall cooperate fully with COUNTY and the succeeding franchisee, licensee, permittee or other provider of MSW Management Services to assure a smooth, efficient, orderly, timely, and effective transition and continued delivery of MSW Management Services to FRANCHISEE'S former Customers. FRANCHISEE shall not remove a Container from any Premises until the earlier of: (1) the date any replacement Containers are provided to the Customer, or (2) two weeks after the Termination Date. **FRANCHISEE'S OBLIGATIONS AND COUNTY'S RIGHTS IN THIS SUBSECTION B SURVIVE THE TERM.**

- C. **Undepreciated Assets.** If any of FRANCHISEE'S assets remain undepreciated upon the expiration or earlier termination of this Franchise, FRANCHISEE has no right to recover amounts equal to the undepreciated asset value from COUNTY or Customers, and neither COUNTY nor Customers are obligated to compensate FRANCHISEE for any undepreciated asset value.

SECTION 3 - SCOPE OF SERVICES AND SPECIFICATIONS

- A. **Prescribed Scope.** FRANCHISEE shall arrange to provide Franchise Services to Premises in the Service Area with any Person who requests them. Notwithstanding the foregoing, subject to meeting the minimum required scope of Franchise Services and Service Specifications and Service Standards, FRANCHISEE has the freedom and discretion to determine the means, manner, or method of providing Franchise Services. FRANCHISEE acknowledges that in entering into this AGREEMENT, COUNTY is not responsible for supervising FRANCHISEE or for performance of any Franchise Services. FRANCHISEE is solely responsible for choosing the Solid Waste Facilities. In addition, County is not the owner or titleholder of any material Collected, transported, Disposed of or otherwise handled by FRANCHISEE.
- B. **County Notice.** Upon Notice of request by the Director, FRANCHISEE shall use its best efforts to promptly provide Franchise Services to any Premises, as the Director deems necessary to protect public health or safety.
- C. **Change in Scope of Services.** COUNTY may change the scope of Franchise Services and Services Standards, subject to any Rate adjustment agreed to with FRANCHISEE in accordance with Section 10A.
- D. **Franchisee Documentation.**
1. **FRANCHISEE'S Compliance with Franchisee Documentation.** FRANCHISEE shall provide Franchise Services in compliance with the Franchisee Documentation attached as Exhibit 3D.
 2. **Changes in Franchisee Documentation.**
 - a. **Notice to COUNTY.** FRANCHISEE shall give the Director prompt Notice of any changes in Franchisee Documentation listed in Section A of Exhibit 3D Franchisee Documentation, after the Execution Date. The Director's receipt of those changes will be evidenced by the following acknowledgment appended to the changed Franchisee Documentation:

"Acknowledgment: FRANCHISEE has submitted the attached Franchisee Documentation listed below as of the following date:

Date: 5/22/08 Director: Thomas W. Hoagland

- b. **COUNTY Consent.** FRANCHISEE shall submit to the Director for review and consent any changes occurring in Franchisee Documentation listed in Section B of Exhibit 3D Franchisee Documentation, after the Execution Date. The Director's approval will be evidenced by the following acknowledgment appended to the changed Franchisee Documentation:

"Acknowledgment: I have reviewed and approved the attached Franchisee Documentation submitted by FRANCHISEE as of the following date:

Date: 5/22/08 Director: Thomas W. Hoagland "

SECTION 4 - SERVICE STANDARDS

A. Public Health and Safety; Nuisances

1. **Litter.** FRANCHISEE shall clean up all litter caused by FRANCHISEE. When Collecting any Bulky Item, FRANCHISEE shall also clean up all litter within a 10-foot radius of the site from which FRANCHISEE Collected the Bulky Item. FRANCHISEE shall ensure that each Vehicle is properly staffed and equipped at all times for this purpose.
2. **Spills.** FRANCHISEE shall enclose or cover Solid Waste that it transports in Vehicles, debris boxes, hoppers, compactors, or any other containers. FRANCHISEE shall prevent Solid Waste from escaping, dropping, spilling, leaking, blowing, sifting, falling, or scattering from Vehicles ("**Spills**") during Collection and transportation. FRANCHISEE shall not transfer loads from one Vehicle to another Vehicle unless necessitated by mechanical failure or accidental damage to a Vehicle. FRANCHISEE shall immediately clean up any Solid Waste that it Spills onto any alley, street, or public place.
3. **Leaking.** FRANCHISEE shall prevent oil, hydraulic fluid, paint, or other liquid from leaking from its Vehicles. FRANCHISEE shall ensure that each Vehicle carries petroleum absorbent agents, and other appropriate cleaning agents and if any liquid leaks from a Vehicle, FRANCHISEE shall immediately cover, treat, or remove the liquid materials from the ground, as necessary, and apply the necessary cleaning agent to minimize the adverse impact of the liquid materials.
4. **Noise.** FRANCHISEE shall conduct Collection as quietly as possible, in compliance with noise levels prescribed by Applicable Law, including County Code § 12.08.520 - Refuse Collection Vehicles. FRANCHISEE shall perform Franchise Services so as to cause the least possible obstruction and inconvenience to public traffic or disruption to the peace and quiet of the area within which it performs Franchise Services.

5. **Emergency Telephone Number.** FRANCHISEE shall maintain a local emergency telephone number disclosed to the Director for use by the Director outside Franchisee Office Hours. FRANCHISEE shall make a representative available at the emergency number outside Franchisee Office Hours who will return any emergency call as soon as possible, and in any event within one hour.

B. **Streets and Alleys.** FRANCHISEE shall use its best efforts to prevent damaging alleys, streets, and parking lots over which its Vehicles operate. FRANCHISEE shall obtain all approvals required to operate Vehicles on private alleys, streets, and parking lots. Subject to COUNTY review and approval and to Section 20C, FRANCHISEE may require Customers to sign a Subscription Order containing a waiver of liability and/or an indemnification in connection with subscribing for Franchise Services on private driveways or pavement.

C. **Non-Collection Notice.** FRANCHISEE is not obligated to Collect in any of the following events:

1. FRANCHISEE observes the presence of Unpermitted Waste at the Set-Out Site other than any Unpermitted Waste that Franchisee Collects as Bulky Items, E-waste or CEDs;
2. FRANCHISEE observes an unsafe condition at the Set-Out Site;
3. Solid Waste is not placed in a Container, *except* for uncontainerized materials set out as part of any on-call Collection of Bulky Items, E-waste and CEDs and annual cleanup campaigns, and uncontainerized Green Waste prescribed as part of Franchise Services;
4. Containers, Bulky Items, E-waste or CEDs are not placed at the Set-Out Site;
5. A Container exceeds any weight limitations described in Subscription Orders;
6. The Customer has not timely paid FRANCHISEE'S invoice for Franchise Services;
7. The Premises are not safely accessible to Vehicles;
8. FRANCHISEE observes the presence of Refuse or Green Waste in a Recyclables Container or the presence of Refuse or Recyclables in a Green Waste Container.

If FRANCHISEE determines not to provide Collection as provided above, FRANCHISEE shall complete and leave a Non-Collection notice, substantially in the form included in Franchisee Documentation, securely attached to a

Container, describing the reason the Customer's Solid Waste was not Collected, how the Customer can correct the problem, and how the Customer may contact FRANCHISEE. FRANCHISEE shall Collect the Customer's Solid Waste without surcharge to the Customer no later than 6 p.m. on the day it left the Non-Collection notice, if the Customer notifies Franchise by 3 p.m. that day that the Customer has corrected the condition justifying non-collection.

D. Subscription Order. Before commencing Franchise Services for an individual Customer, FRANCHISEE shall provide a Subscription Order to that Customer, substantially in the form included in Franchisee Documentation, which must include at a minimum, all of the following items:

1. The scope of Franchise Services, including size and number of Containers, subscription date, and Set-Out Site;
2. Customer Service Charges, which may be in the form of a general fee schedule, clearly marked to indicate the fees that are specifically applicable to the Customer but which may not separately indicate Rates attributable to Solid Waste materials type, such as Refuse, Green Waste, Recyclables or manure;
3. FRANCHISEE'S billing procedures, including payment due and delinquency dates, FRANCHISEE'S right to terminate Franchise Services for delinquent payments, and, in accordance with Section 10B, the Customer's refund rights after termination of Franchise Services;
4. Holiday schedules;
5. Delivery, pick up, exchange and replacement of Containers;
6. Any weight limitations of Containers;
7. Customers' privacy rights in accordance with Section 5;
8. Nondiscrimination information in accordance with subsection F;
9. Term of the Subscription Order and the Customer's termination rights in accordance with Section 20I;
10. Franchisee Office Hours and toll-free Customer service telephone number;
11. Notice that the Customer's subscription is subject to FRANCHISEE'S execution of this AGREEMENT and will be terminated if this AGREEMENT is terminated;

12. The Customer's right to donate or sell any or all of their Recyclables to Persons other than FRANCHISEE as set forth in Section 1A2a above;
13. The Customer's right to self-haul as set forth in Section 1B1 above;
14. The Customer's rights in the event of property damage or personal injury as described in Section 20C;
15. COUNTY'S telephone number, which the Customer may call after contacting FRANCHISEE if the Customer's service complaint is not satisfactorily resolved; and
16. Any other information requested by the Director.

FRANCHISEE shall annually distribute to Customers a summary approved by COUNTY of the Customer's Subscription Order containing the general information described in items 1 through 15, and describing where a Customer can contact FRANCHISEE to obtain a copy of that Customer's Subscription Order. FRANCHISEE may distribute that summary together with other correspondence from FRANCHISEE to all Customers, such as Customer outreach and educational materials.

The Director may change the form and content of Subscription Order from time to time after Notice to FRANCHISEE. FRANCHISEE may change the form of Subscription Order only with the Director's prior written consent in accordance with Section 3D.

- E. Exceptions to Performance Obligations.** No exceptions to Performance Obligations described in the text of this AGREEMENT are permitted unless they are specifically identified in Section A2 of EXHIBIT 3A.
- F. Nondiscrimination.** FRANCHISEE shall comply with Subchapter VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e-2000e(17), to the end that no Customer or any other Person will, on the grounds of race, creed, color, sex, gender, national origin, ancestry, religion, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- G. FRANCHISEE Waste Reduction Practices.** Consistent with the Board of Supervisors' policy to reduce the amount of Solid Waste that is disposed of at landfills within the COUNTY, FRANCHISEE shall implement waste reduction practices and procurement policies, including use of recycled-content paper, to the maximum extent possible in providing Franchise Services and maintaining Records. All recycled-content paper that is distributed to Customers must be labeled to indicate recycled content.

H. Customer Correspondence and Other Materials. FRANCHISEE shall submit to the Director for approval at least five County Business Days before printing, distributing, or mailing forms of written materials sent or given to Customers (other than with respect to a particular Customer's Subscription Order or Franchise Services complaints).

I. Publicity and News Media Relations.

1. **Publicity.** Unless otherwise required by subsection H or subsection I.2, FRANCHISEE and its Affiliates, employees, consultants, agents, or subcontractors may, without COUNTY consent, publicize its Franchise Services or indicate in its proposals and sales materials that it has been awarded this AGREEMENT to provide Franchise Services, if FRANCHISEE develops that publicity, proposals, or sales materials in a professional manner.

Neither FRANCHISEE nor any of its Affiliates, employees, consultants, agents, or subcontractors may publish or disseminate commercial advertisements, news or press releases, opinions or feature articles using the name of COUNTY without the prior written consent of COUNTY'S Chief Administrative Officer and County Counsel. COUNTY shall not unreasonably withhold written consent. COUNTY consent will be deemed given if COUNTY does not submit to FRANCHISEE any adverse comments within two weeks after FRANCHISEE submitted the publicity material to COUNTY.

2. **News Media Relations; Trade Journal Articles.** FRANCHISEE shall notify COUNTY by telephone followed by facsimile or e-mail, if possible, of all requests for news media interviews related to the Franchise Services (and not other communities) within 24 hours of FRANCHISEE'S receipt of the request. Before responding to requests involving issues other than those relating to descriptions of Collection programs and scope of Franchise Services, FRANCHISEE shall discuss FRANCHISEE'S proposed response with COUNTY.

FRANCHISEE shall submit copies of FRANCHISEE'S draft news releases or proposed trade journal articles related to Franchise Services to County for prior review and approval at least five County Business Days in advance of release.

FRANCHISEE shall provide to County, within five days after publication, copies of articles related to Franchise Services resulting from media interviews or news releases.

- J. **Responsiveness to County.** FRANCHISEE shall return telephone calls from COUNTY to the individual who made that call during County Office Hours no later than the next County Business Day. FRANCHISEE shall meet with

COUNTY during County Office Hours within one week of COUNTY'S oral or written request at COUNTY offices or other location directed by COUNTY. FRANCHISEE shall respond to all e-mails from COUNTY within two County Business Days of receipt and shall respond to other written correspondence from COUNTY within one week of receipt thereof.

- K. No Commingling of Interjurisdictional Materials.** FRANCHISEE may not commingle, in its Vehicles or otherwise, any Solid Waste that it Collects with any other materials that it collects in cities, without the express prior written consent of the Director, who may require documentation such as records of customers, including container capacities, in cities and in the Service Area, respectively. FRANCHISEE shall maintain Records with respect to Solid Waste separately from weight and records with respect to those other materials.
- L. Key Personnel.** FRANCHISEE acknowledges that it identified certain personnel and described their professional experience and qualifications in the proposal it submitted to the COUNTY in connection with the procurement of this AGREEMENT, and that COUNTY awarded this AGREEMENT to FRANCHISEE based in part on those individuals' experience and qualifications. FRANCHISEE shall identify those personnel ("**Key Personnel**") in Franchisee Documentation. FRANCHISEE shall provide COUNTY at least 30 days' Notice of changes in Key Personnel, including the professional experience and qualifications of the individual FRANCHISEE proposes to serve in place of a departing Key Personnel, unless a Key Personnel gives FRANCHISEE less than 30 days' notice of resignation, in which case FRANCHISEE shall provide COUNTY prompt Notice. During that 30-day period, COUNTY may request FRANCHISEE to propose an alternative individual to serve in the position of the departing Key Personnel.

SECTION 5 - PRIVACY

- A. General.** FRANCHISEE shall strictly observe and protect the trade secrets and rights of privacy of Customers. FRANCHISEE shall not reveal to a Person other than COUNTY any information identifying individual Customers or the composition or contents of a Customer's Solid Waste to any Person unless under Section 11 or upon the authority of law or upon valid authorization of the Customer. This provision may not be construed to excuse FRANCHISEE from its obligations to assist COUNTY in the preparation of Solid Waste characterization studies or waste stream analyses, keeping Records, making Reports, or assisting COUNTY on meeting any of the requirements of AB 939.
- B. Mailing Lists.** FRANCHISEE shall not market or distribute mailing lists with the names and addresses of Customers.
- C. Privacy Rights Cumulative.** FRANCHISEE'S obligations in this Section are in addition to any other privacy rights accorded Customers under Applicable Law.

SECTION 6 - UNPERMITTED WASTE SCREENING AND REPORTING

- A. Protocol.** FRANCHISEE shall develop and implement the Unpermitted Waste Screening Protocol included in Franchisee Documentation, in compliance with Applicable Law and including, at a minimum, the following provisions:
1. Ongoing employee training in identification, safety and notification procedures, including leaving Non-Collection notices, when safe;
 2. Means of driver inspection, such as visual inspection during tipping of Containers into Vehicles;
 3. Immediate driver response, such as load segregation;
 4. Driver notification, such as calling FRANCHISEE'S dispatcher or field supervisor;
 5. Notification of appropriate local agency or department;
 6. Appropriate action, such as segregation and containerization for manifesting and transport for disposal in accordance with Applicable Law or securing services of permitted handling and transport company;
 7. Compliance with Applicable Law, including regulations of the federal Department of Transportation (DOT) (Title 49 CFR) and of the United States Environmental Protection Agency (Title 40 CFR); and
 8. Form and content of labels described in subsection D.
- B. Prohibition on Collection.** FRANCHISEE is prohibited, unless licensed in accordance with Applicable Law, from Collecting any Unpermitted Waste observed by FRANCHISEE other than in connection with providing Collection of Bulky Items. FRANCHISEE shall notify all Persons required by Applicable Law of Unpermitted Waste that FRANCHISEE finds or observes in Solid Waste.
- C. Reports to Director.** If FRANCHISEE observes that any substance it reasonably believes or suspects to contain Unpermitted Waste has been disposed of or released on any COUNTY or any other public property, including storm drains, streets, or other public rights of way, FRANCHISEE shall use Reasonable Business Efforts to report its observation to the Director in addition to notifying Persons as required by Applicable Law.
- D. Labels.** FRANCHISEE shall conspicuously label Containers with stickers, embossing, or other secure means, prohibiting Customers from discarding Unpermitted Waste and including illustrative examples.

- E. Safe Disposal Customer Education Program.** As part of its Unpermitted Waste Screening Protocol, FRANCHISEE shall develop and implement a Customer educational program to maximize exclusion of Unpermitted Waste from Disposal and promote safe handling of Unpermitted Waste. FRANCHISEE shall include a copy of its program in Franchisee Documentation. At least once each calendar year, FRANCHISEE shall distribute flyers, pamphlets, brochures, or other written information describing the safe disposal Customer education program. FRANCHISEE shall submit the materials to COUNTY at least one month before mailing them, and COUNTY may comment on them. FRANCHISEE may combine this distribution with its Customer outreach for the Waste Diversion Program as provided in Section B2b of Exhibit 3A.

SECTION 7 - CUSTOMER SERVICE

- A. Office.** FRANCHISEE shall maintain an Office and Vehicle maintenance yard at the address provided in Franchisee Documentation, which FRANCHISEE may change following COUNTY consent in accordance with Section 3D2b.
- B. Telephone Service.** FRANCHISEE shall maintain a toll-free telephone number. FRANCHISEE shall list the telephone number under FRANCHISEE'S name in at least two telephone directories (white pages and yellow pages) available in the Service Area, including English and Spanish or other language as required by the Director. FRANCHISEE'S choice of directories must be approved by the Director before printing. FRANCHISEE shall be available during Franchisee Office Hours at that number to receive calls (including from the Director, Customers, and the public) with respect to its Performance Obligations or Franchise Services (including Subscription Orders, Franchise Services payments, and complaints). FRANCHISEE shall provide an answering machine or answering service at that number to take reports of missed pick-ups and other complaints that are received outside of Franchisee Office Hours and otherwise provide Customer services in accordance with County Code § 20.72.160 and any additional provisions in Exhibit 3A.
- C. Bilingual.** FRANCHISEE shall respond to Customers in English and Spanish and/or any alternative or additional language prescribed in Exhibit 3A, as requested by a Customer.
- D. Customer Complaints; Missed Collections.**
- 1. Resolution of Complaints.** The protection of public health, safety, and well-being require that Customer complaints be acted on promptly and that a record be maintained in order to permit COUNTY and FRANCHISEE to identify potential public health and safety problems. Accordingly, FRANCHISEE'S Subscription Order shall direct Customers to make all complaints to FRANCHISEE at the telephone number identified in subsection B.

FRANCHISEE shall address all Customer complaints by the end of the next Service Day following Customer contact.

If the Director or a Customer notifies FRANCHISEE that FRANCHISEE has missed Collecting from any Container that it should have Collected, Franchisee shall Collect from that Container:

- a. No later than 6 p.m. on the day it receives the complaint, if it receives the complaint by 3 p.m.; or
- b. On the next day, if it receives the complaint after 3 p.m. Franchisee shall promptly resolve all other complaints.

2. **Complaint Logs.** FRANCHISEE shall enter, log and maintain Records of all complaints and their resolution in computerized format and in accordance with County Code § 20.72.160. At COUNTY'S request, FRANCHISEE shall immediately e-mail the following to COUNTY during County Office Hours: (1) those Records and (2) the complaining Customer's Customer Service Charge and Subscription Order. FRANCHISEE shall include a copy or summary of this log for the applicable month in its Monthly Report.

3. **County's Reimbursement Costs.** If COUNTY employees or agents spend either: (1) more than two hours in the aggregate resolving complaints from any single Customer that the Customer states have previously been filed with FRANCHISEE, or (2) more than one hour in any work week (Monday through Friday) resolving complaints from different Customers; then FRANCHISEE shall reimburse COUNTY its County's Reimbursement Costs incurred to resolve the complaint, as evidenced by an invoice indicating the name and address of the Customer, nature of complaint, amount of time spent, and hourly fees for employees involved and materials or other disbursements, including phone and postage costs.

SECTION 8 - OWNERSHIP OF SOLID WASTE

This AGREEMENT does not purport to grant FRANCHISEE ownership over Solid Waste. The right to possession or ownership of Solid Waste placed at the Set-Out Site for Collection, including Green Waste and Recyclables, will be determined in accordance with Applicable Law and not as a result of this AGREEMENT. COUNTY acknowledges that it has no ownership rights in Solid Waste and that FRANCHISEE may provide for transfer of ownership in the Subscription Order.

SECTION 9 - DIVERSION

FRANCHISEE agrees to use Reasonable Business Efforts to Divert all Recyclables, Green Waste (including holiday trees), Bulky Items, E-waste, and CEDs that it Collects, including implementing its Waste Diversion Program.

SECTION 10 - RATES AND CUSTOMER BILLING

- A. Rates.** FRANCHISEE shall charge Customers no more than the Customer Service Charges provided in Attachment 2 (Rate Schedule) of Exhibit 10, and FRANCHISEE shall charge the same, uniform rates to all Customers receiving the same services listed in Attachment 2 of Exhibit 10.
- B. Billing.** FRANCHISEE shall include in its form of Customer invoice the following information:
1. Set-out times and places for Containers as required by the County Code and other County Code requirements as may be requested by County; and
 2. Franchisee's telephone number and address for Customer complaints and questions.

At COUNTY'S request, FRANCHISEE shall promptly submit its form of Customer invoice to COUNTY. FRANCHISEE shall itemize costs in accordance with service options itemized on the Rate Schedule. FRANCHISEE shall not separately segregate, separate, or designate that portion of a Customer's bill attributable to the Franchise Fee or identify it to Customers. FRANCHISEE may bill Customers monthly, bimonthly, or quarterly as the Customer and FRANCHISEE may agree.

At COUNTY'S request, FRANCHISEE shall use Reasonable Business Efforts to enclose with Customer bills all inserts promoting recycling and waste reduction prepared and provided by COUNTY.

FRANCHISEE shall refund any overcharges to a Customer (including advance payments for Franchise Services that are subsequently canceled) within 30 days after collection thereof. FRANCHISEE shall pay the Customer interest on overcharges (other than advance payments for subsequently canceled services) with interest thereon at 10 percent per annum from the date originally overcharged until the date refunded.

SECTION 11 - FRANCHISEE RECORDS; AUDITS

FRANCHISEE'S OBLIGATIONS AND COUNTY'S RIGHTS IN THIS SECTION SURVIVE THE TERM.

A. Record Maintenance and Retention.

1. **All Records.** FRANCHISEE shall prepare and maintain all Records during the Term and for an additional period of not less than three years after the Termination Date or any longer period required by Applicable Law.

2. **Disposal Records.** FRANCHISEE acknowledges:

- a. That COUNTY may need to respond to claims under CERCLA or similar claims with respect to Disposal of Solid Waste; and
- b. COUNTY'S need to determine the quantity of FRANCHISEE'S Disposal of Solid Waste.

Therefore, FRANCHISEE shall establish and maintain a protocol for the retention and preservation of those Records, for a period of five years after the Termination Date or any longer period required by Applicable Law, which protocol will document where FRANCHISEE Disposed of Solid Waste that it Collected (whether landfilled, incinerated, composted, otherwise processed or marketed).

3. **Notification.** FRANCHISEE shall give Notice to the Director at least 30 days before destroying Records of Disposal at any time after the retention period referred to in subsection A2.

B. County Custody. If the Director has reason to believe that Records may be lost, discarded, or destroyed for any reason, the Director may require that FRANCHISEE give COUNTY custody of any or all Records in which event access to those Records is granted to any Person duly authorized by FRANCHISEE.

C. Inspection and Audit. Upon five Service Days' advance notice by telephone or writing, or a lesser amount of time in the event of extraordinary circumstances, COUNTY and its auditors may inspect, audit (including using outside auditors), and copy all Records at FRANCHISEE'S Office during Franchisee Office Hours. FRANCHISEE may maintain Records outside of the COUNTY if it promptly provides copies thereof to COUNTY at COUNTY'S offices. COUNTY will bear the expense of the audit and of obtaining a copy of Records; however, within 30 days of COUNTY Notice, FRANCHISEE shall reimburse COUNTY for County's Reimbursement Cost of the expenses if the audit reveals a discrepancy of the lesser of 3 percent or \$2,500 between:

1. The amount contained in the Records (e.g., the amount of Solid Waste Collected or Diverted or the amount of Gross Receipts received), and
2. Any representation or Report that FRANCHISEE made to COUNTY; Franchise Fee or other money paid to COUNTY; or information that FRANCHISEE submitted to COUNTY.

The Director may give Notice to FRANCHISEE identifying any shortfall, and if FRANCHISEE does not pay that shortfall within 30 days, including fees and

charges for the late payment of Franchise Fees, that failure to pay will constitute a Franchisee Default in accordance with Section 17.

- D. **Copies.** Franchise shall provide copies of Customers' names, addresses, and Franchise Services subscription levels to COUNTY upon request.

SECTION 12 - PROGRAM IMPLEMENTATION AND REPORTING REQUIREMENTS

- A. **Programs.** FRANCHISEE acknowledges that one of COUNTY'S primary reasons for entering into this AGREEMENT with FRANCHISEE is to assist COUNTY in complying with AB 939. FRANCHISEE shall implement its Waste Diversion Program. FRANCHISEE shall use its best efforts to implement measures intended to achieve COUNTY'S source reduction, recycling and waste stream diversion goals for Solid Waste it Collects. FRANCHISEE shall further use its best efforts to cooperate with COUNTY in conducting Solid Waste characterization studies and waste stream audits.
- B. **Submission of Records.** FRANCHISEE shall submit to the Director, without charge to COUNTY or surcharge to Customers, any Records relating to Diversion requested by COUNTY to assist COUNTY in meeting obligations imposed by AB 939. FRANCHISEE shall submit those Records in a format compatible with COUNTY'S computers (such as by e-mail or on computer discs or hard copy) as requested by the Director.

SECTION 13 - REPORTS

A. Types and Content.

1. **Monthly.** Within 45 days after the end of each calendar month, FRANCHISEE shall submit the Monthly Report for that calendar month to COUNTY in a form satisfactory to COUNTY, including the following information:
 - a. The total number of Commercial Premises, Multifamily Premises, and Residential Premises, respectively, at which FRANCHISEE provided for regularly scheduled Collection of Refuse or other measurement requested by COUNTY concerning these items;
 - b. The respective total **quantities** of:
 - Refuse (in Tons), Recyclables (in Tons), and any Green Waste (in Tons or, if not weighed at the Solid Waste Facility where it is delivered, in cubic yards) Collected by FRANCHISEE,
 - Materials recovered from those Recyclables and residual Refuse remaining after processing of Recyclables,

- The final destination of that Refuse, and
 - Where FRANCHISEE delivered those Recyclables;
- c. The estimated **number of holiday trees**, bushes, and biomass Collected by Franchisee and their final destination;
- d. Using Reasonable Business Efforts, the estimated number and **Tons of Bulky Items**, E-waste and CEDs Collected by FRANCHISEE (such as major appliances/white goods and metallic discards, used tires and other Solid Waste recovered by FRANCHISEE during any annual cleanup campaigns), and final destination thereof;
- e. The **Collection route maps and schedule** with a complete map of the Service Area if any map or schedule has changed during the prior month; and
- f. Any other information compiled from Records or formatting of that information requested by the Director.
2. **Quarterly Reports.** Within 45 days after the last day of each March, June, September, and December FRANCHISEE shall submit the Quarterly Report for the preceding three calendar months ending with that month to COUNTY in a form satisfactory to COUNTY, including the following information:
- a. A narrative description of efforts made to deter and prevent unauthorized removal or scavenging of Recyclables;
 - b. The number of Tons of any type of Recyclables rejected for sale after Processing together with the reason for rejection and place at which the rejected materials were Disposed;
 - c. A report of Waste Diversion Program promotional activities, including materials distributed by FRANCHISEE to its Customers;
 - d. The total number of Commercial Premises, Multifamily Premises, and Residential Premises, respectively, at which Customers set out Recyclables and Green Waste Containers, respectively, together with Tonnage of Recyclables and Green Waste or other measurement of participation requested by COUNTY concerning these items; and
 - e. The Collection route maps and schedule with a complete map of the Service Area.

- f. A summary of the number of Non-Collection notices issued and the reasons for issuance.
3. **Annual Report.** On or before each February 28, FRANCHISEE shall submit the Annual Report to COUNTY in a form satisfactory to COUNTY, for the preceding calendar year, including the following information:
 - a. General information about FRANCHISEE, including a list of its respective officers, principals, major shareholders, general and limited partners, limited liability company members, and member of its boards of directors or governing board as the case may be;
 - b. A copy of the most recent annual public financial reports and other periodic public financial reports of FRANCHISEE and, at the Director's request, each of its Affiliates and other entities, if any, performing Franchise Services or providing Goods or Services; provided however, that if FRANCHISEE did not submit its own financial reports before the Execution Date of this AGREEMENT, it must provide a guaranty in the form provided by the Director, by a guarantor satisfactory to the Director, which guarantor must provide its own audited financial reports;
 - c. A report of FRANCHISEE'S compliance with its Performance Obligations with respect to Waste Diversion Program implementation during the preceding calendar year;
 - d. An updated inventory of Service Assets in accordance with Section 16A3;
 - e. A copy of the telephone directories described in Section 7B;
 - f. A description of contamination audits of Recyclables Containers in accordance with Service Specifications; and
 - g. An updated list naming all Subcontractors, the amount of Goods or Services that each Subcontractor provides to FRANCHISEE, and a description of FRANCHISEE'S relationships to each Subcontractor (including ownership interests) in accordance with Exhibit 3A.
 4. **Reports of Violators.** If FRANCHISEE discovers that any Person is providing MSW Management Services in the Service Area that are not authorized by COUNTY or are in Violation of Applicable Law, then FRANCHISEE shall use Reasonable Business Efforts to promptly provide COUNTY with a written report containing at least the following:
 - a. The identity and address of the Person ("Violator"), if known;

- b. The facts and documentation supporting FRANCHISEE'S report; and
- c. Any other information or documentation in connection with the Violator and FRANCHISEE'S report that COUNTY may reasonably request.

COUNTY acknowledges that FRANCHISEE may seek legal or injunctive relief against the Violator in accordance with Applicable Law to cease providing those MSW Management Services. Notwithstanding the foregoing, COUNTY is not liable to FRANCHISEE, and FRANCHISEE hereby releases COUNTY in connection with any act of a Violator.

B. Format. FRANCHISEE shall submit Reports in a format compatible with COUNTY'S computers (such as by e-mail or on computer discs or printed copy) as determined by the Director.

C. Reporting Adverse Information. FRANCHISEE shall provide the Director copies of all reports, pleadings, applications, notifications, notices of violation, communications or other material directly relating to its Performance Obligations submitted by FRANCHISEE to, or received by FRANCHISEE from, any of the following:

1. The United States or California Environmental Protection Agency;
2. The California Integrated Waste Management Board;
3. The Securities and Exchange Commission;
4. Any other Regulatory Agency;
5. Any federal, state, or county court.

Franchisee shall submit copies to the Director simultaneously with FRANCHISEE'S submission of those materials to those entities. At COUNTY'S request, FRANCHISEE shall promptly make available to COUNTY any other correspondence between FRANCHISEE and those entities.

D. Submission of Reports. FRANCHISEE shall submit Reports to the Director at COUNTY'S address provided for Notices.

E. County's Right to Request Information. At the Director's request, FRANCHISEE shall promptly provide to County additional information reasonably and directly pertaining to this AGREEMENT (including substantiation of information submitted in Reports).

- F. **Reporting Requirements for Improper Solicitations.** FRANCHISEE shall immediately report any attempt by a COUNTY officer or employee to solicit improper consideration. FRANCHISEE shall make the report either to COUNTY manager charged with the supervision of the employee or to the COUNTY Fraud Hotline at (800) 554-6861 or www.lacountyfraud.org. Among other items, improper consideration may take the form of cash; discounts; service; or the provision of travel, entertainment, or tangible gifts.

SECTION 14 - INDEMNIFICATION AND INSURANCE

- A. **Indemnification and Release of County.** FRANCHISEE shall release, indemnify, defend, and hold harmless COUNTY and County's Related Parties from and against any and all Liabilities arising from, connected with, or relating to all of the following:
1. **Operations.** FRANCHISEE'S and Franchisee's Related Parties' operations or any of their respective services on or after the date of this AGREEMENT, including the Franchise Services and Liabilities further detailed in the following Indemnifications contained in subsections A2 through 5, but excluding any Liabilities arising from the following:
 - a. The sole active negligence of COUNTY, or
 - b. RCRA, CERCLA (specifically 42 U.S.C. § 9607(3)), or California Health and Safety Code § 25364.
 2. **Cal/OSHA.** Without limiting the operations Indemnity in subsection A1, employer sanctions and any other Liabilities that may be assessed against FRANCHISEE or COUNTY or both in connection with any alleged act or omission of FRANCHISEE or any of Franchisee's Related Parties that is in violation of any Cal/OSHA regulation. This obligation includes all investigations and proceedings associated with purported violations of 8 CCR 336.10 pertaining to multi-employer work sites. FRANCHISEE shall not be obligated to so release, indemnify, defend, and hold harmless COUNTY from and against any Liabilities arising from the active negligence of COUNTY.
 3. **Immigration.** Without limiting the operations Indemnity in subsection A1, employer sanctions and any other Liabilities that may be assessed against FRANCHISEE, any of Franchisee's Related Parties or COUNTY or any one or all of them in connection with any alleged violation of federal Applicable Law (including the Immigration Reform and Control Act of 1986 (PL. 99-603) pertaining to the eligibility for employment of individuals performing Franchise Services. FRANCHISEE shall not be obligated to so indemnify, release, defend, and hold harmless COUNTY from and against any Liabilities arising from active negligence of COUNTY.

4. **Enforcement of AGREEMENT or Applicable Law.** Without limiting the operations Indemnity in subsection A1, any Liabilities that may be assessed against FRANCHISEE, any of Franchisee's Related Parties or COUNTY or any one or all of them in connection with any alleged failure of COUNTY to exercise COUNTY's rights under this AGREEMENT or to enforce provisions of this AGREEMENT or of Applicable Law as permitted under Section 22A4.
5. **Disposal.** The presence, Disposal, escape, migration, leakage, spillage, discharge, release, or emission of Unpermitted Waste or petroleum to, in, on, at or under at any place, site, or facility where FRANCHISEE or any of Franchisee's Related Parties delivers, stores, processes, Recycles, composts or Disposes of Solid Waste to the extent that Liabilities are caused indirectly or directly by any of the following:
- a. ***FRANCHISEE Negligence or Misconduct.*** The wrongful, willful or negligent act, error or omission, or the misconduct of FRANCHISEE or any of Franchisee's Related Parties;
 - b. ***Non-Customer Materials.*** The collection, delivery, handling, recycling, processing, composting or disposal by FRANCHISEE or any of Franchisee's Related Parties of any materials or waste, including Unpermitted Waste, that are generated by Persons other than Customers or collected from premises other than Premises;
 - c. ***Failure to Comply with Unpermitted Waste Screening Protocol.*** The failure of FRANCHISEE or any of Franchisee's Related Parties to undertake Unpermitted Waste training procedures required by Applicable Law or the Unpermitted Waste Screening Protocol, whichever is more stringent; or
 - d. ***FRANCHISEE-Identified Unpermitted Waste.*** The improper or negligent collection, handling, delivery, processing, recycling, composting or disposal by FRANCHISEE or any of Franchisee's Related Parties of Unpermitted Waste that FRANCHISEE or any of Franchisee's Related Parties inadvertently collects from Customers and that FRANCHISEE or any of Franchisee's Related Parties identifies as Unpermitted Waste before its delivery, processing, recycling, composting, or disposal whether:
 - (i) In one or more occurrence;
 - (ii) Threatened or transpired;
 - (iii) FRANCHISEE or any of Franchisee's Related Parties is negligent or otherwise culpable; or

- (iv) Those Liabilities are litigated, settled or reduced to judgment.

For purposes of this Indemnity, "**Liabilities**" includes Liabilities arising from or attributable to any operations, repair, cleanup, or detoxification, or preparation and implementation of any removal, remedial, response, closure, postclosure, or other plan, regardless of whether undertaken due to government directive or action, such as remediation of surface or ground water contamination and replacement or restoration of natural resources.

The mere presence of household hazardous waste in the Solid Waste that is Collected by FRANCHISEE or any of Franchisee's Related Parties under this AGREEMENT will not constitute negligence and in and of itself create any liability on the part of FRANCHISEE or any of Franchisee's Related Parties absent any of the circumstances described in items a through d in this subsection A5.

COUNTY reserves the right to retain co counsel at its own cost and expense and FRANCHISEE shall direct FRANCHISEE'S counsel to assist and cooperate with COUNTY'S co counsel with respect to COUNTY'S defense.

The foregoing indemnity is intended to operate as an agreement under 42 U.S.C. § 9607(e) and California Health and Safety Code § 25364, to insure, protect, hold harmless, and indemnify COUNTY from liability in accordance with this Section.

FRANCHISEE hereby releases and shall not seek contribution or compensation of any nature from COUNTY for Liabilities relating to Unpermitted Waste, including relating to RCRA, CERCLA, or the California Health and Safety Code. FRANCHISEE shall not make any claims against or assert an interest in any account, fund, or reserve that COUNTY may establish or set aside from the proceeds of the Franchise Fee or otherwise or maintains to cover Liabilities relating to Unpermitted Waste, which established fund or reserve COUNTY is under no obligation to establish or maintain.

- B. Insurance.** Without limiting its Indemnities, FRANCHISEE shall provide and maintain throughout the Term, the following programs of insurance. All insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by COUNTY and FRANCHISEE shall provide and maintain it at FRANCHISEE'S own expense If FRANCHISEE does not provide and maintain those programs of insurance, COUNTY may elect to purchase required insurance coverage without further notice to FRANCHISEE, and COUNTY may charge from sums due to FRANCHISEE any premium costs advanced by COUNTY for that insurance and draw on the performance bond, letter, of credit, or other form of performance assurance provided by FRANCHISEE.

1. **Evidence of Insurance.** On or before the Execution Date and thereafter prior to individual policy expiration and also within two business days of any COUNTY request, FRANCHISEE shall deliver a certificate or certificates of insurance or other evidence of coverage acceptable to the Director at the address provided for Notices. Certificates or other evidence must:
 - a. Specifically identify this AGREEMENT;
 - b. Clearly evidence all coverage required in this AGREEMENT, including policy forms or their equivalent;
 - c. Contain the express condition that COUNTY is to be given written notice by mail at least 30 days (10 days for nonpayment of premium) in advance of cancellation for all policies evidenced on the certificate of insurance;
 - d. Include a copy of the additional insured endorsements to the general liability policy, adding COUNTY, its Special Districts, its officers, and its employees as insured for all activities arising from this AGREEMENT;
 - e. Identify any deductibles or self-insured retention for COUNTY'S approval. COUNTY retains the right to require FRANCHISEE to reduce any deductibles or self-insured retention as they apply to COUNTY or to require FRANCHISEE to provide a bond, guaranteeing payment of all retained losses and related costs, including expenses, or both, related to investigations, claims administrations, and legal defense. The bond or letter of credit must be executed by a corporate surety licensed to transact business in the State of California; and
 - f. At COUNTY'S request, include documentation acceptable to COUNTY verifying that the individual signing or countersigning the certificates, policies, endorsements, or other evidence of coverage is authorized to do so and identifies his or her company affiliation and title. COUNTY may require complete, certified copies of FRANCHISEE'S insurance policies at any time.
2. **Insurer Financial Rating.** FRANCHISEE shall secure insurance provided by an insurance company acceptable to COUNTY with a rating by A.M. Best Company of not less than A: VII, unless otherwise approved by COUNTY.
3. **Notification of Incidents, Claims, or Suits.** FRANCHISEE shall promptly report the following in writing to the Director:

- a. Any accident or incident relating to the Franchise Services involving injury or property damage that may result in the filing of an insurance claim, its legal claim, or lawsuit against FRANCHISEE and/or COUNTY;
- b. Any third-party claim or lawsuit filed against FRANCHISEE arising from or related to Franchise Services; or
- c. Any injury to a FRANCHISEE employee that occurs on COUNTY property. FRANCHISEE shall submit its report on a COUNTY "Nonemployee Injury Report" form available on COUNTY'S website at <http://cao.co.la.ca.us/RMB/pdf/NonEmployeeInjuryReport.pdf>.

4. **Insurance Coverage Requirements.** FRANCHISEE shall secure and maintain insurance coverage meeting the following requirements:

- a. **General Liability Insurance** (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$4 million
Products/Completed Operations Aggregate:	\$4 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$2 million

- b. **Pollution Liability Coverage** for pollution conditions resulting from transported cargo, with annual limits of not less than \$2 million per occurrence and \$4 million aggregate, covering loss (including cleanup costs) that FRANCHISEE becomes legally obligated to pay as a result of claims for bodily injury, property damage, and cleanup costs (including expenses required by environmental laws or incurred by federal, state, or local governments or third parties) resulting from pollution conditions caused by transported cargo (including waste). For the purpose of this subsection 14B5b, "pollution conditions" includes the dispersal, discharge, release, or escape of any solid, liquid, gaseous or thermal irritant or contaminant (such as smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, medical waste, and waste materials) into or upon land, any structure on land, the atmosphere, or any watercourse or body of water (including groundwater), provided the conditions are not naturally present in the environment in the amounts or concentrations discovered. The pollution liability coverage must provide contractual liability coverage, by endorsement, if necessary, for FRANCHISEE'S indemnification of COUNTY. As an alternative to such a policy, FRANCHISEE'S general liability policy may be endorsed to provide the above described pollution liability coverage.

c. **Automobile Liability Coverage** (written on ISO policy forms CA 00 12 or CA 00 20 or their equivalent) with a limit of liability not less than \$2 million for each accident and endorsed to include pollution liability (written on form CA 99 48 or its equivalent). The insurance must cover all vehicles used by FRANCHISEE pursuant to its operations and services and the terms of this AGREEMENT. FRANCHISEES subject to federal regulations also shall maintain any other coverage necessary to satisfy state or federal financial responsibility requirements.

d. **Workers' Compensation and Employers' Liability** insurance providing workers' compensation benefits required by the California Labor Code or by any other state labor law, and for which FRANCHISEE is responsible. In all cases, this insurance must also include Employers' Liability coverage with limits of not less than the following:

i.	Each accident:	\$1 million
ii.	Disease - policy limit:	\$1 million
iii.	Disease - each employee:	\$1 million

C. **Compensation for County Costs.** If FRANCHISEE fails to comply with any of the Indemnification or insurance requirements of this AGREEMENT and that failure results in any costs to COUNTY, FRANCHISEE shall pay full compensation for all County's Reimbursement Costs.

SECTION 15 - PERFORMANCE ASSURANCE

FRANCHISEE shall secure and maintain throughout the Term a faithful performance bond, in a form satisfactory to COUNTY or, at COUNTY'S sole and absolute discretion, any alternative security acceptable to the Director, including cash, certified check payable to COUNTY, certificate of deposit, or letter of credit (together, "**Performance Assurance**"). During the first Contract Year, the amount of the Performance Assurance must be in the sum established by COUNTY (see Exhibit 3A) to secure full and timely satisfaction of Performance Obligations, including payment of Franchise Fees, and any liquidated damages. In all subsequent Contract Years, that amount must be not less than the sum of:

1. 15 percent of FRANCHISEE'S Gross Receipts minus Franchise Fees for the prior Contract Year;
2. 110 percent of the Franchise Fees paid by FRANCHISEE during the first six months of the prior Contract Year;
3. 110 percent of any liquidated damages assessed FRANCHISEE by COUNTY during the first six months of the prior Contract Year;

4. Up to \$50,000, at the discretion of the Director; and
5. Any additional amounts provided in Exhibit 3A.

A performance bond must be payable to COUNTY and executed by a corporate surety licensed to transact business ("admitted") as a surety in the State of California. The corporate surety must have an A.M. Best Rating of not less than A:VII, unless otherwise approved by COUNTY. The form of performance bond may not allow the bond surety to substitute another Person to perform Franchise Services but must provide for payment of moneys to COUNTY to secure substitute Franchise Services, remedy damages incurred, and ensure satisfaction of all Performance Obligations, including payment of Franchise Fees or liquidated damages to COUNTY, if recovered from COUNTY in any bankruptcy or similar proceedings relating to FRANCHISEE. The performance bond must be conditioned on faithful performance by FRANCHISEE of all the terms and conditions of this AGREEMENT, including payment of Franchise Fees and any liquidated damages.

Each Performance Assurance must be renewed to provide for continuing liability in the above amount notwithstanding any payment or recovery thereon. On or before the Execution Date and promptly upon any renewal of the Performance Assurance, FRANCHISEE shall deliver the Performance Assurance to COUNTY.

COUNTY may verify the accuracy and authenticity of the Performance Assurance submitted.

SECTION 16 - EMERGENCY SERVICE

A. COUNTY Right to Provide MSW Management Services.

1. **Events.** COUNTY may perform, or contract for the performance of, any or all of FRANCHISE Services, including the collection of Solid Waste or any portion thereof and the transportation and delivery to a solid waste facility, upon the occurrence of either of the following events, determined by County in its sole discretion:
 - a. FRANCHISEE, due to Uncontrollable Circumstances or for any reason whatsoever, fails, refuses, or is unable for a period of 48 hours to collect and/or at any time to transport Solid Waste or any portion thereof to a Solid Waste Facility and the Director determines there is danger to the public health, safety, or welfare; or
 - b. COUNTY suspends or terminates this AGREEMENT.

If COUNTY contracts for the performance of any or all of Franchise Services, it will consider contracting with other COUNTY franchisees. COUNTY has no obligation to continue providing Franchise Services and

may at any time, in its sole discretion, cease to provide Franchise Services. However COUNTY'S right to provide Franchise Services will continue until FRANCHISEE can demonstrate to COUNTY'S satisfaction that FRANCHISEE is ready, willing, and able to resume timely and full Franchise Services or until COUNTY can make alternative arrangements for providing MSW Management Services comparable to Franchise Services in scope and price, which may include contracting with another service provider.

2. **Notice.** COUNTY may give FRANCHISEE oral notice that COUNTY is exercising its right to perform Franchise Services, which notice is effective immediately, but must confirm oral notice with a Notice within 24 hours thereafter.
3. **Service Assets.**
 - a. ***COUNTY Possession.*** Upon giving FRANCHISEE oral notice, COUNTY may take possession of any or all Service Assets necessary or convenient in providing Services, and FRANCHISEE shall fully cooperate with COUNTY to transfer possession of Service Assets to COUNTY. Customers' possession of Containers will be deemed possession by COUNTY if necessary to exercise this right.
 - b. ***Service Assets Document.*** Any document that encumbers or limits FRANCHISEE'S interest in Service Assets, including a lease, financing contract, acquisition over time, mortgage, or other instrument establishing a security interest to or by FRANCHISEE, must allow COUNTY to assume FRANCHISEE'S obligations and to continue use of Service Assets in performing MSW Management Services.
 - c. ***Updated Inventory.*** In each Annual Report and at any other time requested by COUNTY, FRANCHISEE shall update its inventory of Service Assets included in Franchisee Documentation to reflect acquisition or replacement of Service Assets or additional service asset document described in Section 16A3b, or change in any service asset described in Section 16A3b, accompanied by a certification signed by FRANCHISEE that all Vehicles meet any specifications provided in this AGREEMENT and all Carts meet the specifications described in Franchisee Documentation.
 - d. ***County Use.*** COUNTY may use Service Assets to provide all or a portion of Franchise Services. COUNTY shall have absolute and exclusive control over Service Assets as though COUNTY were the absolute owner thereof. However, at COUNTY'S request, FRANCHISEE shall keep Service Assets in good condition. Unless

Franchisee repairs and maintains them, COUNTY shall assume complete responsibility for use of Service Assets while they are in its possession and shall maintain Service Assets in the same condition as they were in when FRANCHISEE transferred possession thereof to County. Subject to repair and maintenance by FRANCHISEE, COUNTY shall return Service Assets to FRANCHISEE in the same condition as received, normal wear and tear excepted.

FRANCHISEE shall maintain in full force and effect all insurance required in accordance with Section 14 during COUNTY'S possession of Service Assets. By granting COUNTY the right to possession and use of FRANCHISEE'S Service Assets, FRANCHISEE declares as follows:

- i. COUNTY and Customers are permitted users for purposes of liability insurance policies that FRANCHISEE must procure and maintain under this AGREEMENT; and
- ii. COUNTY'S and Customers' use and possession is not intended to be and is not transfer of ownership for purposes of any liability policies.

Furthermore, if COUNTY has possession and/or use of FRANCHISEE'S Service Assets, FRANCHISEE shall execute whatever documentation its liability insurers require to ensure that COUNTY and Customers are protected and covered by FRANCHISEE'S general and automobile policies, including requesting and executing endorsements to those policies. FRANCHISEE hereby gives COUNTY the right to call and confer with FRANCHISEE'S insurance broker to determine what, if any, documentation or actions are necessary to achieve protection satisfactory to COUNTY. FRANCHISEE hereby gives COUNTY the right to pay for any endorsements, additional premiums, or other costs. By executing this AGREEMENT, FRANCHISEE authorizes its insurance broker to cooperate with and respond to requests from COUNTY, which authorization FRANCHISEE may not rescind without COUNTY consent.

4. **FRANCHISEE'S Personnel.** Upon giving FRANCHISEE oral notice in accordance with subsection A2, COUNTY may immediately engage personnel necessary or convenient for providing all or a portion of Franchise Services, including employees previously or then employed by FRANCHISEE. However COUNTY shall not be obligated to hire FRANCHISEE'S employees and may use municipal employees or other individuals to provide all or a portion of Services, including driving Vehicles. At COUNTY'S request, FRANCHISEE shall promptly make

available to COUNTY all FRANCHISEE'S management and office personnel necessary or convenient for providing Franchise Services (including Customer services) and billing at the cost, if any, provided in subsection A8.

5. **Records and Reports.** At COUNTY'S request, FRANCHISEE shall promptly provide COUNTY with immediate access to or possession of Records, including those related to routing and billing. Without limiting its available remedies provided elsewhere in this AGREEMENT, COUNTY may seek specific performance of this obligation.
6. **Reimbursement.** FRANCHISEE shall reimburse COUNTY for County's Reimbursement Costs incurred in taking over possession and use of Service Assets in accordance with subsection A3 and in providing MSW Management Services in amounts exceeding Rates.
7. **Stipulations.** FRANCHISEE stipulates that COUNTY'S exercise of rights under this Section does not constitute a taking of private property for which COUNTY must compensate FRANCHISEE, shall not create any liability on the part of COUNTY to FRANCHISEE, and does not exempt FRANCHISEE from any Indemnities, which Parties acknowledge are intended to extend to circumstances arising under this Section. However, FRANCHISEE is not required to indemnify COUNTY against claims and damages arising from the negligence or misconduct of COUNTY officers and employees (other than employees of Franchisee at the time COUNTY began performing Services) and agents driving Vehicles. COUNTY shall indemnify FRANCHISEE, its Affiliates and its and their officers, directors, employees, and agents from and against damages, costs, or other expenses or losses they incur arising out of or relating to that negligence or misconduct.
8. **Rental and Other Compensation.**
 - a. ***Uncontrollable Circumstances.*** If an event enumerated in item a or b in subsection A1 is due to Uncontrollable Circumstances, then COUNTY shall pay FRANCHISEE the following Direct Costs of FRANCHISEE that FRANCHISEE is not then being compensated for through charging and collecting Rates:
 - (i) Rental fees for COUNTY'S use and possession of Service Assets equal to fair market value thereof as determined by an independent appraiser selected by the Parties as provided in this subsection A8a.
 - (ii) FRANCHISEE'S Direct Costs of providing Vehicles with fuel, oil, and other maintenance in accordance with subsection A3d.

- (iii) FRANCHISEE'S Direct Costs of making FRANCHISEE'S personnel available to COUNTY in accordance with subsection A4.

The Parties shall select an appraiser as follows: within 10 days after FRANCHISEE requests payment of rental fees in events described in item (i) of this subsection 8a, each Party will prepare a separate list of five Persons who do not work for either Party having experience in solid waste equipment appraisal, in numerical order with the first preference at the top, and exchange and compare lists. The Person ranking highest on the two lists by having the lowest total rank order position on the two lists is the appraiser. In case of a tie in scores, the Person having the smallest difference between the rankings of the two Parties is selected; other ties are determined by a coin toss. If no Person appears on both lists, this procedure is repeated. If selection is not completed after the exchange of three lists or 60 days, whichever comes first, then each Party will select one Person having the qualifications and experience described above and those two Persons will together select an appraiser.

- b. ***Other Than Uncontrollable Circumstances.*** If an event enumerated in item a or b in subsection A1 is not due to Uncontrollable Circumstances, then COUNTY will not be obligated to pay the compensation enumerated in subsection A8a, and FRANCHISEE shall pay County's Reimbursement Costs in accordance with subsection A6 within 10 days of COUNTY'S submitting an invoice therefor. If FRANCHISEE does not so timely pay, COUNTY may draw upon any performance bond, letter of credit, or other security provided under this AGREEMENT.

- B. **Disaster Assistance.** FRANCHISEE shall make Reasonable Business Efforts to assist County in the event of major disaster, such as an earthquake, storm, riot, or civil disturbance, by providing Vehicles and drivers normally assigned to the Service Area to Collect any Solid Waste as requested by COUNTY, at Customer Service Charges no greater than the Rates, unless the Director provides authorization based on information provided by FRANCHISEE substantiating the need for an increase. FRANCHISEE shall cooperate with COUNTY, State of California, and federal officials in filing information related to a regional, state, or federally-declared state of emergency or disaster as to which FRANCHISEE has provided equipment and drivers under this AGREEMENT.

SECTION 17 - DEBARMENT BREACHES AND DEFAULTS; SUSPENSION; TERMINATION

A. Notice of Breach; Franchisee Cure. If the Director determines that FRANCHISEE is in Breach, the Director may give Notice to FRANCHISEE identifying and describing the Breach, including any of the following:

1. Failure to keep Records required by this AGREEMENT;
2. Failure to file any Reports at the time, in the manner, and containing the information required in Section 13;
3. Failure to timely provide COUNTY with complete information (including any test results such as prescribed noise levels in accordance with Section 4A4) required by this AGREEMENT or requested by the Director in good faith in accordance with this AGREEMENT;
4. Failure to timely pay the Franchise Fee; or
5. Failure to timely pay an Indemnification.

FRANCHISEE shall remedy the Breach within 30 days from the receipt of Notice (or with respect to a Breach of the Child Support Compliance Program described in Section 22B, 90 days after notice by the Los Angeles County's Child Support Services Department) unless COUNTY determines that the public health and safety require a shorter period of time in which Franchisee must remedy the Breach. COUNTY will hold a conference with Franchisee within 30 days of Franchisee request. Franchisee may request additional time to correct the Breach, but COUNTY may accept or reject that request in its sole discretion.

B. Franchisee Default. The following constitute Franchisee Defaults:

1. **Fraud, Misrepresentation, or Breach of Warranties.** FRANCHISEE committed any fraud or deceit or made any intentional misrepresentations in the procurement of this AGREEMENT; commits, or attempts to commit, any fraud or deceit upon COUNTY after the Execution Date of this AGREEMENT; makes any material misrepresentations or breaches any warranties in this AGREEMENT (including Exhibit 20H); or includes any materially false or misleading statement, representation, or warranty in any Record or Report.
2. **Insolvency or Bankruptcy.** FRANCHISEE becomes insolvent or files a voluntary petition to declare bankruptcy; a receiver or trust is appointed for FRANCHISEE; or FRANCHISEE executes an assignment for the benefit of creditors. FRANCHISEE is deemed to be "insolvent" if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether or not FRANCHISEE has committed an act of

bankruptcy and whether or not FRANCHISEE is insolvent within the meaning of the federal bankruptcy law or not.

3. **Failure to Provide Insurance, Bonds.** FRANCHISEE does not provide or maintain in full force and effect all insurance and other assurances of its Performance Obligations, including as required under Sections 14 and 15, or provide evidence of insurance coverage acceptable to COUNTY.

4. **Material or Repeated Violation of Applicable Law.**

a. Any material Violation of Applicable Law that is not cured to the satisfaction of COUNTY or applicable Regulatory Agency within 30 days of the notice, assessment, or determination of that Violation of Applicable Law; or

b. Any repeated Violation of Applicable Law.

If FRANCHISEE is entitled to and does contest a notice, assessment, or determination of Violation of Applicable Law by proceedings conducted in good faith, no Franchisee Default will be deemed to have occurred until a final decision adverse to FRANCHISEE is entered.

5. **Failure to Collect for Seven Days.** Unless due to Uncontrollable Circumstances, FRANCHISEE fails to Collect for a period of either:

a. Seven consecutive days; or

b. Seven days in the aggregate from the Execution Date.

6. **Failure to Collect for More Than Seven Days.** Whether or not due to Uncontrollable Circumstances, FRANCHISEE fails to Collect for a period of more than seven consecutive days.

7. **Payments to County.** FRANCHISEE does not timely and fully make any payment to COUNTY required under this AGREEMENT (including payment of Franchise Fees):

a. More than twice in any calendar year;

b. Within 30 days of Notice by COUNTY that payment is due; or

c. With respect to payment of a shortfall in Franchise Fees, within 30 days of Notice in accordance with Section 11C.

8. **Specified Franchisee Defaults.** FRANCHISEE Breaches any of the following Sections:

- a. Section 22B Child Support Compliance Program (if not cured within 90 days of Notice as described in Section 17A);
 - b. Section 23D1 Compliance with ILO Convention Concerning Minimum Age for Employment;
 - c. Section 23E Nondiscrimination; or
 - d. Section 23G County Lobbyist Ordinance.
9. **Uncured or Repeated Breach.** FRANCHISEE does not timely cure any other Breach in accordance with subsection A or FRANCHISEE Breaches any of its Performance Obligations repeatedly or habitually, as determined by the Director in his or her sole discretion, whether or not a specific instance of failure or refusal has been previously cured. However, this Franchisee Default will be excused for a period of seven days beginning on the first occurrence of that Franchisee Default in the event of Uncontrollable Circumstances, if the event materially affects FRANCHISEE'S ability to provide Franchise Services. Nevertheless, if Uncontrollable Circumstances interrupt Collection, Customers may take actions and COUNTY may exercise any of its rights under Section 16. This Franchisee Default will not be excused if it continues for a period of more than seven days beginning on the first occurrence of this Franchisee Default.
10. **Improper Consideration.** COUNTY finds that consideration, in any form, was offered or given by FRANCHISEE either directly or through an intermediary to any COUNTY officer, employee, or agent with the intent of securing this AGREEMENT or securing favorable treatment with respect to the award, amendment, or extension of this AGREEMENT or the making of any determinations with respect to FRANCHISEE'S performance under this AGREEMENT where that consideration may take any form including cash; discounts; service; or the provision of travel, entertainment, or tangible gifts.
11. **Default Under Guaranty.** A default exists under the guaranty, if any, provided in accordance with Section 13A3b.

C. Notice of Franchisee Default.

- 1. **Effective Immediately.** The Director may terminate this AGREEMENT effective immediately after Notice by COUNTY to FRANCHISEE of any of the following Franchisee Defaults:
 - a. Any Franchisee Default, if the Director determines that protection of public health and safety requires immediate suspension or termination;

- b. A Franchisee Default in subsection B3 (failure to provide insurance, bonds);
 - c. A Franchisee Default described in subsection B4 (material or repeated Violation of Applicable Law, including the County Lobbyist Ordinance);
 - d. A Franchisee Default described in subsection B10 (improper consideration).
2. **Effective 30 days.** The Director may terminate this AGREEMENT effective 30 days after Notice by COUNTY to FRANCHISEE of any Franchisee Defaults other than the Franchisee Defaults listed in subsection C1 or termination events listed in subsection D.
 3. **Effective 15 days.** The Director may terminate this AGREEMENT effective 15 days after Notice by COUNTY to FRANCHISEE of COUNTY'S right to terminate this AGREEMENT in the event of Criminal Activity in accordance with Section 20J and subsection D2c.

D. Suspension or Termination of AGREEMENT

1. **Suspension.** Together with any other rights COUNTY may have under this AGREEMENT (including the right to use and possession of Service Assets under Section 16), the Director may suspend this AGREEMENT, in whole or in part, for a period of 45 days effective immediately upon Notice to FRANCHISEE in any of the following events:
 - a. A Franchisee Default; or
 - b. COUNTY exercise of its right to suspend this AGREEMENT under Section 20J in the event of Criminal Activity of FRANCHISEE.

During that 45-day period FRANCHISEE shall have the opportunity to demonstrate to COUNTY that FRANCHISEE can once again fully perform Franchise Services in accordance with this AGREEMENT. If FRANCHISEE so demonstrates, COUNTY'S right to suspend this AGREEMENT will cease and FRANCHISEE may resume providing services. If FRANCHISEE does not so demonstrate, COUNTY may terminate this AGREEMENT and exercise any other rights and remedies under this AGREEMENT.

2. Termination

- a. ***Franchisee Default.*** The Director may terminate this AGREEMENT, in whole or in part, upon the occurrence of a

Franchisee Default and Notice to FRANCHISEE at the times provided in subsection C.

b. **Failure to Agree on Rate Adjustments.** Notwithstanding the foregoing, the Director may terminate this AGREEMENT on six months' Notice if in the judgment of the Director, COUNTY and FRANCHISEE are unable to reach satisfactory agreement to adjust Rates in accordance with item d of Section A1 of Exhibit 10 for a Change in Law or changes in Service Specifications or Service Standards after good faith negotiations during a period of at least 30 days.

c. **Criminal Activity.** The Director may terminate this AGREEMENT upon Notice required in Section 17C if County exercises its right to terminate this AGREEMENT under Section 20J in the event of Criminal Activity of FRANCHISEE.

E. **FRANCHISEE Responsibility and Debarment.** COUNTY may debar FRANCHISEE from doing business with COUNTY if COUNTY determines after giving notice and conducting a hearing in accordance with Chapter 2.202 of the County Code, which shall apply to this AGREEMENT, that FRANCHISEE (or any of its Subcontractors) is not responsible within the meaning of Chapter 2.202 and in accordance with COUNTY'S policy to do business with responsible contractors; Franchisee's failure to comply with the Child Support Compliance Program, as provided in Section 22B, may be cause for debarment in accordance with § 2.200.020 of the County Code.

SECTION 18 - ENFORCEMENT OF AGREEMENT

A. **As Provided by Law.** Either Party may avail itself of any remedy available under law.

B. **County's Additional Remedies.** Without limiting COUNTY'S remedies otherwise available under this AGREEMENT in law or equity, at its option, COUNTY may enforce a Breach in any or all of the following ways:

1. Execute alternative agreements for MSW Management Services in the event of Franchisee Default;
2. Seek to obtain injunctive relief and/or damages; and
3. Assess damages under subsection D.

C. **Injunctive Relief.** FRANCHISEE acknowledges that COUNTY'S remedy of damages for a Breach may be inadequate for reasons including the following:

1. The urgency of timely, continuous and high-quality Franchise Services, including Collection, transportation, and/or transfer for Disposal of wastes which constitute a threat to public health;
2. The long time and significant commitment of money and personnel and elected officials (both COUNTY staff and private consultants, including engineers, procurement counsel, citizens, public agency colleagues, and elected COUNTY officials) invested in this AGREEMENT, including developing COUNTY'S Option Analysis dated February 2001 and implementing its recommendations through numerous meetings of a Working Group comprised of Solid Waste industry representatives from small and large businesses, requesting and evaluating qualifications and proposals for this AGREEMENT (including FRANCHISEE'S), reviewing and commenting on documentation submitted by FRANCHISEE in conjunction with execution of this AGREEMENT, and review of Franchisee Documentation;
3. The time and investment of personnel and elected officials described in the preceding item 2 to develop alternative Solid Waste services comparable to Franchise Services for the price provided under this AGREEMENT, and to negotiate new agreements therefor; and
4. COUNTY'S reliance on FRANCHISEE'S technical Solid Waste management expertise.

Consequently, COUNTY is entitled to all available equitable remedies, including injunctive relief.

D. Recovery of Damages

1. **Compensatory.** COUNTY may seek compensatory damages, including the following:
 - a. Amounts equal to any Franchise Fees, liquidated damages, or other amounts that FRANCHISEE has previously paid to COUNTY but are subsequently recovered from COUNTY by a trustee in bankruptcy as preferential payments or otherwise;
 - b. If COUNTY terminates this AGREEMENT for a Franchisee Default or in the event of Criminal Activity in accordance with Section 17D2a or c, respectively, costs incurred by COUNTY to provide or procure MSW Management Services in lieu of Franchise Services; and
 - c. If COUNTY terminates this AGREEMENT before expiration for a Franchisee Default or in the event of Criminal Activity in accordance with Section 17D2a or c, respectively, costs of MSW

Management Services provided or reprocurd in lieu of Franchise Services in excess of Customer Service Charges for the balance of the Term remaining if this AGREEMENT had not been terminated.

COUNTY may draw upon the performance bond, letter of credit, certificate of deposit, or other form of performance assurance provided by FRANCHISEE in accordance with Section 15 to pay compensatory damages.

For FRANCHISEE'S misrepresentation regarding contingent fees in Exhibit 20H, in addition to terminating this AGREEMENT, COUNTY may recover from FRANCHISEE the full amount of the proscribed commission, percentage, brokerage, or contingent fee.

2. **Liquidated.** The Parties acknowledge that COUNTY incurred considerable time and expense procuring this AGREEMENT in order to secure an improved level of Collection quality and increased Customer satisfaction. Therefore, consistent and reliable Services are of the utmost importance to COUNTY and Customers. COUNTY has considered and relied on FRANCHISEE'S representations as to its quality of service commitment in entering into this AGREEMENT, and FRANCHISEE'S Breach represents a loss of bargain to COUNTY. The Parties further recognize that quantified standards of performance are necessary and appropriate to ensure quality, consistent, and reliable Collection, and if FRANCHISEE fails to meet its Performance Obligations, COUNTY will suffer damages (including its Customers' inconvenience; anxiety, frustration, potential political pressure, criticism, and complaint by Customers; lost Supervisors and staff time; deprivation of the benefits of this AGREEMENT and loss of bargain) in subjective ways and in varying degrees of intensity that are incapable of measurement in precise monetary terms, and that it is and will be impracticable and extremely difficult to ascertain and determine the value thereof. In addition, in the event of Breach or Franchisee Default, urgency of protecting public health and safety may necessitate that COUNTY enter into emergency or short-term arrangements for services without competitive procurement at prices substantially greater than under this AGREEMENT, and the monetary loss resulting there from is impossible to precisely quantify. Lastly, termination of this AGREEMENT for Franchisee Default and other remedies provided in this AGREEMENT are, at best, a means of future correction and not remedies that make COUNTY whole for past Breaches and Franchisee Defaults. Therefore, the Parties agree that the liquidated damages listed in Exhibit 18D2 represent a reasonable estimate of the amount of damages, considering all of the circumstances existing on the date of this AGREEMENT, including the relationship of the sums to the range of harm to COUNTY that reasonably could be anticipated and anticipation that proof of actual damages would be costly or inconvenient. In signing this AGREEMENT, each Party specifically confirms the accuracy of the

statements made above and the fact that each Party had ample opportunity to consult with legal counsel and obtain an explanation of this liquidated damage provision at the time that this AGREEMENT was made.

- E. County's Reimbursement Costs.** FRANCHISEE shall pay COUNTY promptly upon request County's Reimbursement Costs of conducting a nonroutine investigation of any alleged Breach, when appropriate in judgment of the Director. FRANCHISEE shall reimburse COUNTY for County's Reimbursement Costs incurred as a consequence of FRANCHISEE'S Breach, including failure to maintain insurance.
- F. Waiver.** No waiver by COUNTY of any breach of any provision of this AGREEMENT constitutes a waiver of any other breach of that provision. Failure of COUNTY to enforce at anytime, or from time to time, any provision of this AGREEMENT will not be construed as a waiver thereof. The rights and remedies set forth in this subsection F are exclusive and are in addition to any other rights and remedies provided by law or under this AGREEMENT.

SECTION 19 - TRANSFER OF FRANCHISE

- A. Director Consent.** FRANCHISEE may not Transfer this AGREEMENT, the Franchise granted under it, or any rights or duties under it, in whole or in part, and whether voluntarily or involuntarily, without the Director's prior written consent, the exercise of which is in the Director's sole discretion. Any Transfer or attempted Transfer of this AGREEMENT, the franchise granted under it or any rights and duties under it, made without the Director's consent, at COUNTY'S option, will be null and void. The Director may condition consent on payment of amounts specified in Exhibit 3A in consideration for the value of good will and intangibles that accrued to COUNTY and Customers in the award of this AGREEMENT to FRANCHISEE.
- B. Franchisee Demonstration.** Without obligating the Director to give consent, FRANCHISEE shall demonstrate to the Director's satisfaction that the proposed transferee has the operational and financial ability to satisfy FRANCHISEE'S Performance Obligations.
- C. Payment of County's Transfer Costs.**
- 1. Transfer Deposit.** FRANCHISEE must make any request for the Director's consent to a Transfer in the manner prescribed by the Director. FRANCHISEE shall pay COUNTY a Transfer Deposit before the Director's consideration of FRANCHISEE'S request. COUNTY will return to FRANCHISEE any amounts paid in excess of the Transfer Costs incurred.
 - 2. Additional Transfer Costs.** In the course of COUNTY'S processing FRANCHISEE'S request for Transfer, FRANCHISEE shall further pay COUNTY its additional Transfer Costs in excess of the Transfer Deposit

within 30 days of the Director's request therefor, whether or not the Director approves the Transfer. At FRANCHISEE'S request, COUNTY will provide FRANCHISEE access to all records evidencing the Transfer Costs incurred.

- D. **County's Reimbursement Costs of Enforcement.** In addition, Franchise shall pay County's Reimbursement Costs for fees and investigation costs as COUNTY may deem necessary to enjoin the Transfer or to otherwise enforce this provision within 30 days of COUNTY'S request therefor.

SECTION 20 - GENERAL PROVISIONS

- A. **Exercise of Options.** Parties will exercise any approval, disapproval, consent, judgment, option, discretion, election, opinion, or choice under this AGREEMENT, make a requirement under this AGREEMENT or interpret this AGREEMENT ("**Discretionary Action**") reasonably. Any mediator, arbitrator, or court must find the Party's exercise to be reasonable. Recognizing the essential public health and safety protections this AGREEMENT serves where this AGREEMENT specifically provides that the exercise of any Discretionary Action is in either Party's independent, sole, exclusive or absolute discretion, control or judgment, the other Party will not question or challenge the first Party's exercise thereof. Parties will nevertheless exercise their rights and remedies in good faith in accordance with Applicable Law.
- B. **Independent Status.** FRANCHISEE is an independent entity and not an officer, agent, servant, or employee of COUNTY. This AGREEMENT is between COUNTY and FRANCHISEE and is not intended, and will not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association between COUNTY and FRANCHISEE, including for purposes of workers' compensation. FRANCHISEE is solely responsible for the acts and omissions of its officers, agents, employees, and any Subcontractors. Nothing in this AGREEMENT will be construed as creating an arrangement for handling Unpermitted Waste. FRANCHISEE bears the sole responsibility and liability for furnishing workers' compensation and all other benefits required by law to any individual for injuries arising from or connected with Franchise Services performed on behalf of FRANCHISEE under this AGREEMENT.
- C. **Damage to Property and Personal Injury.** FRANCHISEE shall not cause damage to property or personal injury. At its sole expense, FRANCHISEE shall repair or replace to the satisfaction of the owner of damaged property, any physical damage to public or private property and shall reimburse to the satisfaction of an injured individual, the cost of any personal injury caused by the negligent or willful acts or omissions of FRANCHISEE. COUNTY may refer all complaints of damage or injury to FRANCHISEE as a matter within FRANCHISEE'S sole responsibility. Notwithstanding any rights COUNTY has for breach of contract, disputes between FRANCHISEE and Persons as to damage to private pavement or other property or to injury are civil matters between

FRANCHISEE and that Person, and the Person may institute suits with respect thereto as allowed by law.

D. Venue. In the event of litigation between the Parties, venue in State of California trial courts will lie exclusively in the COUNTY. In the event of litigation in a United States District Court, exclusive venue will lie in the Central District of California.

E. Amendments and Changes.

1. **Director's Changes.** The following changes in this AGREEMENT after the Execution Date will be effective after Notice from the Director to FRANCHISEE (or with respect to certain changes referenced in item b, from FRANCHISEE to the Director, in accordance with Section 3D2a) as consented to by FRANCHISEE:

- a. Changes in the scope of Franchise Services and Service Specifications and minimum Service Standards that do not result in a Rate adjustment in accordance with Section 3C;
- b. Changes to Exhibit 3D Franchisee Documentation;
- c. Changes to Exhibit 20G Authorized Representative of Director;
- d. Immaterial changes to immaterial Performance Obligations.

2. **Board's Amendments.** The following changes in this AGREEMENT after the Execution Date will be effective only upon execution of a written amendment to this AGREEMENT, including warranties by the Parties in accordance with Section 24B:

- a. Changes in the scope of Franchise Services and Service Standards that result in a Rate adjustment in accordance with Section 3C; and
- b. Material changes to material Performance Obligations (such as the period of performance, payments, or any material term or condition included in this AGREEMENT).

F. Notices. All Notices required or permitted to be given under this AGREEMENT must be in writing and must be personally delivered or sent by telecopier or registered or certified mail, return receipt requested. All Notices to COUNTY must be addressed to the Director as provided in Exhibit 20G. All Notices to FRANCHISEE must be addressed to the authorized representative of FRANCHISEE named in Franchisee Documentation (who will be FRANCHISEE'S primary contact under this AGREEMENT), except for Notices of suspension or termination of this AGREEMENT, which Notices may be

personally delivered to any individual whose actual knowledge of suspension or termination would be sufficient notice to FRANCHISEE, including:

1. An individual, if FRANCHISEE is a sole proprietor;
2. Copartner, if FRANCHISEE is a partnership; or
3. The president, vice president, secretary, or general manager, if FRANCHISEE is a corporation.

Notice is deemed effective:

1. On the date personally delivered or sent by telecopier, with evidence of receipt; or
2. Three days after the date of mailing.

G. Authorized Representative of Director. COUNTY authorizes the Director to make requests or requirements of FRANCHISEE or give approvals under this AGREEMENT. The authorized representative of the Director named in Exhibit 20G is FRANCHISEE'S primary contact under this AGREEMENT and can be contacted as provided in Exhibit 20G. FRANCHISEE shall give that authorized representative a copy of all Notices in accordance with Section 20F. From time to time, COUNTY may change Exhibit 20G by Notice to FRANCHISEE.

H. Authority and Representations; COUNTY Disclaimer.

1. **COUNTY.** COUNTY represents and disclaims as follows:
 - a. **Status.** COUNTY is a political subdivision of the State of California.
 - b. **Authority and Authorization.** COUNTY has full legal right, power, and authority to execute and deliver this AGREEMENT and perform its obligations under this AGREEMENT. This AGREEMENT has been duly executed and delivered by COUNTY and constitutes a legal, valid, and binding obligation of COUNTY enforceable against COUNTY in accordance with its terms.
 - c. **No Warranty Regarding Waste Characterization.** COUNTY makes no representations or warranties with respect to the waste characterization within the COUNTY, any waste disposal characterization study, or projections by material type with respect to waste in the COUNTY. COUNTY expressly disclaims any representations and warranties, either express or implied, as to the

merchantability or fitness for any particular purpose of Solid Waste or any portion thereof.

2. **FRANCHISEE.** FRANCHISEE represents and warrants as provided in Exhibit 20H.

I. **Limitation on Subscription Orders.** FRANCHISEE shall limit the terms of Subscription Orders to no longer than the remaining period of the Term. FRANCHISEE shall give each Customer the option to terminate its Subscription Order without cause on 90 days notice. FRANCHISEE shall also give each Customer the right to terminate service immediately in the event of emergency in accordance with Section 16A, or within 30 days if FRANCHISEE:

1. Fails to provide Franchise Services in accordance with the Terms of this AGREEMENT (including missed Collections, failure to timely repair or replace Containers, or failure to provide Collection or Recyclables) or the Subscription Order; or
2. Bills the Customer for amounts not provided in the Subscription Order or in excess of Rates.

FRANCHISEE may not include in the terms of Subscription Orders any automatic renewals or extensions, colloquially referred to as "evergreen" clauses, which obligate a Customer to take affirmative, prescribed action (such as written notice within a specified time period before the stated expiration of the Subscription Order) in order to terminate the Subscription Order.

J. **Criminal Activity**

1. **Notice.** FRANCHISEE shall immediately give Notice to COUNTY on the occurrence of any convictions of a Criminal Activity or any pleas of "guilty," "nolo contendere," or "no contest" to a Criminal Activity with respect to FRANCHISEE or any of its Franchisee Managers (except for Franchisee Managers in a Position of Influence). FRANCHISEE shall use Reasonable Business Efforts to immediately give Notice to COUNTY on the occurrence of any convictions or any pleas with respect to FRANCHISEE or any of its Franchisee Managers in a Position of Influence.
2. **Franchisee Cure.** Upon the occurrence of any conviction or any plea described in subsection J1, FRANCHISEE immediately shall do or cause to be done both of the following:
 - a. Terminate from employment or remove from office any offending Franchisee Manager who is an individual, or with respect to FRANCHISEE or an Affiliate, the individual or individuals responsible for the Criminal Activity; and

- b. Eliminate the participation in management of FRANCHISEE by that Franchisee Manager who is an individual or, with respect to FRANCHISEE or an Affiliate, the individual or individuals responsible for the Criminal Activity from any Position of Influence.
 3. **County Remedies.** COUNTY may suspend or terminate this AGREEMENT or may impose other sanctions (which may include financial sanctions or any other condition deemed appropriate short of suspension or termination), as it deems proper, in either or both of the following events:
 - a. FRANCHISEE or any Affiliate fails to effectuate the cure described in subsection J2; or
 - b. The Criminal Activity is related to this AGREEMENT or occurring in the COUNTY.
 4. **Limitations on Franchisee Manager.** No Franchisee Manager may have previously been convicted of a Criminal Activity or any plea of "guilty," "nolo contendere," or "no contest" to a Criminal Activity.
 5. **Franchisee Documentation.** Franchisee shall list all Franchisee Managers in Franchisee Documentation.
- K. **Notice of Delay.** Within one day of learning that any actual or potential circumstance is delaying or threatening to delay the timely satisfaction of a Performance Obligation, FRANCHISEE shall give COUNTY a Notice of the delay, including all relevant information, such as identifying the particular Performance Obligation, circumstance, and duration of the delay, and whether or not FRANCHISEE believes that the delay is due to Uncontrollable Circumstances.
- L. **County's Quality Assurance Plan.** COUNTY or its agent will evaluate FRANCHISEE'S performance under this AGREEMENT on not less than an annual basis. The evaluation will include assessing FRANCHISEE'S compliance with all terms and performance standards of this AGREEMENT. FRANCHISEE deficiencies that COUNTY determines are severe or continuing and that may place performance of this AGREEMENT in jeopardy, if not corrected, will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by COUNTY and FRANCHISEE. If improvement does not occur consistent with the corrective action measures, COUNTY may terminate this AGREEMENT or impose other penalties as specified in this AGREEMENT.

SECTION 21 - DEFINITIONS AND INTERPRETATION OF AGREEMENT

- A. **Definitions.** Defined words in this AGREEMENT have the meanings given in Exhibit 21 and in some instances within Sections 1 through 24.
- B. **Interpretation and Construction.**
1. **Gender and Plurality.** Words of the masculine gender include correlative words of the feminine and neuter genders and vice versa. Words importing the singular number include the plural number and vice versa unless the context demands otherwise. (For example, reference to a defined "Solid Waste Facility" may include reference to more than one facility identified by FRANCHISEE in Franchisee Documentation.)
 2. **Headings; Font.** Any captions or headings following the Exhibit, Attachment, Section, subsection, paragraph, and other attachments and subdivisions of this AGREEMENT that precede the operative text of this AGREEMENT are for convenience of reference only and do not control or affect the scope, intent, meaning, construction, interpretation, or effect of this AGREEMENT. Any underlined, italicized, bold-faced, upper captioned or other font style is for ease of reading and contract administration only and does not imply relative importance or unimportance of any provision of this AGREEMENT.
 3. **References to Parts.** References to Sections refer to Sections of this AGREEMENT, unless specified otherwise. References to Exhibits and Attachments refer to Exhibits and Attachments attached to this AGREEMENT. Reference to "subsections" refers to the subsection contained in the same Section in which the reference occurs, unless otherwise referenced.
 4. **Examples.** Examples are for purpose of illustration only. If any example is ambiguous, inconsistent, or conflicts with the text that it illustrates, the text governs.
 5. **Specifics No Limitation on Generalities.** The mention of any specific duty or liability imposed on FRANCHISEE may not be construed as a limitation or restriction of any general liability or duty imposed on FRANCHISEE by this AGREEMENT or Applicable Law.
 6. **Exhibits.** The Exhibits to this AGREEMENT, including their attachments, are part of this AGREEMENT to the same extent and effect as if included in the text of Sections 1 through 24.

7. **Inconsistencies and Conflicts.**

- a. If any provision of Exhibit 3A is inconsistent or conflicts with Sections 1 through 24 of this AGREEMENT or any other any Exhibits or Attachments to this AGREEMENT, then the provisions of Exhibit 3A will govern, and
- b. If any provision of Sections 1 through 24 of this AGREEMENT is inconsistent or conflicts with any Exhibit (other than Exhibit 3A), including Franchisee Documentation, then the provision of Sections 1 through 24 of this AGREEMENT will govern unless the Director determines that is contrary to the interest of the Parties.

C. **Integration.** This AGREEMENT contains the entire agreement between the Parties with respect to the rights and responsibilities of the Parties under this AGREEMENT. This AGREEMENT completely and fully supersedes all prior oral and written understandings and agreements between the Parties with respect to those rights and responsibilities.

D. **Governing Law.** This AGREEMENT is governed by, and construed and enforced in accordance with, the law of the State of California, without giving effect to the State's principles of conflicts of laws.

E. **Severability.** If any clause, sentence, provision, subsection, or Section of this AGREEMENT or Exhibit to this AGREEMENT (an "Agreement Provision") is ruled illegal, invalid, nonbinding, or unenforceable by any court of competent jurisdiction, then the Parties will take the following actions:

1. Promptly meet and negotiate a substitute for the Agreement Provision and any related amendments, deletions, or additions to other provisions of this AGREEMENT, which together effect the Parties' original intent to the greatest extent allowable under Applicable Law; and
2. If necessary or desirable to accomplish preceding item 1, apply to the court that declared the invalidity for a judicial construction of the substituted Agreement Provision and any amendments, deletions, or additions to this AGREEMENT. Within ten days of County's request, Franchisee shall pay County an amount equal to the Direct Costs of the application or other amount provided in Exhibit 3A.

The illegality, invalidity, nonbinding nature or unenforceability of any Agreement Provision will not affect any of the remaining provisions of this AGREEMENT, and this AGREEMENT will be construed and enforced as if the Agreement Provision did not exist.

- F. **Interpretation.** This AGREEMENT will be interpreted and construed neither for nor against either Party, regardless of the degree to which either Party participated in its drafting. Franchisee acknowledges that it determined to provide Franchise Services in the Service Area and to execute this AGREEMENT upon FRANCHISEE'S own choice and initiative. Each Party represents and warrants that it and its counsel have reviewed this AGREEMENT, and the Parties agree that no provision in this AGREEMENT will be construed against the drafting Party.

SECTION 22 - COMPLIANCE WITH LAWS AND REGULATIONS

A. Applicable Law.

1. **Compliance.** FRANCHISEE shall comply with all Applicable Laws, including (as required by 13 CCR 2021.1) all applicable air pollution control laws such as Diesel Particulate Matter Control Measure of on-road heavy-duty diesel-fueled Residential and Commercial Solid Waste Collection Vehicles set forth in 13 CCR 2020 *et seq.*, and securing and maintaining all Permits. No obligation in this AGREEMENT may be construed to relieve FRANCHISEE of any obligations imposed by Applicable Law.
2. **Referenced Provisions.** References in this AGREEMENT to particular provisions or requirements of Applicable Law may not be construed to limit FRANCHISEE'S obligation to comply with all provisions of Applicable Law. Those references are intended to facilitate FRANCHISEE'S satisfaction of its Performance Obligations and COUNTY'S administration and specific enforcement of this AGREEMENT and may not be construed to constitute lack of obligation to comply with other provisions or requirements of Applicable Law not specifically referred to or cited in this AGREEMENT. If any provision of this AGREEMENT is more stringent than Applicable Law, FRANCHISEE shall comply with that provision.
3. **Fines and Penalties.** FRANCHISEE is solely liable for all fines and penalties that may be imposed on FRANCHISEE or may be due to FRANCHISEE'S actions, including fines and penalties that are the result of FRANCHISEE'S Violation of Applicable Law (including Permits). FRANCHISEE shall not seek reimbursement from COUNTY or Customers for any fines or penalties.
4. **Contractual Obligations.** Provisions of Applicable Law are incorporated in this AGREEMENT by reference as if set forth fully in this AGREEMENT as contractual obligations of FRANCHISEE to COUNTY.
 - a. **Breaches.** In addition to or in lieu of prosecuting violations of those provisions as misdemeanors, infractions, or otherwise in the manner provided under Applicable Law, COUNTY may enforce

those provisions in the same manner as it may enforce FRANCHISEE'S other contractual obligations under this AGREEMENT, including specific performance and as Breaches subject to cure in accordance with Section 17A. However, COUNTY has no obligation to enforce any Applicable Law.

b. **Violation.** Violation of Applicable Law is a Franchisee Default subject to contest as provided in item 4 of Section 17B.

5. **County's Protection of Public Safety, Health, and Welfare.** FRANCHISEE acknowledges that COUNTY is authorized to make all necessary and reasonable rules and regulations regarding all aspects of MSW Management Services to protect the public's health, safety, and welfare.

No provision in this AGREEMENT is deemed to limit the power of COUNTY to regulate FRANCHISEE or to take any action as COUNTY deems appropriate or necessary in COUNTY'S sole and absolute discretion, under COUNTY'S police power, including to protect the public's safety, health, and welfare.

6. **Compliance with Applicable Law of County.** FRANCHISEE shall comply with Applicable Law of COUNTY subject to possible adjustments in the Rates in the event of Changes in Law in accordance with Section A1d of Exhibit 10.

B. **County Child Support Compliance Program.** As required by COUNTY'S Child Support Compliance Program (County Code Chapter 2.200), FRANCHISEE shall fully comply with employment and wage reporting requirements under the federal Social Security Act (42 U.S.C. § 653(a) and California Unemployment Insurance Code § 1088.5. FRANCHISEE shall implement lawfully served wage and earnings withholding orders or COUNTY Child Support Services Department notices of wage earnings assignment for child, family, or spousal support issued in accordance with California Code of Civil Procedure § 706.031 and California Family Code § 5246(b).

SECTION 23 - LABOR-RELATED PROVISIONS REQUIRED IN COUNTY CONTRACTS

A. **Labor Code.** FRANCHISEE and its agents and employees are bound by and shall comply with all applicable provisions of the California Labor Code as well as all other Applicable Laws related to labor. FRANCHISEE acknowledges that 8 hours labor constitutes a legal day's work under Applicable Law. FRANCHISEE shall require work in excess of 8 hours a day or 40 hours during anyone week only as authorized by California Labor Code § 1815. By and through its execution of this AGREEMENT, FRANCHISEE represents and warrants that it is aware of and understands the provisions of California Labor Code § 3700, which

requires every employer to be insured against liability of Workers' Compensation or to undertake self-insurance in accordance with those provisions before commencing the performance of work under this AGREEMENT and agrees to fully comply with those provisions.

B. Consideration of GAIN/GROW Participants for Employment. Should FRANCHISEE require additional or replacement personnel after the Execution Date, FRANCHISEE shall give consideration for any of those employment openings to participants in COUNTY'S Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunities for Work (GROW) Program who meet FRANCHISEE'S minimum qualifications for the open position. COUNTY will refer GAIN/GROW participants, by job category, to FRANCHISEE. For this purpose, "consideration" means that FRANCHISEE shall interview qualified candidates.

C. Notices to Employees.

1. **Regarding the Federal Earned Income Credit.** FRANCHISEE shall notify its employees, and shall require each Subcontractor performing Franchise Services to notify its employees, that they may be eligible for the federal Earned Income Credit under the federal income tax laws. The notice must be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015 that FRANCHISEE has attached as Franchisee Documentation.

2. **Regarding Safely Surrendered Baby Law.** FRANCHISEE acknowledges that COUNTY places a high priority on the implementation of the Safely Surrendered Baby Law (SB 1368)

a. ***Fact Sheet.*** FRANCHISEE shall notify and provide to its employees and shall require each Subcontractor performing Franchise Services to notify and provide to Subcontractors' employees a fact sheet regarding the Safely Surrendered Baby Law, its implementation in the COUNTY, and where and how to safely surrender a baby. FRANCHISEE shall print and make available in every facility where its employees are present, including offices and operation yards, the fact sheet that is available at www.babysafela.org.

b. ***Poster.*** FRANCHISEE understands that it is COUNTY'S policy to encourage all COUNTY contractors to voluntarily post COUNTY'S "Safely Surrendered Baby Law" poster in a prominent position at the contractor's place of business. FRANCHISEE shall also encourage its Subcontractors to post this poster in a prominent position in the Subcontractors' place of business. COUNTY'S Department of Children and Family Services will supply FRANCHISEE with the poster to be used.

3. **Regarding Child Support.** FRANCHISEE acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. FRANCHISEE further acknowledges that it is COUNTY'S policy to encourage all COUNTY contractors to voluntarily post COUNTY'S "L.A.'s Most Wanted: Delinquent Parents List" supplied by COUNTY in a prominent position at their place of business.

D. Prohibition Against Use of Child Labor.

1. **Compliance with ILO Convention Concerning Minimum Age for Employment.** FRANCHISEE shall not knowingly sell or supply to COUNTY or Customers any products, goods, supplies, or other personal property manufactured in violation of child labor standards set by the International Labor Organization through its 1973 Convention Concerning Minimum Age for Employment (the "**Convention Concerning Minimum Age for Employment**"). If FRANCHISEE discovers that any products, goods, supplies, or other personal property sold or supplied by FRANCHISEE to COUNTY or any Customer are produced in violation of that Convention, FRANCHISEE shall immediately provide an alternative source of supply that complies with that Convention.
2. **Provide COUNTY with Records.** At COUNTY'S request, FRANCHISEE shall provide documentation satisfactory to COUNTY evidencing the country or countries of origin of any products, goods, supplies, or other personal property FRANCHISEE sells or supplies to COUNTY or any Customer in connection with Franchise Services.
3. **Provide COUNTY with Manufacturers' Certification.** At COUNTY'S request, FRANCHISEE shall provide to COUNTY the manufacturer's certification of compliance with the Convention Concerning Minimum Age for Employment or other all-international child labor conventions.

E. Nondiscrimination.

1. **Employees.** FRANCHISEE and its Affiliates shall employ qualified applicants and treat employees equally without regard to or because of race, color, national origin, ancestry, religion sex, age, physical or mental disability, marital status, or political affiliation and in compliance with all State of California and federal antidiscrimination laws, including in employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay, other forms of compensation, and selection of training (including apprenticeship).

2. **Subcontractors, Bidders and Vendors.** FRANCHISEE shall deal with its Subcontractors, bidders, and vendors without regard to or because of race, color, national origin, ancestry, religion, sex, age, physical or mental disability, marital status, or political affiliation.
3. **Certification.** FRANCHISEE shall comply with the provisions of FRANCHISEE'S EEO Certification (Form PW-7), attached as Franchisee Documentation.
4. **Inspection of Records.** At COUNTY'S request, FRANCHISEE shall promptly allow COUNTY and its auditors access to FRANCHISEE'S employment records at FRANCHISEE'S Office during Franchisee Office Hours to verify compliance with the provisions of this subsection E.
5. **Remedies for Discrimination.** If COUNTY finds that FRANCHISEE has violated any provisions of this subsection E, that violation constitutes a Franchisee Default. While COUNTY reserves the right to determine independently that the antidiscrimination provisions of this subsection E have been violated, in addition, a determination by the California Fair Employment Practices Commission or the federal Equal Employment Opportunity Commission that FRANCHISEE has violated State of California or federal antidiscrimination laws will constitute a finding by COUNTY that FRANCHISEE has violated the antidiscrimination provisions of this subsection E.

F. Safety

1. **Services Safety Official.** FRANCHISEE shall designate in Franchisee Documentation a Services Safety Official who shall be thoroughly familiar with FRANCHISEE'S Injury and Illness Prevention Program (IIPP) and Code of Safe Practices (CSP). FRANCHISEE shall ensure that the Services Safety Official is available at all times Franchise Services are provided to abate any potential safety hazards. FRANCHISEE shall give the Services Safety Official the authority and responsibility to cease performing any service if necessary to abate any potential safety hazard. If FRANCHISEE fails to designate or make available the Services Safety Official, COUNTY may direct the Franchise to cease providing Franchise Services at no cost to COUNTY until FRANCHISEE is in compliance with this Section.
2. **Safety Responsibilities.** FRANCHISEE is responsible for the safety of equipment, material, and personnel under FRANCHISEE'S control or authority during performance of Franchise Services. FRANCHISEE is solely responsible for ensuring that all work performed under this AGREEMENT is performed in strict compliance with all Applicable Laws with respect to occupational safety regulations. FRANCHISEE shall provide at its expense all safeguards, safety devices, protective

IN WITNESS WHEREOF, COUNTY has by order of its Board of Supervisors caused this AGREEMENT to be signed by the Director of Public Works, and FRANCHISEE has caused this AGREEMENT to be signed by its duly authorized officers, as of the date first written above.

COUNTY OF LOS ANGELES

By Thomas W. Hoagland
Acting Director of Public Works

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By [Signature]
Deputy

WARE DISPOSAL, INC.

By Judith Ware
President

Judith WARE
Type or Print Name

Ben M. Ware
Secretary

BEN M. WARE
Type or Print Name

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Los Angeles

On May 19, 2008 before me, Julie Woi, Notary Public
(Here insert name and title of the officer)

personally appeared Ben M. Ware and Judith Ware

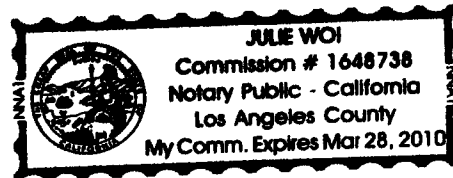
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/hers/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Julie Woi
Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, is /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
 Corporate Officer

(Title)

- Partner(s)
 Attorney-in-Fact
 Trustee(s)
 Other _____

EXHIBIT 3A - FRANCHISE SERVICES AND SERVICE SPECIFICATIONS

A. **Provisions Cross-Referenced in the Body of AGREEMENT.** The following provisions are referenced in the body of this AGREEMENT and provided in this Exhibit:

1. **Section 2A Termination Date.** The Termination Date is **May 31, 2015**. The Director in his or her sole discretion may extend the Termination Date for up to three one-year periods after Notice to FRANCHISEE no later than 90 days before the Termination Date. FRANCHISEE acknowledges that in exercising its option to extend the Termination Date, COUNTY need not consider whether any Service Assets are not fully depreciated as of the Termination Date and that FRANCHISEE invested in and depreciated those Service Assets in FRANCHISEE'S sole discretion.
2. **Section 4E Exceptions to Performance Obligations.** The Parties agree to the following exceptions to Performance Obligations described in Sections 1 through 24 of this AGREEMENT: none.
3. **Section 7B Telephone Service.** The Parties agree to the following additional service obligations:
 - a. FRANCHISEE shall use Reasonable Business Efforts to broadcast public education messages to Customers while they are placed on hold waiting to talk to a Customer service representative;
 - b. FRANCHISEE shall require no more than two recorded options on a telephone tree before the Customer speaks to a live Customer service representative (for example, English/Spanish and residential/commercial service choices); and
 - c. FRANCHISEE shall answer the telephone within five rings. Upon the Director's determination that the telephone is not answered within five rings based on at least three calls within one week or ten calls within one month made and certified by the Director, the Director may require that FRANCHISEE install additional telephone lines, hire additional operators and make other Customer service improvements without increasing Rates.
4. **Section 7C Bilingual.** FRANCHISEE shall respond to Customers in English and Spanish, as the Customer requests.
5. **Section 15 Amount of Performance Assurance.** FRANCHISEE shall provide performance assurance in the following amount:

East Charter Oak/Ramona/Foothill/Spadra - \$245,949.00.

6. **19A Director's Consent to Transfer.** The Director may condition consent to any Transfer, other than an Assignment to an Affiliate, on FRANCHISEE'S payment to COUNTY of \$5.00 per Customer.
7. **21E Allocable Share of Direct Costs of Application with Respect to Severability of Agreement Provision.** FRANCHISEE'S share is 100 percent.

B. General Specifications.

1. **Collection Commencement Date and Hours of Collection.** FRANCHISEE shall begin Collection on **June 1, 2008**, and Collect from all Customers during the succeeding week. Franchise shall Collect only between the hours of 6 a.m. and 6 p.m., Monday through Saturday, except that FRANCHISEE may Collect from Commercial Premises that are not located within 500 feet of Residential Premises at other times agreed to between FRANCHISEE and the Commercial Customer in accordance with the County Code, including § 12.08.520 Refuse Collection Vehicles. FRANCHISEE shall use Reasonable Business Efforts to adjust the early morning start point of Collection routes to address and minimize Customer complaints. FRANCHISEE shall Collect from Premises that were scheduled for Collection on a Holiday on the day before or after the scheduled Service Day that is a Holiday, and shall Collect from all other Premises in the Service Area on their regularly scheduled Collection day or one day later than their regularly scheduled Collection day. FRANCHISEE shall indicate the option it has selected in Franchisee Documentation. *FRANCHISEE shall pay liquidated damages for Breach under this subsection B1 in accordance with Exhibit 18D2 Liquidated Damages.*
2. **Waste Diversion Program.** FRANCHISEE shall develop and implement a Waste Diversion Program for all Residential Premises and Multifamily Premises, including Collection of Recyclables, Green Waste, Bulky Items, E-waste and CEDs; Customer education and outreach; Record keeping; and submission of Reports. FRANCHISEE shall include a copy of its program in Franchisee Documentation. The Waste Diversion Program must include, at a minimum, all of the following items:
 - a. ***Customer Recyclables Diversion Education Program.*** As part of its Waste Diversion Program, FRANCHISEE shall develop and implement a Customer educational program to maximize Diversion of Recyclables, Green Waste, Bulky Items, E-waste and CEDs. The Customer educational program must include, at a minimum, all of the following items:
 - (i) Recycling and Diversion goals, including method and calculations used and measures that will be used to

determine how successful FRANCHISEE is in meeting its waste diversion goals;

- (ii) Identifying Recycling and Diversion strategies and Customer options, including efforts to increase participation of Customer food retailers;
- (iii) Establishing program tasks, such as meeting with managers of Multifamily Premises, visiting schools, speaking at Chambers of Commerce, informing Customers of on-line recycling and diversion information sites, and mailing quarterly newsletters;
- (iv) Timetable for program implementation; and
- (v) Developing and distributing literature in the form of fliers, cards, stickers, or otherwise as FRANCHISEE determines to be the most effective means of increasing Recycling and Diversion by Customers.

FRANCHISEE shall use Reasonable Business Efforts to participate in other promotional activities to increase Diversion, including participation in local fairs, parades and civic events.

- b. ***Distribution of Promotional Materials.*** At least once each calendar year, FRANCHISEE shall distribute flyers, pamphlets, brochures, or other written information describing FRANCHISEE'S Recyclables services and other opportunities for Customers to reduce, reuse, recycle, and divert Solid Waste. FRANCHISEE shall submit the materials to COUNTY at least one month before mailing them for COUNTY review and approval. FRANCHISEE may combine this distribution with its Customer outreach for the Unpermitted Waste Screening Protocol as provided in Section 6E.
- c. ***Diversion.*** FRANCHISEE shall use Reasonable Business Efforts to Divert all materials that it Collects in accordance with this subsection B2, including the following:
 - i. Holiday trees that it Collects in accordance with subsection F1;
 - ii. Bulky Items and excess Solid Waste, E-waste and CEDs that it Collects in accordance with subsection F2; and
 - iii. Refuse and Recyclables that it Collects at special events in accordance with subsection F3.

FRANCHISEE shall transport those materials only to the facility or facilities, including Solid Waste Facilities, that FRANCHISEE has designated in Franchisee Documentation for Recycling, Processing, or Diversion and shall Dispose of those materials that it does not Divert to the Solid Waste Facility that FRANCHISEE designates in Franchisee Documentation for Disposal. *FRANCHISEE shall pay liquidated damages for Breach under this subsection F6 in accordance with Exhibit 18D2 Liquidated Damages.*

3. **Containers.** *FRANCHISEE shall pay liquidated damages for Breach under this subsection B3 in accordance with Exhibit 18D2 Liquidated Damages.*
 - a. ***Delivery and Exchanges.*** Within seven days after receiving a Customer's request for commencement or changes in Collection of Refuse, Recyclables, or Green Waste, FRANCHISEE shall deliver Containers of the Customer's requested capacity or replace existing Containers with substitute Containers of the Customer's requested capacity.
 - b. ***Removal.*** On a regularly scheduled Collection day, no later than 8 days after receiving notice from a Customer to discontinue Collection in accordance with the Customer's rights under a Subscription Order, FRANCHISEE shall remove its Containers from the Customer's Premises.
 - c. ***Repair and Replacement.*** FRANCHISEE shall repair or replace Containers on or before the next Service Day after COUNTY'S or a Customer's request for repair or replacement, including providing and maintaining operable lids. FRANCHISEE shall repair or replace Containers, including Containers that are stolen, without surcharge, except that if the Customer does not report the theft of a Container to the police, FRANCHISEE may charge the Customer the actual cost of replacement.
 - d. ***Specifications.*** FRANCHISEE shall procure, provide to Customers, maintain, and Collect using fully automated, wheeled Carts having the specifications described in Franchisee Documentation and without surcharge to Customers unless otherwise provided on the Rate Schedule. Reference in this AGREEMENT to "96 gallons" includes substantially similar capacity upon approval of the Director.
 - e. ***Upright.*** FRANCHISEE shall return Carts upright.

- f. **Inventory.** FRANCHISEE shall maintain a Cart inventory of at least 10% of the total number of Carts of each type and capacity provided to all Customers
 - g. **Graffiti.** FRANCHISEE shall remove graffiti from Containers within 5 days (weekends excepted) of identification by FRANCHISEE or oral or written notice by COUNTY or a Customer or, if the graffiti is comprised of pictures or written obscenities, within 48 hours (weekends excepted).
 - h. **Alternatives to Fully Automated 96-Gallon Carts.** In place of fully automated 96-gallon Carts, FRANCHISEE may Collect Refuse, Recyclables and/or Green Waste in the type of Containers and in the manner described in Franchisee Documentation, at any Premises that is difficult to service with automated collection Vehicles if approved by the Director, or at any Premises if requested by the Customer. FRANCHISEE shall provide the alternative Containers having the same aggregate capacity, as FRANCHISEE would have provided to that Customer in Carts for the Rate surcharge provided in the Rate Schedule.
 - i. **Alternatives to 96-Gallon Carts due to Space Restrictions.** If a Customer requests Containers other than 96-gallon Carts due to space restrictions for Cart storage or at the Set-Out Site, FRANCHISEE shall provide the type of Containers and method of Collection described in Franchisee Documentation. FRANCHISEE shall provide alternative Containers having the same aggregate capacity as FRANCHISEE would have provided to that Customer in Carts, without Rate discount or surcharge, if the Customer requests the same aggregate capacity.
 - j. **32-Gallon Cart Alternatives to 96-Gallon Carts for elderly.** If an elderly Residential Customer described in Subsection G requests a 32-gallon Cart, FRANCHISEE shall provide a 32-gallon Cart so long as the elderly Customer can dispose of all or his or her Refuse inside the 32-gallon Cart and does not commingle Refuse in his or her Recyclables or Green Waste Carts.
4. **Vehicles.** Vehicles used for Collection must be fully automated unless permitted in subsection B3h.
5. **Subcontractors.** FRANCHISEE shall not engage any Subcontractor in an amount exceeding \$50,000 for any individual Subcontractor without prior COUNTY approval of the Subcontract and Subcontractor. FRANCHISEE is responsible for directing the work of FRANCHISEE'S Subcontractors and any compensation due or payable to FRANCHISEE'S Subcontractors is the sole responsibility of FRANCHISEE. FRANCHISEE

shall remove any approved Subcontractor for good cause at COUNTY'S request. FRANCHISEE shall identify all Subcontractors in Franchisee Documentation. In its Annual Report, FRANCHISEE shall disclose to COUNTY the name of all Subcontractors, the amount of Goods or Services that each Subcontractor provides to FRANCHISEE, and a description of FRANCHISEE'S relationships to each Subcontractor (including ownership interests).

6. **Routing and Container Placement.** FRANCHISEE shall provide to the Director route maps and schedules indicating the day and approximate time of day (morning or afternoon) of Collection and Customers' names and addresses. FRANCHISEE shall schedule Collection one to two Service Days before streets are swept as provided in COUNTY'S schedule for street sweeping in the Service Area unless otherwise approved by the Director. For the convenience of the Parties, COUNTY'S current street sweeping schedule is attached as Attachment 1 of Exhibit 3A, and the schedule may be amended by COUNTY after the Execution Date. Franchise shall use Reasonable Business Efforts to implement the Director's requests for route and schedule changes. FRANCHISEE shall return empty Containers to their Set-Out Sites or site nearest Set-Out Site that does not impede pedestrian or vehicular traffic. The Set-Out Site must be located at the curb or as otherwise provided in County Code § 20.72.100.
7. **Collection Frequency.** In order to protect the public health and safety and control the spread of vectors, FRANCHISEE shall Collect all Refuse at least once per week.

C. Refuse Collection, Transportation, and Disposal.

1. **Scope of Franchise Services and Specifications.** FRANCHISEE shall arrange to provide for fully automated Collection, transportation and Disposal of Refuse discarded by any Customer that requests FRANCHISEE to Collect its Refuse in Carts and agrees to pay Customer Service Charges. FRANCHISEE shall provide to each of those Customers the following for Collection of Refuse:
 - a. One 96-gallon Cart without surcharge; and
 - b. At the Customer's request, any number of additional 96-gallon Carts for the surcharge provided on the Rate Schedule.

FRANCHISEE shall Collect, transport and Dispose of Refuse discarded in tagged bags set next to a Customer's Refuse Cart without surcharge. Within one week of Customer request, FRANCHISEE shall provide that Customer two tags per Contract

Year, substantially in the form included in Franchisee Documentation.

2. **FRANCHISEE-Designated Solid Waste Facility.** FRANCHISEE shall transport Refuse only to the Solid Waste Facility or Facilities that FRANCHISEE has designated in Franchisee Documentation for Disposal. FRANCHISEE shall use Reasonable Business Efforts to designate a Solid Waste Facility or Facilities that utilizes Conversion technology or provides feedstock to Conversion facilities. *FRANCHISEE shall pay liquidated damages for Breach under this subsection C2 in accordance with Exhibit 18D2 Liquidated Damages.*

D. Recyclables Collection, Transportation, Processing and Diversion.

1. **Scope of Franchise Services and Specifications.** FRANCHISEE shall arrange to provide for fully automated Collection, transportation, processing and marketing of Recyclables discarded by any Customer for whom FRANCHISEE provides Collection of Refuse on the same day that FRANCHISEE Collects the Refuse. FRANCHISEE shall provide to each of those Customers the following for Collection of Recyclables:
 - a. One 96-gallon Cart and, at the Customer's request, one additional 96-gallon Cart (for a total of two 96-gallon Carts) without surcharge; and
 - b. At the Customer's request, any number of additional 96-gallon Carts for the surcharge provided on the Rate Schedule.

FRANCHISEE may not reduce Customer Service Charges for Customers that do not discard Recyclables.

2. **FRANCHISEE-Designated Facility.** FRANCHISEE shall transport Recyclables only to the facility or facilities that FRANCHISEE has designated in Franchisee Documentation for Recycling, Processing or Diversion, including Solid Waste Facilities, materials brokers and beneficiators. *FRANCHISEE shall pay liquidated damages for Breach under this subsection D2 in accordance with Exhibit 18D2 Liquidated Damages.*
3. **Purchase of Recyclables.** FRANCHISEE'S obligation to provide Recyclables services described in this Section D does not preclude FRANCHISEE from purchasing Recyclables from its Customers separate from Franchise Services.
4. **Scavenging - Discouragement.** FRANCHISEE shall use Reasonable Business Efforts to enforce anti-scavenging laws, including the following:

- a. Instituting civil actions against a Person alleged to have violated California Public Resources Code § 41950 for treble damages, as measured by the value of the material removed, or a civil penalty of not more than \$1,000.00, whichever is greater, for each unauthorized removal, in accordance with California Public Resources Code § 41953; and
- b. Taking actions under County Code § 20.72.196 to discourage Scavenging.

5. **Prohibition on Mixing Recyclables and Green Waste with Refuse or Disposing of Recyclables or Green Waste.** Unless FRANCHISEE is obligated under this AGREEMENT to process Refuse for recovery of Recyclables, or unless as otherwise approved by the Director, FRANCHISEE shall not:

- a. Mix Recyclables or Green Waste that it Collects with Refuse; or
- b. Dispose of Recyclables or Green Waste that it Collects in a Disposal site or transformation facility, **except for:**
 - (i) Incidental amounts of Recyclables or Green Waste that a Customer commingles with discarded Refuse;
 - (ii) Green Waste used as alternate daily cover that is considered Diversion; or
 - (iii) Contaminated Recyclables or Green Waste that cannot be Diverted using Reasonable Business Efforts as long as FRANCHISEE has previously exercised Reasonable Business Efforts to provide Customer education with respect to reducing that contamination.

FRANCHISEE shall pay liquidated damages for Breach under this subsection D5 in accordance with Exhibit 18D2 Liquidated Damages.

FRANCHISEE may transport residual Solid Waste remaining after processing at Solid Waste Facilities to maximum possible recovery levels and Diversion to facilities other than the Solid Waste Facility or Facilities that FRANCHISEE designates for Disposal in Franchisee Documentation. However, FRANCHISEE shall use Reasonable Business Efforts to Divert or provide for the Diversion of residual Solid Waste remaining after processing at a materials recovery facility at Conversion facilities.

6. **Contamination Audits.**

- a. ***Initial.*** Within the first six months of commencing Franchise Services, Franchise shall check all Customers' Recyclables Containers and Green Waste Containers) once to ascertain whether Customers are discarding only Recyclables in their Recyclables Containers and only Green Waste in Green Waste Containers. Checking must include, at a minimum, manually opening the lid of Carts or Bins and visually inspecting the contents of the Cart or Bin to identify contamination.
- b. ***Annual Spot Checks.*** After the first six months of commencing Service, Franchise shall check Recyclables Containers of 20 percent of its Customers annually on a rotating basis, such that all Customers' Recyclables Containers are spot checked at least once every five years.
- c. ***Non-Collection Notices.*** If FRANCHISEE observes materials other than Recyclables during an initial or spot check, it shall not Collect that Container and it shall leave a Non-Collection notice at the Premises.
- d. ***Follow-Up.*** Within two months, FRANCHISEE shall recheck Containers set out at Premises that received a Non-Collection notice.
- e. ***Reports.*** In its Monthly Report FRANCHISEE shall summarize the results of its spot checks.
- f. ***Additional Spot Checks.*** After the first six months of commencing Service, if the Director determines that Customers are discarding a significant amount of Refuse and/or Green Waste in their Recyclables Containers or Refuse and/or Recyclables in their Green Waste Containers, then the Director may direct FRANCHISEE to check additional Containers and leave Non-Collection notices as provided in subsection D6c.

E. **Green Waste Collection, Transportation, Processing, and Diversion.**

1. **Scope of Franchise Services and Specifications.** FRANCHISEE shall arrange to provide for fully automated Collection, transportation, processing and marketing of Green Waste discarded by any Customer for whom FRANCHISEE provides Collection of Refuse on the same day FRANCHISEE Collects the Refuse. FRANCHISEE shall provide to each of those Customers the following for Collection of Green Waste:

- a. One 96-gallon Cart and, at the Customer's request, one additional 96-gallon Cart (for a total of two 96-gallon Carts) without surcharge; and
- b. At the Customer's request, any number of additional 96-gallon Carts for the surcharge provided on the Rate Schedule.

In addition, FRANCHISEE shall Collect, up to four times each year without surcharge, Green Waste that a Customer discards in bags at the Set-Out Site on that Customer's next regularly scheduled Collection day after 24 hours advance notice by the Customer or other date agreed to between that Customer and FRANCHISEE.

FRANCHISEE may not reduce Customer Service Charges for Customers that do not discard Green Waste.

2. **FRANCHISEE-Designated Facility.** FRANCHISEE shall transport Green Waste only to the facility or facilities that FRANCHISEE has designated in Franchisee Documentation for Recycling, Processing or Diversion, including Solid Waste Facilities. *FRANCHISEE shall pay liquidated damages for Breach under this subsection E2 in accordance with Exhibit 18D2 Liquidated Damages.*

F. **Special Services.** FRANCHISEE shall provide the Services prescribed in this Section F without surcharge to Customers or charge to COUNTY except for subsection F2d Additional On-Call Pickup with Surcharge.

1. **Holiday Tree Collection.** During the period beginning December 26 and ending January 14, or another period established by COUNTY not to exceed three weeks, and at a Customer's request, FRANCHISEE shall Collect, transport, process, and Divert all holiday trees, such as Christmas trees and Hanukkah bushes stripped of ornaments, garlands, tinsel, flocking, and stands, placed for Collection at the Set-Out Site, on or before the Customer's next regularly scheduled Collection day.

2. **Bulky Items, Excess Solid Waste, E-waste and CEDs Collection.**

- a. ***Annual Curbside Cleanup Event.*** FRANCHISEE shall Collect unlimited amounts of Residential Customers' Bulky Items, excess Solid Waste, E-waste and CEDs discarded at each Set-Out Site once each calendar year on a day approved by COUNTY, after no less than two weeks advance written notice to Residential Customers, without surcharge.

- b. ***Two On-Call Pickups Per Year without Surcharge for Residential Customers.*** In addition to the annual curbside cleanup event described in subsection F2a, FRANCHISEE shall

Collect twice each calendar year unlimited amounts of Residential Customers' Bulky Items, E-waste and/or CEDs discarded at the Set-Out Site of a Residential Customer on that Customer's next regularly scheduled Collection day after 24 hours advance notice by the Customer or other date agreed to between that Customer and FRANCHISEE, without surcharge.

- c. **Four On-Call Pickups Per Year without Surcharge for Multifamily Customers.** FRANCHISEE shall Collect four times each calendar year a maximum of two items per pickup of Multifamily Customers' Bulky Items, E-waste and/or CEDs discarded at the Set-Out Site of a Multifamily Customer on that Customer's next regularly scheduled Collection day after 24 hours advance notice by the Customer or other date agreed to between that Customer and FRANCHISEE, without surcharge.
- d. **Additional On-Call Pickup with Surcharge.** In addition to Collection described in subsections F2a and b, at the request of a Residential Customer in excess of twice annually, as provided in subsection F2b, or at the request of a Multifamily Customer in excess of four times annually, as provided in subsection F2c, on 24 hours advance notice, FRANCHISEE shall Collect unlimited amounts of that Customer's Bulky Items, E-waste and CEDs discarded at that Customer's Set-Out Site on that Customer's next regularly scheduled Collection day or other date agreed to between that Customer and FRANCHISEE at surcharges for additional calls listed on the Rate Schedule and surcharge for items listed in Franchisee Documentation.
- e. **Number of Workers.** FRANCHISEE shall supply at least two workers for each Collection Vehicle during the annual curbside Cleanup event described in subsection F2a. FRANCHISEE shall also supply at least two workers for each Collection Vehicle dispatched for on-call pickup described in subsections F2b, c and d unless FRANCHISEE determines at the time a Customer orders on-call pickup that the Customer's discarded Bulky Items will not require at least two workers to load them safely onto the Collection Vehicle.
- f. **Required Registrations and Permits.** FRANCHISEE shall secure and maintain valid waste and used tire hauler registration therefor in accordance with California Public Resources Code § 42950 *et seq.* and any Permit required by Applicable Law for handling CEDs. FRANCHISEE shall transport tires to and Dispose of them at a facility authorized and permitted in accordance with Applicable Law to accept tires. FRANCHISEE shall comply with all applicable regulations governing the recovery of ozone-depleting refrigerants

during the Disposal of air conditioning or refrigeration equipment, including 40 C.F.R. Part 82.

- g. **Annual Customer Notice.** At least annually, FRANCHISEE shall provide Customers notice of available Franchise Services for Collection of Bulky Items, excess Solid Waste, E-waste and CEDs, and FRANCHISEE'S charges for those Franchise Services.
- h. **FRANCHISEE-Designated Facility.** FRANCHISEE shall transport Bulky Items, E-waste and CEDs only to the facility or facilities that FRANCHISEE has designated in Franchisee Documentation for Recycling, Processing or Diversion, including Solid Waste Facilities. *FRANCHISEE shall pay liquidated damages for Breach under this subsection F2 in accordance with Exhibit 18D2 Liquidated Damages.*

3. **Special Events Cleanup Services.** At the Director's request, FRANCHISEE shall provide Bins or portable containers in type, number, and capacity (such as up to 80 cubic yards) specified by the Director for discards of Solid Waste (including Bulky Items), E-waste and CEDs at each of up to four community cleanup projects or public events located throughout the Service Area during any 12-month period. FRANCHISEE shall Collect filled Bins or portable containers immediately and partially full Bins or portable containers no later than the day after the termination of the project or event. FRANCHISEE shall provide all the necessary labor, vehicles, Bins or portable containers and other equipment, and materials or supplies (such as plastic bags in portable containers).

4. **Vehicle Billboards.** FRANCHISEE shall equip Vehicles on at least one side with frames capable of securing signs measuring 29 3/16 inches by 93 3/16 inches or other dimension approved by the Director. FRANCHISEE shall prepare and install signs promoting Recycling, Diversion and safe handling of Unpermitted Waste, with text, graphics and design approved by the Director.

G. **Roll-Out Services.** FRANCHISEE shall manually provide Cart roll-out, carry-out or push services for all or a portion of Collection at the request of any Residential or Multifamily Customer for the surcharge provided in the Rate Schedule. These services include the following:

- 1. Dismounting from the Collection Vehicle, moving Containers from their storage location to the Collection Vehicle and returning them to their storage location; and
- 2. Carrying Bulky Items from adjacent to a dwelling out to the curb.

FRANCHISEE shall provide these services without additional charge or surcharge to Residential Customers who are elderly or disabled and who meet both of the following qualifications:

1. The Customer is a head of household as evidenced by his or her name on utility or telephone bills for the involved premises, and
2. The Customer certifies that there is no able-bodied individual in the Customer's household who can roll out Carts to the curb.

As used in this Exhibit and in Attachment 2 to Exhibit 10, "**elderly**" means age 62 or older as evidenced by a driver's license or other document issued by a governmental entity, and "**disabled**" means Customers who suffer from a disability as evidenced by a letter from their medical physician.

FRANCHISEE shall describe the Customer's storage location in that Customer's Subscription Order.

H. Senior Discount. FRANCHISEE shall provide 25 percent discounts in Customer Service Charges to elderly Residential Customers meeting all of the following requirements:

1. The Customer is age 62 or older as evidenced by a driver's license or other document issued by a governmental entity;
2. The Customer is a head of household as evidenced by his or her name on utility or telephone bills for the involved premises; and
3. The Customer either (1) qualifies for discounted utility rates based on financial need (such as those referred to as "life-line" rates) as evidenced by water, power, or telephone bill for the involved premises, or (2) generates small amounts of waste and uses 32-gallon containers.

I. Transition Roll-Out Plan. FRANCHISEE shall provide a start-up transition and Cart roll-out plan, including both time line and tasks, such as:

1. Ordering Vehicles and/or Containers;
2. Vehicle and/or Container delivery from manufacturer;
3. Container (such as Cart) assembly;
4. Distributing Containers to Customers;
5. Public outreach and education activities;
6. Determining routes;

7. Training route drivers;
8. Collecting old Containers;
9. Commencement date of Collection.

FRANCHISEE shall use its best efforts to cooperate and work with providers of MSW Management Services before the date that FRANCHISEE commences Collection as provided in Section B1 of this Exhibit in order to ensure a smooth transition. Prior to that commencement date, Franchisee shall use its best efforts to provide MSW Management Services to Customers who do not receive MSW Management Services from other providers.

J. FRANCHISEE Commitments Made in Its Proposal to COUNTY for Procurement of This AGREEMENT. FRANCHISEE shall fully and timely satisfy any additional Performance Obligations set forth in item 20 of Section B of Exhibit 3D.

K. MSW Management Services to Residential Premises and Multifamily Premises in Bins. This Franchise does not prohibit FRANCHISEE from executing separate agreements with any Customer to provide MSW Management Services in Bins to Residential Premises for any Residential Customers and to Multifamily Premises for any Multifamily Customers who request FRANCHISEE to provide Bins for Refuse (including source-separated manure), Recyclables and/or Green Waste. In that event:

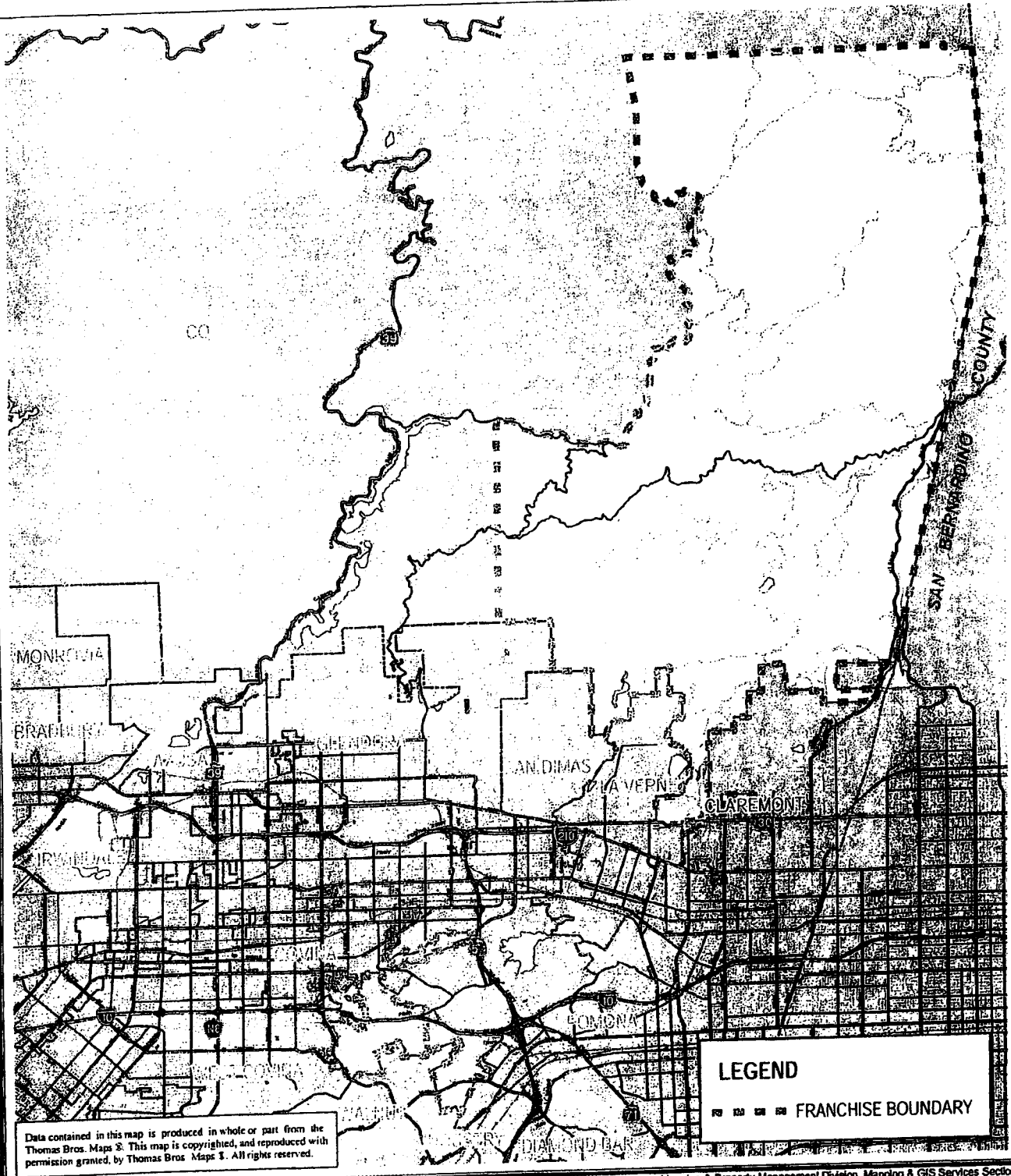
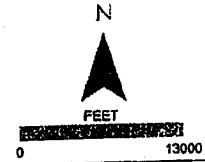
1. FRANCHISEE shall also provide all other Franchise Services (except Collection of Refuse, Recyclables, or Green Waste, as the case may be in Bins) to that Customer, including Collection of Recyclables and Green Waste and Customer service, in accordance with this AGREEMENT, without surcharge; and
2. FRANCHISEE shall enter into a commercial franchise with COUNTY, if required in the Service Area.

**ATTACHMENT 1 - SERVICE AREA AND STREET SWEEPING SCHEDULE
(Section B6)**

[INSERT APPROVED MAP OF SERVICE AREA AND SCHEDULE HERE]



EAST CHARTER OAK / RAMONA / FOOTHILL / SPADRA

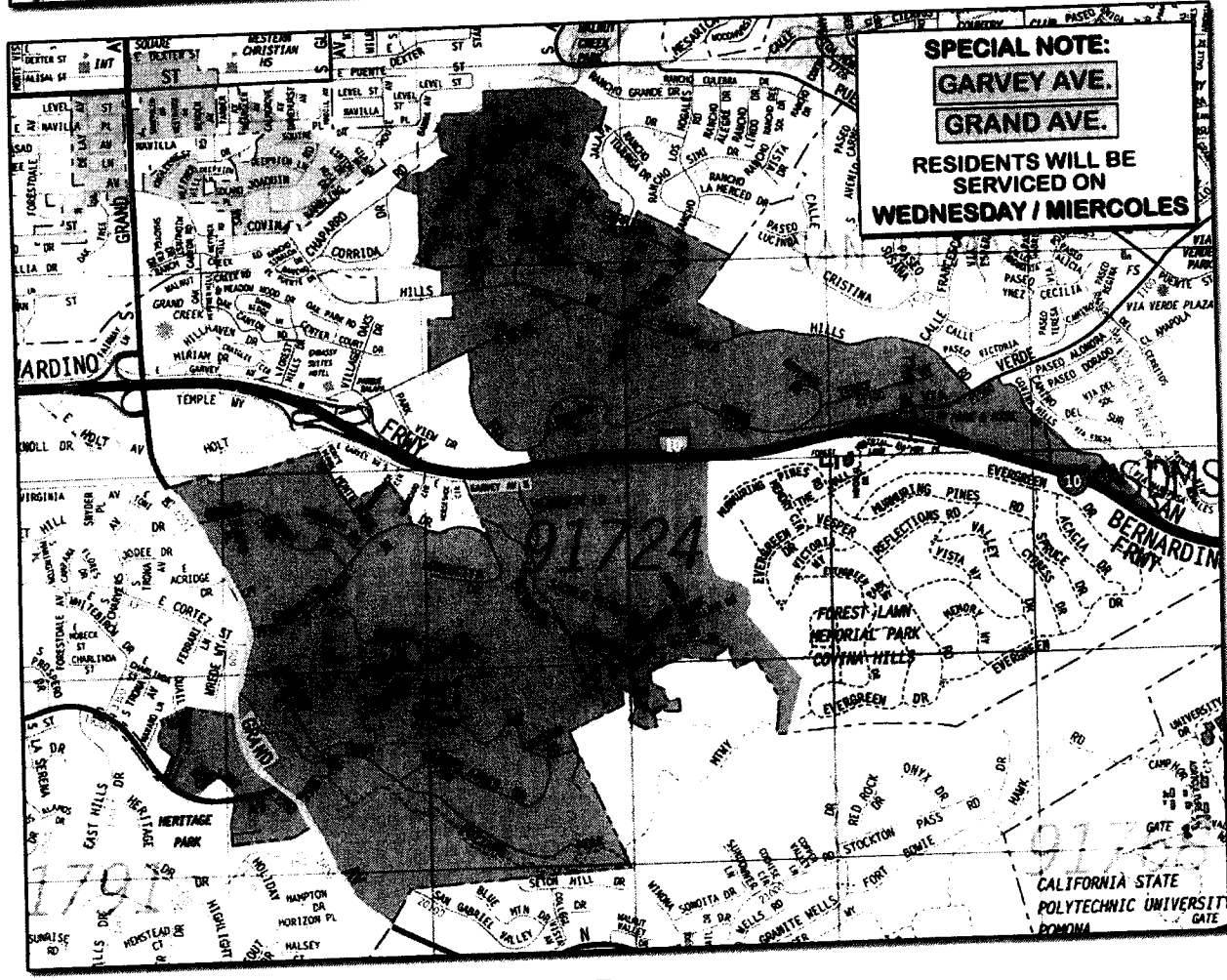
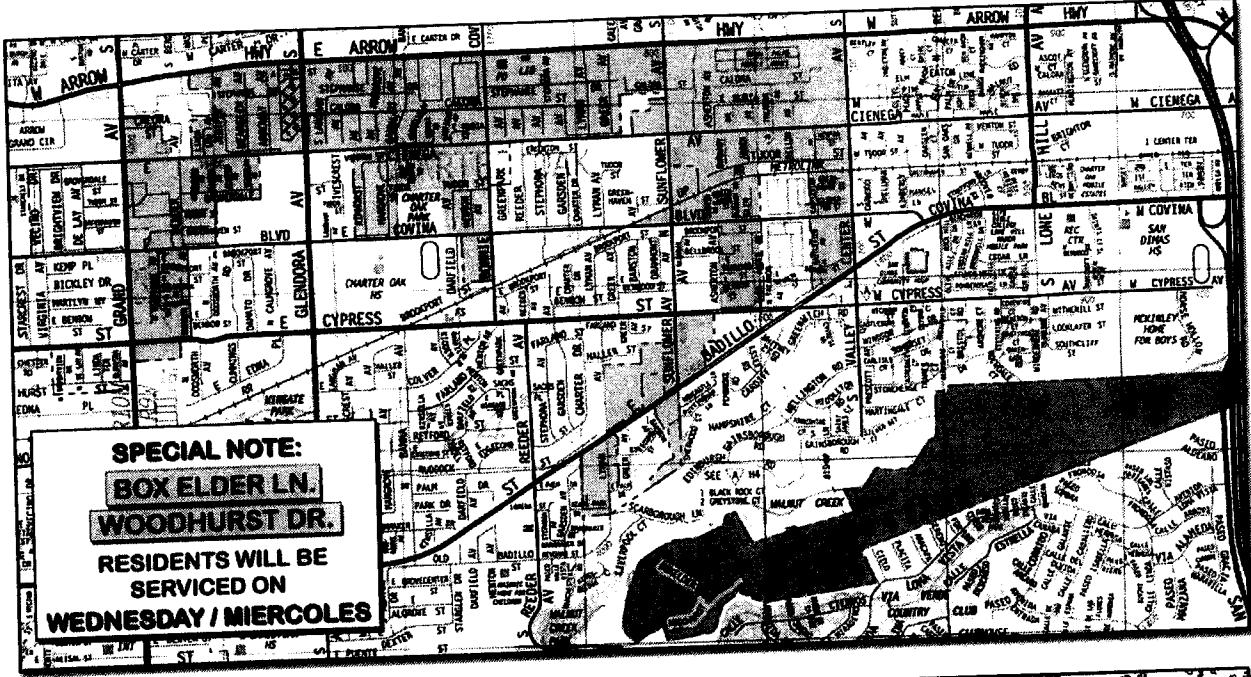


LEGEND

--- FRANCHISE BOUNDARY

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EAST CHARTER OAK / RAMONA / FOOTHILL / SPADRA FRANCHISE AREA COLLECTION DAYS
DIAS DE RECOLECCION PARA EL AREA DE FRANQUICIA DE EAST CHARTER OAK, RAMONA, FOOTHILL, SPADRA
EFFECTIVE JUNE 1, 2008
A PARTIR DEL 1 DE JUNIO, 2008



COLLECTION SCHEDULE

MONDAY / LUNES		TUESDAY / MARTES	
WEDNESDAY / MIERCOLES		THURSDAY / JUEVES	

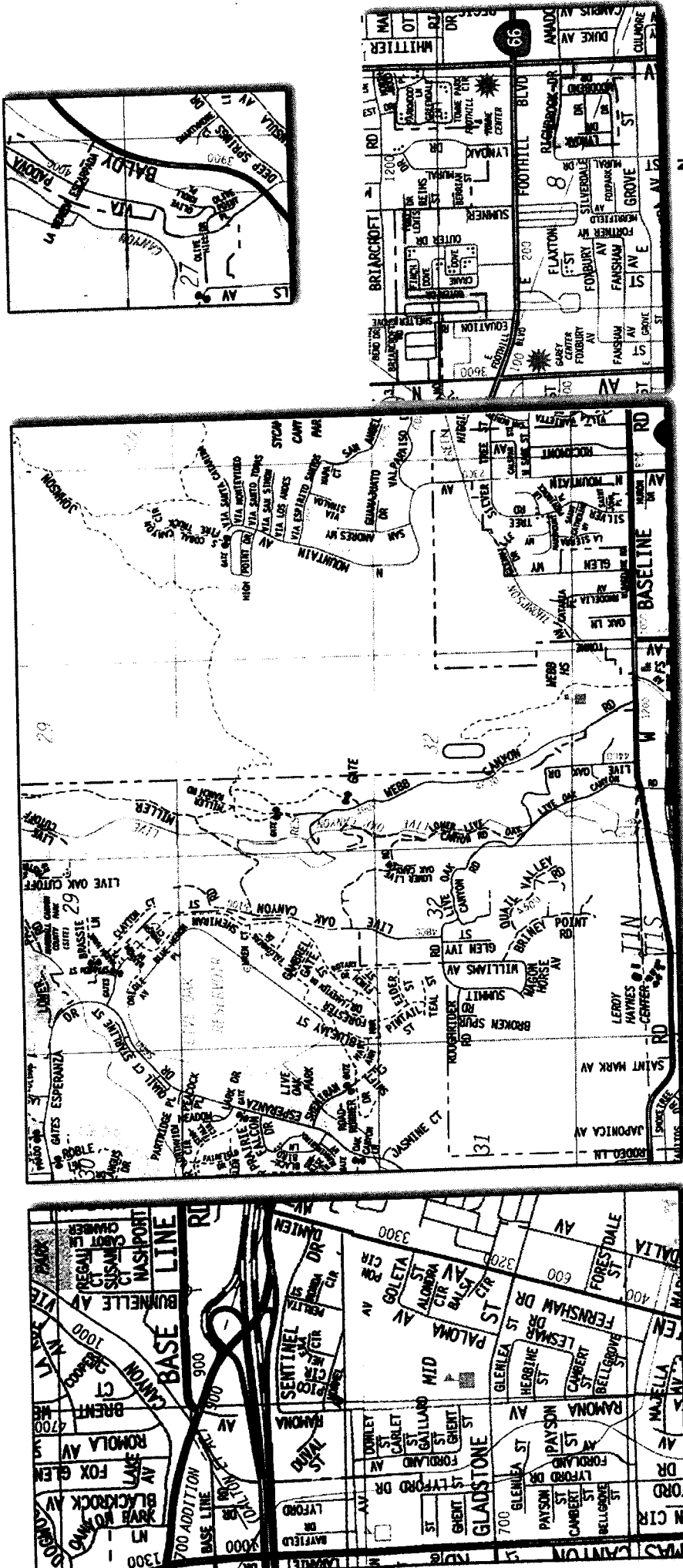


Customer Service:
 (877)714-9273

EAST CHARTER OAK / RAMONA / Foothill / Spadra Franchise Area Collection Days
Días de recolección para el área de franquicia de East Charter Oak, Ramona, Foothill, Spadra

EFFECTIVE JUNE 1, 2008

A PARTIR DEL 1 DE JUNIO, 2008



INSPECTION CO., INC.
 Customer Service:
 (877)714-9273

COLLECTION SCHEDULE

TUESDAY / MARTES

EXHIBIT 3D - FRANCHISEE DOCUMENTATION
[All documentation listed below to be attached to AGREEMENT as Exhibit 3D]

A. Notice to COUNTY Required.

1. **FRANCHISEE'S PERMIT AND PERMIT APPLICATION**, including all permits required by the County Code (such as a waste collector permit from the Los Angeles County Department of Health Services) or other Applicable Law.
2. **INVENTORY OF SERVICE ASSETS**, including all documents that encumber or limit FRANCHISEE's interest in Service Assets as described in Section 16A3b (Section 16A3c).
3. **ALL FRANCHISEE MANAGERS** (Section 20J5; see definition of "Franchisee Manager" in Exhibit 21).
4. **AUTHORIZED REPRESENTATIVE OF FRANCHISEE**, with Notice contact information (name, address, phone numbers, fax numbers, e-mail address).
5. **SERVICES SAFETY OFFICIAL** (Section 23F1).
6. **FACILITIES AND SOLID WASTE FACILITIES** designated by FRANCHISEE (Sections C2 Refuse, D2 Recyclables, E2 Green Waste, F2 Bulky Items of Exhibit 3A), including the following information:
 - a. Name, location, owner and operator, with telephone contact;
 - b. Types of materials accepted and rejected;
 - c. If applicable, methodology used by each Processing facility for allocating materials, including Disposed residue, to the Service Area, with sample reports.
7. **SUBCONTRACTORS**, including Subcontractors' names, the amount of Goods or Services that each Subcontractor provides to FRANCHISEE, and a description of FRANCHISEE'S relationships to each Subcontractor, including ownership interests; but excluding COUNTY-approved Subcontractors (Section B5 of Exhibit 3A).

B. COUNTY Consent Required.

1. **NON-COLLECTION NOTICE** (Section 4C).
2. **FORM OF SUBSCRIPTION ORDER** (Section 4D) and summary thereof for annual distribution (Section 4D).

3. **KEY PERSONNEL** (Section 4L).
4. **UNPERMITTED WASTE SCREENING PROTOCOL** (Section 6; Section F4 of Exhibit 3A).
5. **OFFICE** address (Section 7A) and Franchisee Office Hours.
6. **ACKNOWLEDGMENT** of receipt of fact sheet relating to form of Non-employee Injury Report (Section 14B3).
7. **INSURANCE AND PERFORMANCE ASSURANCE** (Sections 14 and 15).
8. **INTERNAL REVENUE SERVICE NOTICE 1015** (Section 23C1).
9. **ACKNOWLEDGMENT** of receipt of fact sheet relating to Safely Surrendered Baby Law (Section 23C2).
10. **FRANCHISEE'S EEO CERTIFICATION (FORM PW-7)** (Section 23E3).
11. **HOLIDAY COLLECTION SCHEDULE** (Section B1 of Exhibit 3A).
12. **WASTE DIVERSION PROGRAM, including Customer Recyclables Diversion Education Program** (Sections B2 and F4 of Exhibit 3A).
13. **CART SPECIFICATIONS**, including Cart capacity options, container color distinctions, identifying serial numbers, manufacturer's orders and invoices, label content and placement, and any documentation described in Section 16A3b. (Section B3d of Exhibit 3A).
14. **ALTERNATIVES TO FULLY AUTOMATED OR 96-GALLON CARTS** (Sections B3h, B3i and B3j of Exhibit 3A).
15. **COUNTY-APPROVED SUBCONTRACTORS**, including Subcontractors' names, the amount of Goods or Services that each Subcontractor provides to FRANCHISEE, and a description of FRANCHISEE'S relationships to each Subcontractor, including ownership interests (Section B5 of Exhibit 3A).
16. **FORM OF TWICE ANNUAL BAGGED REFUSE TAGS** (Section C1 of Exhibit 3A).
17. **COUNTY-APPROVED GREEN WASTE EXCLUSIONS** (Section E of Exhibit 3A; see definition of "Green Waste" in Exhibit 21).
18. **CHARGES FOR ADDITIONAL ON-CALL PICKUP OF BULKY ITEMS, E-WASTE AND CEDs** (Section F2d of Exhibit 3A).

19. **TRANSITION ROLL-OUT PLAN** (Section I of Exhibit 3A).
20. **ADDITIONAL FRANCHISEE COMMITMENTS MADE IN ITS PROPOSAL FOR PROCUREMENT OF THIS AGREEMENT** (Section J of Exhibit 3A).

Exhibit 3D – Franchisee Documentation

Item A.1 – FRANCHISEE’S PERMIT AND PERMIT APPLICATION

This item consists of 5 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWA Dated: 5/22/08
FRANCHISEE COUNTY

By August 1, 2008, Ware Disposal, Inc. will provide the County an updated permit issued by the Department of Health of Health Services to reflect the company’s legal name, “Ware Disposal, Inc.” Additionally, Ware Disposal, Inc. will provide evidence that the Waste Tire permit registration from the California Integrated Waste Management Board is listed under the company’s legal name, “Ware Disposal, Inc.”

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Exhibit 3D – Franchisee Documentation

Section A1: Franchisee's Permit


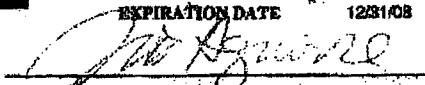
Enclosed, please find the following Ware Disposal, Inc. and Madison Materials permits, as required.

- Ware Disposal, Inc. County of Los Angeles Waste Collector Permit from the Los Angeles County Department of Health Services. The current Waste Collector Permit is operational for calendar year 2008 (Number S0497);
- Ware Disposal, Inc. California Integrated Waste Management Board Waste Tire Hauler permit for calendar year 2008 (TPID 1006665-01);
- Ware Disposal, Inc. Department of Toxic Substances Control EPA Number as a hazardous waste generator/handler (CAL000256920 and CAL000297299);

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

	COUNTY OF LOS ANGELES Department of Health Services - Solid Waste Management Program	
	Waste Collector Permit Under Provisions of County Ordinance Title 20	
	2008	
WARE DISPOSAL CO., INC. P.O. BOX 8206 NEWPORT BEACH, CA 92658		COMPANY ID # 96497 PERMIT FEE \$1,270.00 VEHICLES PERMITTED 4 DATE OF ISSUE 02/12/2008 EXPIRATION DATE 12/31/08
		 CHIEF, SOLID WASTE MANAGEMENT PROGRAM

Ware Disposal, Inc.



Waste Tire Haulers

Please note that the search results reflect the location of the hauler's office but do not indicate their hauling service area. Contact individual haulers for details.

Your search returned 1 results.

[New Search](#)

Page 1 of 1

Ware Disposal Company, Inc.
1018 Lincoln Avenue
Santa Ana, CA 92701
(714) 684-0159

TPID: 1006666
Other: JAY WARE
County: Orange
Registration Expires: 12/31/2008
Hauls for Public: Yes
Number of Vehicles: 13

[New Search](#)

[Top of Page](#)

Page 1 of 1

Last updated: Data updated continuously.

Waste Tire Manifest Program: <http://www.ciwrmb.ca.gov/Tires/Manifest/>
Hotline: (866) 898-0600 (toll free) WasteTires@ciwrmb.ca.gov

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County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D



Linda S. Adams
Secretary for
Environmental Protection

Department of Toxic Substances Control

Maurice F. Goren, Director
1001 "I" Street
P.O. Box 896
Sacramento, California 95812-0896



Arnold Schwarzenegger
Governor

Facility Search Results

Search Criteria:

Owner Name: WARE DISPOSAL
Sorted By: EPAID.NAME

ID's Listed: 3

ID Number	Name	Address	City	Zip
<u>CAC001347286</u>	WARE DISPOSAL/JAY WARE	1206 LINCOLN	SANTA ANA	927030000
<u>CAL000256920</u>	WARE DISPOSAL, INC.	1018 N LINCOLN AVE	SANTA ANA	92701
<u>CAL000297289</u>	WARE DISPOSAL INC	1018 E STAFFORD ST	SANTA ANA	92701

The Department of Toxic Substances Control (DTSC) takes every precaution to assure the accuracy of data in the Hazardous Waste Tracking System (HWTS). However, because of the large number of facilities listed, inaccuracies in the submitted data, limitations of the tracking system and the technical limitations of the database, DTSC cannot guarantee that the data accurately reflect what was actually transported or produced.

Date Generated 01/29/2008

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item A.2 – INVENTORY OF SERVICE ASSESTS

This item consists of 5 pages (including this page).

Initials: GW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

By June 15, 2008, Franchisee will provide an updated vehicles list with all pertinent Vehicle Identification Numbers of the nine new CNG vehicles for the East Charter Oak Franchise Area.

In the event that all vehicles are not received by June 15, 2008, Franchisee will provide an updated timeline by June 15, 2008, indicating the date which all vehicles will be received.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section A2: Inventory of Service Assets

Enclosed as part of Section A2 is Ware Disposal, Inc.'s inventory of service assets, including all documents that encumber or limit Ware Disposal, Inc.'s interest in Service Assets as described in Section 16A3b.

Enclosed, please find the following inventory of service assets (including the relevant invoices):

- Residential Carts, procured from Rotonics Manufacturing Inc., Anaheim, California;
- Refuse Collection Vehicles, procured from Rush Truck Centers of California, Pico Rivera, California.

Furthermore, Ware Disposal, Inc. already possesses two (2) of the refuse collection vehicles that will be utilized in the provision of service in the East Charter Oak Franchise Area. Those vehicles are as follows:

Equipment Specifications

Ware Disposal, Inc. provides the following information in fulfillment of the requirements of Section 4 as contained in the RFP document. We note that all collection vehicles to be used in the provision of service in Los Angeles County, and, specifically, the East Charter Oak Franchise Area, will be SCAQMD compliant, as well as meeting the definition of fully automated collection vehicle as stated in the Request for Proposal and Franchise Agreement documents. Both vehicles utilize the Cummins-Westport C-Gas Plus engine. Details about this engine type can be found as an exhibit in Section B20.

The following are the pertinent details of these two (2) types of collection vehicles that have been slated for service in the assigned area. Also, please be advised that an additional nine (9) new vehicles (seven (7) fully automated collection vehicles and two (2) front-end loaders) will also be utilized in the provision of residential services in the East Charter Oak Franchise Area.

Vehicle No. 1 (Unit 72):
VIN No.: 5VCEC6FEXH202747
Make: Autocar
Body: Amrep
Model: WX64
Year: 2006
Engine: Cummins Westport C-Gas Plus
Fuel Type: CNG

Vehicle No. 2 (Unit 73):
VIN No.: 1FVHCFDN56RW80490
Make: American LaFrance Condor

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Body: Amrep
Model: Allison 4500RDS
Year: 2006
Engine: Cummins Westport C-Gas Plus
Fuel Type: CNG

Furthermore, Ware Disposal, Inc. has entered into a service agreement with Clean Energy Fuels of Seal Beach, California for compressed natural gas (CNG) fuel for the term of the agreement for collection in the East Charter Oak Franchise Area and has already utilized their fueling facilities to fuel the Company's alternative fuel fleet.

The Rush Truck Centers of California, Pico Rivera division contact is as follows:

Mr Kevin Voss
Refuse Sales Manager
Rush Truck Centers of California
8830 East Slauson Avenue
Pico Rivera, California 90660
T 800 776 3647
F 562 942 9451

The refuse collection vehicles already ordered include the following vehicles, all of which meet the requirements as specified in the RFP and franchise documents:

2008 Peterbilt Model 320 with Cummins ISL-G 320 HP, Allison 4500 3-axel right hand drive with AMREP body for automated collection and commercial collection.

As it relates to license plate numbers for units seventy five (75) through eighty three (83), they will be provided to the County of Los Angeles within five (5) business days of their delivery.

Truck Number	License Plate	Year	Fuel Type	Make	Engine	Model	VIN
72	8L30825	2006	CNG	Autocar	Cummins	WX64	5VCEC6FEXH202747
73	8L97707	2007	CNG	Condor	Cummins	4500RDS	1FVHCFDN56RW80490
75	TBD	2007	CNG	Ptrblt.	Cummins	ISL G 320	
76	TBD	2008	CNG	Ptrblt.	Cummins	ISL G 320	
77	TBD	2008	CNG	Ptrblt.	Cummins	ISL G 320	3BPZL20X48F718638
78	TBD	2008	CNG	Ptrblt.	Cummins	ISL G 320	3BPZL20X68F718639
79	TBD	2008	CNG	Ptrblt.	Cummins	ISL G 320	3BPZL20X28F718640
80	TBD	2008	CNG	Ptrblt.	Cummins	ISL G 320	3BPZL20X48F718641
81	TBD	2008	CNG	Ptrblt.	Cummins	ISL G 320	3BPZL20X68F718642
82	TBD	2008	CNG	Ptrblt.	Cummins	ISL G 320	3BPLZ20X69F718643
83	TBD	2008	CNG	Ptrblt.	Cummins	ISL G 320	

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Vehicle Maintenance

Vehicles will be maintained at our Ware Disposal, Inc.'s Santa Ana operations facility. Ware Disposal, Inc.'s maintenance program complies with all Federal, State and Local regulations and manufacturer's specifications and recommendations. Ware Disposal, Inc.'s objective as it relates to vehicle maintenance is to ensure all vehicles and equipment function properly and safely, while maintaining an aesthetic appeal. Ware Disposal, Inc.'s fleet remains in compliance with current CARB regulations.

All best management practices (BMPs) relative to heavy-duty maintenance facilities will be standard procedure. Furthermore, drivers are required to conduct pre- and post- trip vehicle inspections. Maintenance personnel are responsible for correcting any items checked for repair before the vehicle returns to duty. Each vehicle also undergoes a 90-day inspection that is more comprehensive, including the engine and electrical system, the back-up cameras, air and fuel lines and the like.

Residential Carts

Ware Disposal, Inc. purchased the residential carts from Rotonics Manufacturing Inc. of Anaheim, California. The cart delivery to East Charter Oak residents commenced 8 May 2008, with all carts listed below delivered by May 31, 2008. Further information relating to the Rotonics residential carts can be found in Section B13 of Exhibit 3D of the Franchise Documentation section.

The following matrices detail the cart inventory for the East Charter Oak Franchise Area. The first matrix details the total overall cart breakdown for the East Charter Oak Franchise Area, the second details the breakdown by cart type for the carts on-hand for the franchise area and the third matrix lists the serial numbers for the carts to be used in the East Charter Oak Franchise Area.

Ware Disposal, Inc. will begin distributing carts to area residents on May 8, 2008 and will complete delivery to all residents by May 31, 2008.

CART SIZE	DISTRIBUTED	ON HAND	TOTAL
35 GALLON	0	500	500
65 GALLON	0	500	500
96 GALLON	11,238*	3,199	14,437
TOTAL	11,238	4,199	15,437

*This total includes refuse, commingled manure/refuse, recyclable and green waste carts.

CART SIZE	TYPE	ON HAND	TOTAL
35 GALLON	Refuse	300	300
35 GALLON	Recycle	100	100

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

35 GALLON	Green	100	100
65 GALLON	Refuse	300	300
65 GALLON	Recycle	100	100
65 GALLON	Green	100	100
96 GALLON	Refuse	1067	1067
96 GALLON	Recycle	1066	1066
96 GALLON	Green	1066	1066

The serial numbers for the carts are as follows:

CART SIZE	TYPE	SERIAL NUMBER SEQUENCE
35 GALLON	Recycle (Blue)	WDR000001-000100
35 GALLON	Green (Green)	WDY000001-000100
35 GALLON	Trash (Black)	WDT000001-000300
65 GALLON	Recycle (Blue)	WDR000001-000100
65 GALLON	Green (Green)	WDY000001-000100
65 GALLON	Trash (Black)	WDT000001-000300
96 GALLON	Recycle (Blue)	WDR003501-008312
96 GALLON	Green (Green)	WDY003501-008312
96 GALLON	Trash (Black)	WDT003501-008312

Exhibit 3D – Franchisee Documentation

Item A.3 – ALL FRANCHISEE MANAGERS

This item consists of 3 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section A3: Franchise Managers

Ware Disposal, Inc. franchise managers/corporate officers (including Madison Materials) for the East Charter Oak Franchise Area, as specified in Section 20J5 (and definition of franchise manager in Exhibit 21) of the Franchise Agreement:

President: Judith Helaine Ware
Vice President/Secretary: Ben Marlon Ware
Jay Ware: Authorized Representative

There are no corporate directors for either Ware Disposal, Inc. or Madison Materials. Furthermore, while Ware Disposal, Inc. and Madison Materials are controlled by the same individuals, they are indeed separate corporations.

There is no parent corporation for Ware Disposal, Inc. Furthermore, there is no parent corporation for Madison Materials. The company is owned by Judith Helaine Ware and Ben Marlon Ware.

Contact Information:

Ms Judith Helaine Ware
President
Ware Disposal, Inc.

Mr Ben Marlon Ware
Vice President/Secretary
Ware Disposal Inc.

(Physical)
1035 East Fourth Street
Santa Ana, California 92701 4750

(Mailing)
PO Box 8089
Newport Beach, California 92658 8089

T 714 664 0677
F 714 664 0696

www.waredisposal.com

Other persons in a position of influence include the following:

Mr. Jay Ware, General Manager and Chief Operating Officer

Contact Information

Mr Jay Ware
General Manager/Chief Operating Officer
Ware Disposal, Inc. /Madison Materials

(Physical)
1035 East Fourth Street
Santa Ana, California 92701 4750

(Mailing)
PO Box 8089
Newport Beach, California 92658 8089

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

T 714 664 0677
F 714 664 0696
madisonmaterials@aol.com

There are no other individuals in a position of influence.

Section 20J Notice

Ware Disposal, Inc. shall adhere to Section 20J and will notify the County of Los Angeles upon occurrence of any convictions or a criminal activity or any pleas of "guilty," "nolo contendere," or "no contest" to a criminal activity with respect to Franchisee or any of its Franchisee Managers (except for managers in a position of influence). Franchise shall use reasonable business efforts to immediately give notice to the County upon the occurrence of any convictions or any pleas with respect to Franchisee or any of its Franchise Managers in a position of influence.

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item A.4 – AUTHORIZED REPRESENTATIVE OF FRANCHISEE

This item consists of 2 pages (including this page).

Initials: [Signature] Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section A4: Authorized Representative of Franchisee

Ware Disposal, Inc.'s authorized representative of Franchisee, as specified in Section 21 of the Franchise Agreement for the East Charter Oak Franchise Area:

Mr Jay Ware, General Manager and Chief Operating Officer

Contact Information

Mr Jay Ware
General Manager
Ware Disposal Inc.

(Physical)
1035 East Fourth Street
Santa Ana, California 92701 4750

(Mailing)
PO Box 8089
Newport Beach, California 92658 8089

madisonmaterials@aol.com

T 714 664 0677
F 714 664 0696
M 714 906 2887

Exhibit 3D – Franchisee Documentation

Item A.5 – SERVICES SAFETY OFFICIAL

This item consists of 2 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section A5: Services Safety Official

Ware Disposal, Inc.'s services safety official for the Franchise, as specified in Section 23F1 of the Franchise Agreement for the East Charter Oak Franchise Area:

Mr. Manuel Gonzalez, Senior Operations Manager

Contact Information:

Mr Manuel Gonzalez
Senior Operations Manager
Ware Disposal, Inc.

(Physical)
1018 North Lincoln Avenue
Santa Ana, California 92701 3923

(Mailing)
PO Box 8089
Newport Beach, California 92658 8089

mannyatmm@aol.com

T 714 834 0234
F 714 836 4697
M 714 488 0866

Mr. Manuel Gonzalez's professional qualifications can be found in the response to Section B3, Key Personnel.

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item A.6 – FACILITIES AND SOLID WASTE FACILITIES

This item consists of 11 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

By July 1, 2008, Ware Disposal, Inc. will provide the following: sample reports for each facility listed in this exhibit, list of materials accepted and rejected for all facilities in this exhibit and the methodologies used by each recycling facility other than for Madison Materials for allocating residual materials.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section A6: Facilities and Solid Waste Facilities

The following represents the facilities and solid waste facilities Ware Disposal, Inc. intends to utilize to handle the waste stream collected from the East Charter Oak Franchise Area (Sections C2, D2, E2 and F2 of Exhibit 3A):

Section C2: Refuse:

1. Puente Hills Sanitary Landfill (Primary)
19-AA-0053
13130 Crossroads Parkway South
City of Industry, California 91746

Owner/Operator
Sanitation Districts of Los Angeles County
1955 Workman Mill Road
Whittier, California 90601
T 562 699 5204

PO Box 4998 (Mailing)
Whittier, California 90607

Ms Grace Chan
T 562 908 4288 x2402
www.lacsd.org

2. Downey Area Recycling and Transfer (DART) (Secondary)
19-AA-0801
9770 Washburn Road
Downey, California 90241

Owner/Operator
Sanitation Districts of Los Angeles County
1955 Workman Mill Road
Whittier, California 90601
T 562 622 3503

PO Box 4998 (Mailing)
Whittier, California 90607

Ms Grace Chan
T 562 908 4288 x2402
www.lacsd.org

3. Grand Central Recycling and Transfer Station (Grand Central) (Tertiary)
19-AA-1042
999 South Hatcher Avenue

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

City of Industry, California 91748

Owner/Operator
Grand Central Recycling and Transfer Station Inc.
999 South Hatcher Avenue
City of Industry, California 91748

Mr David Perez
T 626 945 0373

Grand Central Recycling and Transfer Station, Inc. accepts and processes the materials listed below:

Municipal solid waste	Source Separated Recyclables
Green Waste	Mixed Recyclables

Grand Central does not accept Asbestos Containing Materials, Concrete Filled Steel Pipe, Dirt, Hazardous Materials, Liquids, or Reinforced Concrete Pipe.

- 4. Frank R Bowerman (FRB) Sanitary Landfill (Residual from Madison Materials material recovery facility processing)
30-AB-0360
11002 Bee Canyon Access Road
Irvine, California 92618

Olinda Alpha (Olinda) Sanitary Landfill (Residual from Madison Materials material recovery facility processing)
30-AB-0035
1942 North Valencia Avenue
Brea, California 92823

Owner/Operator
Orange County Integrated Waste Management Department
320 North Flower Street, Suite 400
Santa Ana, California 92703

FRB: Mr Gary Brown
Olinda: Mr Dick Harabedian
T 714 834 4000
www.oclandfills.com

Puente Hills Landfill is the primary landfill that will be utilized for refuse disposal for the East Charter Oak Franchise Area. DART and Grand Central will be utilized as back-up facilities when Puente Hills has reached its daily capacity.

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

After Puente Hills Landfill closes 31 October 2013, Ware Disposal, Inc. will utilize the Puente Hills Intermodal Facility (2500 Pellissier Place, City of Industry, California 90601), which will supercede the existing Puente Hills Landfill.

Section D2: Recyclables and F2, Bulky Items (and Construction/Demolition):

1. Madison Materials (Primary Recyclables and Bulky Items)
30-AB-0386
1035 East Fourth Street
Santa Ana, California 92701 4750

Owner/Operator
JBW Enterprises
PO Box 8294
Newport Beach, California 92658 8294

Mr Jay Ware
T 714 664 0159
www.madisonmaterials.com

Madison Materials is a subsidiary of Ware Disposal, Inc.

Facility allocation method:

Ware Disposal, Inc.'s protocol is based on a comparison of positive sorts done at Madison Materials and then compared to the diversion allocations provided by the subject facility. Our protocol for Conducting Quarterly Diversion Allocation Audits is described below.

Every load brought to a MRF from a jurisdiction is recorded by the jurisdiction of origin at the scale house. Incoming loads from the County will be deposited on the tipping floor. These loads are not mixed with any other jurisdictions' until the point of processing as it is infeasible to separate and process each jurisdiction's loads separately. Madison Materials has employed a process for allocating tonnage to each city that receives diversion credit. This allocation system is quite similar to that found at other Orange County transfer stations. It has been formulated to be as transparent as it can be as it relates to mixed material recovery facility processing. This type of methodology has already been reviewed by the Orange County Integrated Waste Management Board (OCIWMD) and is consistent with existing policies regarding said issue of the California Integrated Waste Management Board (CIWMB).

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

The County's allocation percentage is established as follows. Ware Disposal, Inc. (through Madison Materials) will separate loads from the County and will characterize the loads in the following order of residential recyclables, commercial, and roll-off (construction and demolition). Each characterization is accomplished by hand sort, and weights are established for each of the three waste categories. A five-day sampling is conducted to account for changes in the waste stream over the course of a week. These daily samples are then averaged to produce a quarterly characterization that is used to establish the allocation percentage for the County. This characterization process is repeated every quarter to establish the next quarter's allocation to account for seasonal fluctuations. Madison Materials has run tests on the jurisdictions it currently services and the testing has proven to be successful and has resulted in diversion rates in excess of 50%.

The recyclable commodities from this process are recovered paper, cardboard, newsprint, plastics 1-7, scrap metal, non-ferrous metals, aluminum, wood, green waste, drywall, concrete, dirt, asphalt, roofing materials and other assorted recyclable materials. Madison Materials has a successful track record over the past five (5) years in marketing all of the aforementioned commodities. The results of this recovery process will be reported to the County as specified in the franchise agreement.

Madison Materials accepts and rejects the following materials listed below:

Accepted materials:

Drywall, Wood (including with nails), Carpet, Paper, Cardboard, Dirt, Green Waste & Sod, Concrete, Metal (all varieties), Plastics 1-7, Appliances, Asphalt, Roofing Material, E-Waste

Rejected materials:

Ceramics, Diapers, Dishes, Drywall, Foam packaging, Hazardous waste, Light bulbs, Mirrors, Paint cans, Paper towels, napkins, and facial tissue, Styrofoam, Tires, Toys, Trash, Universal waste, Unmarked plastics, No recyclables containing food waste

2. Allan Company (Secondary Recyclables)
14618 Arrow Highway
Baldwin Park, California 91706

Owner/Operator

Ware Disposal, Inc.

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Allan Company
14620 Joanbridge Street
Baldwin Park, California 91706

Mr Rich Hubbard
T 626 255 1882
www.allancompany.com

Madison Materials is the primary facility for the receipt of commingled recyclables. In response to field conditions, however, Allan Company (secondary) can be utilized as the recipient of commingled recyclables from the East Charter Oak Franchise Area. Should this facility be utilized during the course of franchise administration, Ware Disposal, Inc. will provide their allocation procedures and reporting format in advance of utilizing said facility. Allan Company does provide weight tickets at the scale.

Allan Company accepts and rejects the following materials listed below:

Accepted materials –

- a. Paper – Newspaper, Magazines, Computer paper, White and color paper, Envelopes, Catalogs, Telephone books, paper bags
- b. Cardboard boxes and chipboard - Cereal and cracker boxes, Corrugated cardboard
- c. Aluminum, tin, metal, an bi-metal cans - Aluminum pie plates, Aluminum foil
- d. Glass bottles and jars – Glass bottles (clear, green, and amber), Glass jars, Soda/juice/water bottles (glass)
- e. Empty plastic bottles and containers numbered #1-7, Soda/juice/water bottles (plastic), Plastic grocery bags

Rejected materials:

Carpet, Ceramics, Clothes, Clothes hangers, Diapers, Dishes, Drywall, Foam packaging, Glass- Pyrex, Glass- window, auto, and tinted, Green waste and dirt, Hazardous waste, Light bulbs, Mirrors, Paint cans, Paper towels, napkins, and facial tissue, Styrofoam, Tires, Toys, Trash, Universal waste, Unmarked plastics, Window glass, No recyclables containing food waste

Section E2: Green Waste:

Ware Disposal, Inc.

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1. Puente Hills Sanitary Landfill (Primary)
19-AA-0053
13130 Crossroads Parkway South
City of Industry, California 91746

Owner/Operator
Sanitation Districts of Los Angeles County
1955 Workman Mill Road
Whittier, California 90601
T 562 699 5204

PO Box 4998 (Mailing)
Whittier, California 90607

Green Materials

Ms Grace Chan
T 562 908 4288 x2402
www.lacsd.org

2. Madison Materials (Secondary)
30-AB-0386
1035 East Fourth Street
Santa Ana, California 92701 4750

Owner/Operator
JBW Enterprises
PO Box 8294
Newport Beach, California 92658 8294

Mr Jay Ware
T 714 664 0159

Green Materials

3. (a) Baker Canyon Green Recycling (Tertiary)
30-AB-0390
26986 Baker Canyon Road
Silverado, California 92676

Owner/Operator
Baker Canyon Green Recycling
26986 Baker Canyon Road
Silverado, California 92676
T 714 649 2524

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Mr Dan Dulac
T 714 649 2524

Green Materials

(b) Viramontes Express (Tertiary)
17130 Hellman Avenue
Corona, California 92880
T 909 597 7232

Mr Henry Viramontes
T 909 597 7232

Green Materials

Puente Hills would be the primary recipient of green materials (where they provide weight and material receipts at the gate). In response to field conditions, green materials would be delivered to Madison Materials, which, after processing, deliver processed green materials either to (a) Puente Hills, (b) Baker Canyon Green Recycling or (c) Viramontes Express for final disposition.

Please be advised that Ware Disposal, Inc. will provide the attached sample report form to all of its potential facilities and solid waste facilities (to the extent practicable) to complete on a monthly basis as part of monthly reporting to the County of Los Angeles.

Other Facilities

Electronic Waste

Div-Con Environmental Inc.
119 North Bradford Avenue
Suite C
Placentia, California 92870

Mr. David Little
T 714 579 1640

Metals/Appliances/CED Materials

Adams Steel
3200 East Frontera
Anaheim, California 92806

Mr. George Adams/Ms Mary Beth McFadden
T 714 630 8901

Ware Disposal, Inc.

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SAMPLE INVOICE - RECYCLING - ALLAN COMPANY

DATE: 04/04/08

ALLAN COMPANY (FRANCHISE)
SETTLEMENT SUMMARY

PAGE NO: 3

FOR:

LOAD DATE	SHIPMENT # TRAILER # TRUCK # VEHICLE NO.	MATERIAL DESCRIPTION CODE YD EXTENSION, CHECK SETTLE CHECK D. O. L. #	WEIGHTS	YOUR WEIGHT YOUR SCALE	IND ANT	ADJ. AMOUNT EXCESS FRT DEAD WT EXCESS FRY	TOTAL AMT. EXCESS PAY FRT ADJ OTHER ADJ CHK AMT
03/31/08	NDL950 NDL950 NDL95012	82 WPPC STAMP 402-20 B 670869	REQD G H	2887 2887	ST ST	.00 58.20	58.20 58.20
03/31/08	NDL950 NDL950 NDL95013	HOPE COLORED LUMBER 403-20 B 670869	REQD G H	2293 2293	ST ST	.00 66.50	66.50 46.50
03/31/08	NDL950 NDL950 NDL95014	86 POLYSTYRENE - STAMP 404-20 B 670869	REQD G H	288 288	ST ST	.00 8.35	8.35 8.35
03/31/08	NDL950 NDL950 NDL95015	HOPE UNPAINTED LUMBER 411-20 B 670869	REQD G H	2581 2581	ST ST	.00 74.85	74.85 74.85
						286650	TOTAL FOR SHIPPERS 6306.50
						WEIGHT 246950	CHECK 670869 TOTALS = 6306.50

* SETTLEMENT = initial payment less freight adj & adj. amount
 * FREIGHT AMT = dead & excess freight based on guaranteed minimum weight
 * ADJ. AMOUNT = difference between our weights and your weights at contracted price
 * OTHER ADJ = tolerance/scaled adjustments after final settlement was made

Ware Disposal, Inc.

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**SAMPLE INVOICE - RECYCLABLES - GRAND
CENTRAL**

4155554423 TRS L014 DBX 2092/0011 2/19/02

RptCntrpt
 Customer: BU WASTE
 SIRE ID: All
 Grand Central Recycling & Transfer Station
Customer Report
 Franchise Area: 1201/2007 through 1221/2007
 Invoiced and Outboxed: 7,065
 United Party and Intransigent Customers
 Recycle and Dispose: Material
 All Details
 Page 1 of 1
 2/19/2002
 User ID: PETER PEREE

Truck	End:	Truck	Truck	Year	Units	Yrs	Estimate	Tons
BLANKET - BLURTYC WASTE INDUSTRIES								
60779	12/2007	04921		0.00	0.00	2.91	0.00	0.00
61085	12/21/07	82734		0.00	0.00	6.74	0.00	0.00
61086	12/21/07	84651		0.00	0.00	3.65	0.00	0.00
61069	12/21/07	82158		0.00	0.00	9.66	0.00	0.00
BLURTYC - BLURTYC WASTE INDUSTRIES								
<i>(continued on next page)</i>								
Report Grand Totals						24.96	0.00	0.00
						0.00	0.00	0.00

Exhibit 3D – Franchisee Documentation

Item A.7 – SUBCONTRACTORS (Excluding those listed in Item B.14)

This item consists of 2 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section A7: Subcontractors

Ware Disposal, Inc. will not utilize the services of any subcontractors for this franchise agreement (Section B5 of Exhibit 3A).

The information relating to County-approved subcontractors can be found in Section B15, the County-approved subcontractor section.

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.1 – NON-COLLECTION NOTICE

This item consists of 3 pages (including this page).

Initials: JDW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

Ware Disposal, Inc. will submit an amended Non-collection Notice for the County's approval prior to their next scheduled printing, to reflect the company's legal name "Ware Disposal, Inc.". However, Ware Disposal, Inc. agrees to provide the County approved updated Non-collection notice to all customers no later than July 1, 2009.


County of Los Angeles
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East Charter Oak Franchise Area
Exhibit 3D

Section B1: Non-Collection Notice

Attached as part of Section B1 is Ware Disposal, Inc.'s Non-Collection Notice Form, including the information required of it as part of Section 4C of the Franchise Agreement for the East Charter Oak Franchise Area.

Ware Disposal, Inc.



NON-COLLECTION NOTICE
877-714-WARE (9273)

Customer Service Hours:
Mon - Fri 8am - 5pm & Saturday 8am - 12pm

Your trash and/or recyclables were not collected for one of the following reasons checked below:

- 1. Unpermitted waste such as fire, household hazardous waste, electronic waste, batteries and fluorescent tubes were placed in the containers.
- 2. Unsafe Condition _____
- 3. Items placed outside of the container that were not scheduled to be serviced.
- 4. Overweight Container.
- 5. Your account is past due.
- 6. Container was not accessible for collection or bulky items scheduled for pick up
- 7. (A) Green Waste cart was contaminated with refuse or recyclables or (B) Recycling cart was contaminated with green waste or refuse.
- 8. Other _____

If the above is corrected by 3 p.m. today, please call customer service department at 877-714-WARE (9273) and we will collect before 6 p.m. at no additional charge.

ADDRESS: _____

ACCOUNT #: _____ DATE: _____

TIME: _____ ROUTE: _____

<input type="checkbox"/> 1.	<input type="checkbox"/> 3.	<input type="checkbox"/> 5.	<input type="checkbox"/> 7.
<input type="checkbox"/> 2.	<input type="checkbox"/> 4.	<input type="checkbox"/> 6.	<input type="checkbox"/> 8.

Exhibit 3D – Franchisee Documentation

Item B.2 – FORM OF SUBSCRIPTION ORDER AND ANNUALLY DISTRIBUTED SUMMARY

This item consists of 6 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/24/08
FRANCHISEE COUNTY

Any future mailings of the subscription order form for the East Charter Oak Franchise community will reflect the company's legal name, "Ware Disposal, Inc." and will be submitted to the county prior to distribution.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B2: Form of Subscription Notice/Order

Attached as part of Section B2 is Ware Disposal, Inc.'s Subscription Notice/Order, along with the required summary information for each residential premises and summary thereof for annual distribution (Section 4D).

Ware Disposal, Inc. acknowledges and agrees to the terms as stated in Section 10, Rates and Customer Billing and shall charge customers no more than the Customer Service Charges provided in Attachment 2 of Exhibit 10, and Franchisee shall charge the same, uniform rates to all customers receiving the same services listed in Attachment 2, Exhibit 10.

Ware Disposal, Inc. will invoice for residential services quarterly in advance, as is common practice for the solid waste industry. If there is an inadvertent error in customer invoicing, it will be immediately corrected. The format of such invoice will include the provisions as found in Section 10B of the franchise agreement.

The Customer Invoice will be designed to reflect the requirements for set-out times and locations for the containers in compliance with the County Code and/or any other County Code requirements. The invoices will prominently display Ware Disposal, Inc.'s phone number and address for Customer complaints or questions. The billing will reflect the rates and charges as stated in Form PW-2.1 of the RFP/Franchise Agreement. There will be no segregation or designation of that portion of the bill that relates to the Franchise Fee. Ware Disposal, Inc. also encourages the enclosure of inserts promoting recycling and waste reduction prepared and provided by the County.

Additionally, all customer service representatives are trained to answer any invoicing questions, meaning no East Charter Oak resident will be transferred to another department for assistance.

Ware Disposal, Inc.'s collection procedure is, once a payment is thirty (30) days past due, Ware Disposal, Inc. will send the customer a notice that service will be suspended if payment is not made within an additional thirty (30) days. Notice will be on a form approved by the County of Los Angeles. Ware Disposal, Inc. also understands that the County of Los Angeles is not responsible for nor will assist with the collections of delinquent accounts. In the event of a billing dispute or to avoid negatively impacting public health and safety, Ware Disposal, Inc. will continue to provide service to any customer if directed to do so by the County without regard to the status of said customer's account.

Ware Disposal, Inc.

Al partir del 1° de junio de 2008

A Nuestros Apreciados Clientes de East Charter Oak/Foothill/Ramona/Spadra:

La Junta de Supervisores del Condado de Los Angeles otorgó a Ware Disposal Co. Inc. (Ware Disposal) una franquicia para los servicios de recolección de basura y reciclables para el área de East Charter Oak/Foothill/Ramona/Spadra comenzando el 1° de junio de 2008 y terminando el 31 de marzo de 2015. Ware Disposal se enorgullece del trabajo que realizamos para proteger el medio ambiente y nuestro futuro. Su participación en las prácticas de reducción de desechos y la compra de productos hechos con materiales reciclados son componentes integrales de una sociedad sustentable y le agradecemos sus esfuerzos.

Ware Disposal cobrará a todos nuestros clientes las tarifas mostradas en esta orden de suscripción. Por favor tómese un momento para leer las tarifas y servicios ofrecidos. Las tarifas circuladas indican los servicios a los que usted se suscribe (a partir del 1° de junio de 2008). Para pedir servicios adicionales o si tuviera alguna pregunta por favor llame al departamento de servicio al cliente de Ware Disposal, de lunes a viernes de 7 a.m. a 5 p.m. o los sábados de 8 a.m. a 12 p.m., al 1-877-714-9273.

El término de su pedido en la suscripción es de 7 años, del 1° de junio de 2008 al 31 de marzo de 2015, a no ser que sea anulada antes como esta descrita en la declaración de derechos del cliente que se encuentra adjunta, o la franquicia sea terminada por el Condado. Su suscripción es sujeta a la ejecución del acuerdo de franquicia con Ware Disposal por el Condado y no puede ser renovada automáticamente.

SERVICIO BÁSICO / facturado trimestral

\$51.51 / trimestral (\$17.17/mes)

25% Descuento a Clientes Mayores de Edad: Para jefes de familia calificados (*vea para requisitos):

\$38.64/trimestral(\$12.88/mes)

- ✓ Para residentes que cumplan con los siguientes requisitos: jefes de familia, mayores de 62 años y califican para descuentos de tarifas en servicios públicos basado en necesidad económica
- ✓ Para residentes que cumplan con los siguientes requisitos: jefes de familia, mayores de 62 años y generan poca basura y usan los carritos de 35 galones

Servicios básicos para propiedades con caballos:

- ✓ Un carrito de 96 galones para la basura y estiércol
- ✓ Un carrito de 96 galones para los desechos verdes
- ✓ Un carrito de 96 galones para materiales reciclables
- ✓ Un carrito adicional para los desechos verdes y uno para los materiales reciclables, sin costo adicional
- ✓ La recolección gratuita de árboles festivos
- ✓ Eventos anuales de limpieza (incluyendo ciertos aparatos electrónicos)
- ✓ Recolección de artículos voluminosos y ciertos aparatos electrónicos en cantidades ilimitadas (dos veces al año)
- ✓ Para clientes de viviendas multi-familiares (3 o mas unidades, Condominios o Town Homes): recolección de artículos voluminosos y ciertos aparatos electrónicos con limite de 2 artículos por pedido (cuatro veces al año)
- ✓ Recolección de desechos verdes, empacados en bolsas, en cantidades ilimitadas (cuatro veces al año)
- ✓ Exceso de basura en bolsas con etiqueta será recolectado sin costo adicional al pedido (clientes recibirán dos etiquetas al año)
- ✓ Cuatro eventos comunitarios de limpieza especiales al año
- ✓ Como alternativa a los carritos de 96 galones – Si usted tiene limitaciones de espacio, puede recibir carritos de 65 o de 35 galones.
- ✓ "Servicio de traspaso" para clientes que califican ya sea por edad o limitaciones físicas.

SERVICIOS ADICIONALES Disponibles al Pedido

Carritos Adicionales, Cada Uno: \$15.00 / trimestre (\$11.25 / trimestre con descuento para jefes de familia calificados*)

Recolección adicional (más de dos / año) de artículos voluminosos y ciertos aparatos electrónicos:

\$25.00 por recolección (\$18.75 con descuento para jefes de familia calificados*)

"Servicio de Patineta" ("Scooter" Service): Para cualquier cliente que solicite este servicio o en sitios residenciales difíciles de servir (como colinas y callejones cerrados donde los vehículos de recolección no pueden circular con seguridad):

\$12.88 / trimestre (\$9.66 con descuento para jefes de familia calificados*)

Servicio de Traspaso: Este servicio consiste de una persona de la compañía de Ware Disposal que saca los carritos para la recolección y los devuelve a su lugar después de ser vaciados. El costo es el siguiente:

Para clientes calificados*: **gratis**
 Para todos los demás clientes: **\$25.76 / trimestre (\$19.32 con descuento para jefes de familia calificados*)**

Alquiler de Contenedores Residenciales y Servicios Temporales: Disponibles a la orden llamando a nuestro departamento de servicio al cliente al: 1-877-714-9273.

DECLARACIÓN DE DERECHOS DEL CLIENTE

Lo que recogeremos. Nosotros recogeremos basura residencial, desechos verdes y materiales reciclables en carritos que nosotros proporcionaremos, durante la siguiente semana posterior a su solicitud de servicios. Usted debe colocar la basura, los materiales reciclables y los desechos verdes en los carritos proporcionados. Los materiales colocados fuera de los carritos no serán recogidos a menos que se hayan establecido acuerdos previos. Favor de recordar que el Condado requiere que usted coloque los carritos para recolección no antes de las 5:00 p.m. del día anterior a la recolección programada y los retire a más tardar a las 8:00 p.m. en el día de recolección o 2 horas después de la recolección, lo que suceda más tarde.

Nosotros no recolectaremos desechos tóxicos. La ley Estatal prohíbe deshacerse de materiales tóxicos y ciertos aparatos electrónicos en la basura. Esto incluye: la mayoría de las pinturas, pesticidas, derivados del petróleo como aceite de motor y solventes, aparatos electrónicos como tubos de rayos catódicos (como los de televisor y monitores de computadoras), pantallas LCD y de plasma. Otros materiales prohibidos para disposición incluyen baterías, termostatos, computadoras, teléfonos, máquinas contestadoras, radios, equipos de estereo, reproductores/grabadores de cinta, fonógrafos, reproductores/grabadores de videocinta, calculadoras, latas de aerosol, luces fluorescentes y ciertos dispositivos con contenido de mercurio. Si estos artículos son identificados en su basura, se le pondrá un aviso y no será recolectado. Algunos aparatos electrónicos pueden ser recolectados por separado como se describe abajo. Para alternativas adicionales seguras y legales, llame al HAZARDOUS WASTE HOTLINE al 1 (888) CLEAN-LA o visite www.cwmb.ca.gov/HHW/info.

Cuándo recolectaremos. Nosotros efectuaremos las recolecciones una vez a la semana entre las 6:00 a.m. hasta las 6:00 p.m. del mismo día de la semana indicado en su factura (Lunes a Viernes). Si su día programado para recolección cae en o después de un día festivo, durante la semana de ese día festivo, la recolección se retrasará un día, por ejemplo, los clientes del viernes tendrán su recolección el sábado. Los días festivos que observamos son: El Día de Conmemoración, Día de la Independencia, Día del Trabajo, Acción de Gracias, Navidad y Año Nuevo. Si va a existir un cambio permanente en su día de recolección programado, se lo notificaremos con anticipación. Si fallamos en su recolección, por favor llámenos y regresaremos a recolectarlo sin costo adicional si llama antes de las 3:00 p.m. o al siguiente día de recolección si usted llama después de las 3:00 p.m. Resolveremos cualquier otra queja dentro del mismo periodo de tiempo.

Dónde efectuaremos la recolección. Usted debe colocar sus carritos en la banqueta a menos que cuente con el "servicio de traspaso". Si nosotros acordamos en recolectar en accesos o pavimentos privados, le solicitaremos firmar una carta de liberación de responsabilidad de daño y/o indemnización. Nosotros repararemos o reemplazaremos, a su satisfacción, propiedad dañada y le reembolsaremos el costo de lesiones personales, las cuales fueron causadas por negligencia, actos voluntarios u omisiones de parte nuestra. Además, en hacer valer sus derechos bajo el contrato de franquicia, usted puede interponer demandas civiles permitidas de acuerdo a la ley.

Podemos sacar sus carritos al punto de recolección con el "Servicio de Traspaso". Sin costo adicional para clientes que certifiquen que no están en condiciones físicas o son mayores (más de 62 años de edad) y no cuentan con una persona con capacidad física viviendo en su hogar, nosotros proporcionaremos servicios de traspaso (recolección a domicilio) de todos los servicios de recolección semanales: basura, materiales reciclables y los desechos verdes, así como el evento anual de limpieza, recolección de árboles festivos y recolecciones adicionales bajo pedido. Con previa solicitud, estos servicios también están disponibles para cualquier otro cliente a la tarifa mostrada en su orden de suscripción.

Alternativas a los carritos totalmente automatizados. Si usted tiene restricciones de espacio en su sitio de almacenamiento o acomodo de carritos, usted puede solicitar alternativas a los carritos de 96 galones sin costo adicional. Para áreas difíciles de atender, tales como calles sin salidas o colinas, donde los vehículos de recolección automática no pueden ser conducidos de manera segura, proporcionaremos servicio manual de "patineta" y recipientes con la misma capacidad a las tarifas mostradas en su orden de suscripción. Nosotros también proporcionaremos este servicio a cualquier otro cliente con solicitud previa.

Restricciones de peso de los carritos. El límite de peso de cada carrito automatizado es lo siguiente: Carrito de 96 galones = 250 libras, carrito de 65 galones = 150 libras, carrito de 35 galones = 122 libras.

Reemplazo/Remoción/Reparación. Sin costo adicional entregaremos o cambiaremos carritos dentro de los 7 días posteriores a su solicitud, retiraremos carritos dentro de los 8 días posteriores a su solicitud y repararemos o reemplazaremos carritos dañados o robados al siguiente día de servicio posterior a su solicitud. Habrá un cargo de \$75.00 para reemplazar un carrito robado si no reporta el robo a la policía. Nosotros removeremos grafiti de los carritos dentro de los 5 días posteriores a su solicitud, o dentro de las 48 horas siguientes si el grafiti consiste en dibujos o palabras obscenas, a excepción de los fines de semana.

Evento Anual de Limpieza. Tendremos un Evento de Limpieza anualmente donde recolectaremos cantidades ilimitadas de artículos voluminosos, desechos sólidos excesivos, hasta 2 llantas de automóvil de pasajeros o camioneta y ciertos aparatos electrónicos sin costo adicional. Este evento se efectuará en su día regular de recolección. Nosotros le notificaremos con dos semanas de anticipación del Evento Anual de Limpieza y le proveeremos una descripción de los materiales que serán colectados.

Recolección de Árboles Festivos. Al pedido, nosotros recolectaremos sus árboles festivos (tales como árboles de Navidad y arbustos de Hanukkah) colocados en la banqueta en su día de recolección programado regularmente entre el 26 de Diciembre y el 14 de Enero. Debe remover todo tipo de adornos y bases.

Dos Recolectores al Pedido de Desechos Verdes en Bolsas: Nosotros recolectaremos desechos verdes adicionales colocados en la banqueta dentro de bolsas, dos veces al año sin costo adicional, en su siguiente día de recolección programado regularmente si nos llama con un mínimo de 24 horas de anticipación.

Dos Recolectores al Pedido de Artículos Voluminosos y Ciertos Aparatos Electrónicos: Usted puede solicitar 2 recolecciones de artículos voluminosos y ciertos aparatos electrónicos al año sin costo adicional en su siguiente día de recolección programado si nos llama con un mínimo de 24 horas de anticipación. Clientes de viviendas multi-familiares (3 o más unidades, Condominios o Town Homes) pueden solicitar cuatro recolecciones de artículos voluminosos; con límite de 2 artículos por pedido. Ejemplos de artículos voluminosos incluyen: muebles usados (tales como sillas, sofás, colchones y alfombras); línea blanca (tales como refrigeradores, estufas, lavadoras, secadoras, calentadores de agua, lavaplatos, plomería y artículos similares). Nosotros aceptaremos los siguientes aparatos electrónicos: aparatos con tubos de rayos catódicos (TRC) (incluyendo televisores y monitores de computadora); aparatos de LCD (Monitores de computadoras de escritorio, computadoras portátiles y televisores); y televisores de plasma.

Recolectores Adicionales al Pedido de Artículos Voluminosos y Ciertos Aparatos Electrónicos: Usted puede solicitar recolecciones de artículos voluminosos y aparatos electrónicos, como se describe arriba, más de dos veces al año en su siguiente día de recolección programado, a las tarifas anotadas en su orden de suscripción, si nos llama con un mínimo de 24 horas de anticipación.

Opciones Adicionales para el Cliente respecto a Reciclables: Los clientes pueden donar o vender algunos o todos sus reciclables a otras personas aparte de Ware Disposal.

Cuándo debe pagar. Ware Disposal cobra servicios residenciales tres meses por anticipado. Nosotros le enviaremos por correo su factura 15 días antes del primer día de su periodo de servicio, por ejemplo, el 15 de marzo para el periodo de facturación de abril, mayo y junio. Si usted cambia de servicio, da inicio de servicio, u ordena servicios adicionales durante el periodo de servicio, se le enviara una factura prorrateada por correo. Su factura vencerá a más tardar el último día del primer mes, por ejemplo, el 30 de abril. Si nosotros no recibimos el pago para el último día del segundo mes, por ejemplo, el 31 de mayo, su cuenta será declarada morosa y se le aplicaran recargos por tardanza. La tarifa es de \$5.00 por cada 30 días, o el 18% sobre todos los balances pendientes. Nosotros podremos cancelar el servicio si usted no paga sus cargos por servicio. Habrá un cargo de \$25.00 por interrupción de servicio y uno de \$35.00 por cheques devueltos.

Derechos de Terminación del Cliente y Derecho de Transporte Propio. Usted puede cancelar el servicio sin especificar causa en cualquier momento dándonos aviso con 90 días de anticipación. Usted también puede cancelar el servicio de inmediato en el caso de ciertas emergencias o dándonos aviso con 30 días de anticipación, si nosotros no cumplimos con la prestación del servicio (tales como falta de recolección o incumplimiento en la reparación oportuna o reemplazo de recipientes) o si le facturamos erróneamente. En lugar de suscribirse a nuestro servicio, usted también tiene el derecho de transportar por sí mismo sus desechos. Nosotros le reembolsaremos cualquier cobro excesivo (incluyendo pagos por anticipado por servicios que usted posteriormente cancele) dentro de 30 días después de recibir su cancelación. Nosotros le pagaremos intereses sobre cobros excesivos (distintos a pagos por anticipado de servicios posteriormente cancelados) a una tasa del 10% anual desde la fecha del cobro excesivo hasta la de reembolso.

Dónde Nos Puede Contactar. Usted nos puede llamar sin costo alguno con respecto al servicio o para quejas al 1-877-714-9273 entre las 8 a.m. y las 5 p.m. entre semana, menos días festivos y de las 8 a.m. a las 12 p.m. los sábados. Usted puede venir a nuestra oficina situada en 1035 East 4th Street, Santa Ana, CA 92701, o enviarnos correspondencia por correo a la dirección de nuestra oficina, o por correo electrónico a www.waredisposal.com. Si no resolvemos satisfactoriamente su queja, usted puede comunicarse con el Condado al 1-800-993-5844.

Nosotros no Discriminamos. Si usted tiene derecho al servicio, nosotros no ejerceremos discriminación alguna en su contra por razón de raza, credo, color, sexo, género, origen nacional, ascendencia, religión, edad, discapacidad física o mental, estado marital o afiliación política.

Derechos de Privacidad. Nosotros observaremos y protegeremos sus derechos de privacidad y secretos comerciales. A menos que usted nos lo autorice, nosotros no revelaremos información alguna identificándolo a usted o la composición o contenidos de sus desperdicios sólidos a ninguna persona excepto el Condado o si es requerido por la ley.

Gracias por permitir a Ware Disposal servirle a usted!

Effective June 1, 2008

Subscription Order

To Our Valued East Charter Oak/Foothill/Ramona/Spadra Customers:

The County of Los Angeles Board of Supervisors awarded Ware Disposal Co. Inc. (Ware Disposal) a franchise to provide trash collection services in the East Charter Oak unincorporated communities commencing on June 1, 2008 and ending May 31, 2015. Ware Disposal takes great pride in the work we do to keep the environment clean and protected for our future. Your participation in waste reduction practices and buying products made from recycled content are integral components of a sustainable society, and we thank you for your efforts.

We will charge all our customers the rates shown on this subscription order. Please take a moment to note the rates and services you will be offered below. The standard services and corresponding rates listed below are for services for which you are subscribed (on or after June 1, 2008). To request additional services or if you have any questions or concerns, please do not hesitate to call Ware Disposal's customer service department, Monday thru Friday 8am to 5pm or Saturday 8am to 12pm, at Toll Free 1-877-714-9273.

The term of your subscription order is 7 years from June 1, 2008 to May 31, 2015, unless it is terminated earlier as described in the enclosed Customer Bill of Rights or the franchise is terminated by the County. Your subscription is subject to the County's execution of the franchise agreement with Ware Disposal and it cannot be automatically renewed or extended.

STANDARD SERVICES / billed quarterly: **\$51.51/quarter (\$17.17/month)**

25% Senior Discount: For qualifying heads of household over 62: **\$38.64/quarter (\$12.88/month)**

- ✓ For residents who meet the following criteria: head of household, over 62 and qualify for utility rate discounts based on financial need OR
- ✓ For residents who meet the following criteria: head of household, over 62 and generate a small amount of waste and uses 35-gallon carts

Standard household family services include:

- ✓ Once-a-week automated trash and recycling collection service
- ✓ One 96 gallon refuse cart
- ✓ One 96 gallon green waste cart
- ✓ One 96 gallon commingled recyclables cart
- ✓ One extra green waste container or one extra recyclables container, or both, free of charge upon request
- ✓ Free holiday tree collection services
- ✓ Annual curbside clean-up events (including certain electronic devices)
- ✓ On-call collection of bulky items and certain electronic devices in unlimited quantities (twice per year)
- ✓ On-call bagged green waste collections in unlimited quantities (four per year)
- ✓ Four special community clean-up events per year
- ✓ Alternative to 96 gallon containers- Upon request, if you have space limitations, you may receive either 65 or 35 gallon containers
- ✓ Roll-out service- upon request, for qualifying elderly and disabled customers
- ✓ Multi Family Customers (3 or more units, Condominiums and Town Homes)- On-call collection of bulky items and certain electronic devices with a 2 item per collection limit (four times per year total)

ADDITIONAL SERVICES: Available Upon Request
Additional Containers, Each: **\$15.00/quarter (\$11.25/quarter with senior discount)**

Additional (more than two/year) on-call collection of bulky items and certain electronic devices: **\$25.00 per collection (\$18.75 with senior discount)**

Scooter Service: For any customer who requests this service or for difficult-to-service residential premises (such as some hills or cul-de-sacs where collection vehicles cannot safely drive): **\$12.88/quarter (\$9.66 with senior discount)**

Roll-out/backyard service: This service means Ware Disposal brings containers to the curb to be serviced by collection vehicle and returned to the back yard or other designated location for an additional fee of:

For qualifying customers:	free
For all other customers:	\$25.76/quarter (\$19.32 with senior discount)
Designated location, if any:	_____

Residential Bin Rentals and Temporary Roll-Off Services: Available upon request by calling our customer service department at 1-877-714-9273.

CUSTOMER BILL OF RIGHTS

What We Will Collect. We will collect residential refuse, green waste and commingled recyclables in carts we provide, within one week of your requesting services. You must place refuse, recyclable materials, and green waste in the appropriate carts. Materials placed outside of carts will not be picked up unless previous arrangements have been made as described below. Please remember that the County requires you to put out carts for collection no earlier than 5:00 pm on the day before scheduled collection and retrieve them no later than 8:00 pm on the day of collection or 2 hours after collection, whichever is later.

We Will Not Collect Hazardous Waste. *State Law Prohibits Disposal Of Hazardous Materials And Certain Electronic Devices In Your Trash.* These include: most paints, pesticides, petroleum derivatives such as motor oil and solvents, electronic devices such as cathode ray tubes (as in TV and computer monitors), LCD and plasma screens. Other items banned from disposal include batteries, thermostats, computers, telephones, answering machines, radios, stereo equipment, tape players/recorders, phonographs, videocassette players/recorders, calculators, aerosol cans, fluorescent lights, and certain mercury-containing devices. If these items are identified in your trash, your cart will be tagged and not collected. Certain electronic devices may be separately collected as described below. For additional safe and legal disposal options, call the HAZWASTE HOTLINE at (888) CLEAN-LA or visit www.ciwmw.ca.gov/HHW/info.

When We Will Collect. We will make collections once a week between the hours of 6:00 a.m. to 6:00 p.m. on the same day of the week indicated on your invoice (Monday through Friday) each week. If your scheduled collection day falls on or after a holiday, during a holiday week, collection will be delayed by one day (Friday customers will have their collection on Saturday). The holidays we observe are Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas and New Year's Day. Should there be a permanent change in your scheduled collection day, we will notify you in advance. If we miss your collection, please call us and we will return to pick it up, without charge, on the same day if you call before 3:00 p.m. or on the next collection day if you call after 3:00 p.m. We will resolve any other complaints within the same time period.

Where We Will Pick Up. You must set your carts at the curb unless you have roll-out service. If we agreed to collect on private driveways or pavement, we will ask you to sign a waiver of damage liability and/or indemnification. We must repair or replace, to your satisfaction, damaged property, and reimburse you for cost of personal injury, caused by our negligence or willful acts or omissions. In addition to enforcing your rights under the franchise agreement, you may institute civil suits allowed under law.

We Can Bring Your Carts Out To The Pickup Point (Roll-Out Service). At no additional charge, for residential customers who certify they are not able-bodied or are elderly (over the age of 62) and have no able-bodied person residing in their household, we will provide roll-out services (on-premise collection) of all weekly collection services: refuse, recyclable materials, and green waste collection, as well as the annual curbside clean-up event, holiday tree pick-ups, and additional on-call pickups. These services are also available to any other customer upon request at the charge listed on your subscription order.

Alternatives To Fully Automated Carts (Scooter Service). If you have space restrictions at your container storage or set-out site, you may request alternatives to 96 gallon carts free of charge. For difficult to service areas, such as cul-de-sacs or hills, where automated collection vehicles cannot safely drive, we will provide manual scooter service and containers that are of the same capacity at the charge listed on your subscription order. We will also provide this service to any other customer upon request.

Weight Limitations Of Carts. The weight limit for each automated cart is as follows: 96 gallon Cart = 250 lbs., 65 gallon cart = 150 lbs., 35 gallon cart = 100 lbs.

Replacement/Removal/Repair. At no charge, we will deliver or exchange containers within 7 days of your request, remove containers within 8 days of your request, and repair or replace damaged or stolen containers by the next service day after your request. (We will charge \$75.00 each to replace a stolen cart if you do not report the theft to the police). We will remove graffiti from containers within 5 days of your request, or within 48 hours if the graffiti consists of picture or written obscenities, weekends excepted.

Annual Curbside Clean-Up Event. We will conduct a Clean-Up Event once a year. We will collect unlimited amounts of bulky items, excess solid waste, up to 2 passenger car or pickup truck tires, and certain electronic devices free of charge. We will notify you of the annual Clean-Up Event two weeks in advance with a description of the types of items that will be collected.

Holiday Tree Pickups. At your request, we will collect your holiday trees (such as Christmas trees and Hanukkah bushes) placed at the curb on your regularly scheduled collection day between December 26th and January 14th. You must strip them of lights, ornaments, garlands, tinsel, flocking and stands.

Two On-Call Bagged Green Waste Pickups: We will collect extra green waste set out at the curb in bags, twice per year at no additional charge, on your next regularly scheduled pickup day if you call us at least 72 hours in advance.

Two On-Call Pickups Of Bulky Items and Certain Electronic Devices: You may request 2 pickups of bulky items and certain electronic devices each year at no charge on your next regularly scheduled pickup day if you call us at least 24 hours in advance. Multi-family customers (3 or more units, Condominiums and Town Homes) will receive 4 total on-call bulky item collections, with a 2 item per collection limit. Examples of bulky items include discarded furniture (such as chairs, sofas, mattresses, box springs, and rugs); appliances (such as refrigerators, range, washers, dryers, water heaters, dishwashers, plumbing, and other similar items). We will accept the following electronic devices: cathode ray tube (CRT) devices (including televisions and computer monitors); LCD devices (desktop monitors, laptop computers and televisions); plasma televisions.

Additional On-Call Pickups Of Bulky Item and Certain Electronic Devices: You may also request pickups of bulky items and electronic devices, as described above, in excess of twice a year (or four per year for multi-family customers) on your next regularly scheduled pickup day, at the charges listed on your subscription order, if you call us at least 24 hours in advance.

Additional Customer Options Regarding Recyclables: Customers may donate or sell any or all of their recyclables to persons other than Ware Disposal Inc.

When You Must Pay: Ware Disposal bills residential service three months in advance. We mail invoices fifteen days before the first day of your billing cycle. For example, for April, May and June service, Ware Disposal will send out the invoice for that quarter on March 15. If you change service, start service or order additional services during a cycle, a prorated invoice will be mailed to you. Payments are due no later than thirty days after the date on the invoice. A late fee will be assessed for each thirty day period payment is not received after billing date. If we do not receive payment by the last day of the second month, for example, May 31, your bill will become delinquent and late fees and/or service interruption fees will be assessed. The late fee is \$5.00 per thirty days, or 18% APR on all outstanding balances will be charged. We may terminate your service and pursue collection options if payments are not received. There will be a \$25.00 charge for the interruption of service and restart service. There will be a \$35.00 fee added on all returned checks. Ware Disposal may require a deposit and/or advance payments if customer is constantly delinquent in quarterly payments for services.

Customer Termination Rights And Right To Self-Haul. You may terminate service without cause at any time by giving us 90 days notice. You may also terminate service immediately in the event of certain emergencies or by giving us 30 days notice, if we fail to provide service (such as missing pickup or failing to timely repair or replace containers) or we bill you incorrectly. You also have the right to self-haul all or some of your waste in addition to, or instead of, subscribing to our service. We will refund any overcharges (including advance payments for services that you subsequently cancel) within 30 days after we receive them. We will pay you interest on overcharges (other than advance payments for subsequently canceled services) at 10 percent per annum from the date of the overcharge until the date refunded.

Where You Can Contact Us. You may call us regarding service or complaints toll free at Toll Free 1 877 714 WARE (9273) between 8am and 5pm weekdays, except holidays and from 8am to 12pm on Saturday. You may come to our office located at 1035 East 4th Street, Santa Ana, California 92701, may mail correspondence to our office address, or via our website at www.waredisposal.com. If we do not satisfactorily resolve any complaint; you may call the County at 1-800-993-5844.

We Do Not Discriminate. If you are entitled to service, we will not discriminate against you on account of race, creed, color, sex, gender, national origin, ancestry, religion, age, physical or mental disability, marital status, or political affiliation.

Rights Of Privacy. We will observe and protect your rights of privacy and trade secrets. Unless you give us permission, we will not reveal any information identifying you or the composition or contents of your solid waste to any person except the County or if required by law.

Thank you for allowing Ware Disposal to serve you!

Exhibit 3D – Franchisee Documentation

Item B.3 – KEY PERSONNEL

This item consists of 11 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

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Section B3: Key Personnel

The following key personnel (Section 4L) have been identified as part of Ware Disposal, Inc.'s proposal submission to the County of Los Angeles for the East Charter Oak Franchise Area. If there is a change in said key personnel to the East Charter Oak Franchise Area, Ware Disposal, Inc. will provide the County of Los Angeles the required thirty (30) days' notice of change, along with the professional qualifications of new staff to handle franchise administration for the East Charter Oak Franchise Area.

Organization

Jay Ware, Chief Operating Officer and General Manager, will have overall responsibility for the County contract, including managing customer service and billing.

Jason Bryce Rush, Legislative and External Affairs Director, will coordinate public education activities until the time that the Area Recycling Coordinator is hired and fully trained. Mr. Rush will direct all appropriate public outreach described elsewhere in the response to the RFP, community liaison activities, and intergovernmental affairs with the County of Los Angeles and other appropriate state and federal agencies. Among his activities will be to identify and solicit WRAP candidates from the residents and/or businesses of the assigned area, and prepare their WRAP applications to the CIWMB. Along with the City Recycling Coordinator, Mr. Rush will coordinate a Waste Reduction Awards Program (WRAP) ceremony locally; perhaps in concert with the Los Angeles (LARA) organization or other organizations/agencies that recognize local area WRAP winners. Another aspect is to search out those companies locally who already practice zero waste from landfill, such as Ricoh Electronics, and to solicit their help in encouraging other businesses locally to adopt zero waste principles and to implement similar programs.

Brad Timmons, Operations Management Specialist, will be the individual who has the responsibility for implementing the Company's operational plan for the County.

Manual Gonzalez & Ricardo Nieto, Senior Operations Managers, together will share the responsibility for supervising the Company's collection operations in the County.

David Little, Recycling Consultant, will have the responsibility for coordinating the Company's response on AB 939 programs. He will be involved in recruiting and supervising the Contract Recycling Coordinator required by the County, and he will help the Company manage its waste services at the nine typical generating account types including warehouses and distributors, automotive firms, food services, office buildings, hospitality services and medical facilities, grounds

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maintenance entities (e.g., golf courses, etc.), manufacturing plants, construction and demolition sites, and retailers of all kinds.

Keith Carlberg, Customer Relations Manager, will have the responsibility for assuring residential and nonresidential customer satisfaction in the County. Mr. Carlberg will supervise all Customer Service Representatives (CSRs) who will answer phone calls and ensure that Ware Disposal, Inc. exceeds the customer service requirements of the trash and recycling contract.

Judith Helaine Ware, President, Chief Executive Officer and Chief Financial Officer, will be the individual who has the responsibility for the Company's fiscal records as it relates to the County's contract administration.

Yolanda Mora, Accountant, will be responsible for Ware Disposal, Inc.'s billing and financial reporting. Her extensive background in accounting, finance and management information systems has resulted in improvements in cost reporting and controls.

All of these individuals will work as a team to coordinate and implement the Company's recycling program, customer service and training and the development of appropriate routes for the County.

Ware Disposal, Inc. can confirm that it presently has adequate staffing to perform the work associated with the East Charter Oak Franchise Agreement commencing on June 1, 2008.

Roles and Resumes of Key Personnel

Ware Disposal, Inc. provides the names of the key personnel who will be responsible for collection operations and the areas of the MDF as requested in the RFP. Ware Disposal, Inc. acknowledges that the County has the right to designate key project personnel that may not be substituted without prior written permission of the County. Furthermore, Ware Disposal, Inc. agrees to allow the County the right to approve our hire of a contract recycling coordinator, for purposes of assurance that the individual is compatible with County staff and its consultant, has the requisite skills and experience in recycling systems, and is able to undertake the rigorous program needed to achieve AB 939 compliance for the County.

General Manager	Jay Ware*
Operations Manager	Manuel Gonzalez, Miguel Castellanos and Ricardo Nieto
Services Safety Official	Manuel Gonzalez
Field Supervisor	Brad Timmons
Recycling Coordinator	David Little (temporary) until individual recruited and

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	hired
Customer Service Manager	Keith Carlberg
Maintenance Supervisor	Jorge Vargas & Vicente Amaro
Commercial/C&D Specialist	Jeremy Olson
Dispatchers	Dennis C Sanders, Gabriel Martinez
Billing Specialist	Yolanda Mora

*Also listed in Section A3, Franchise Managers as a person in a position of influence under contract requirements.

Ware Disposal, Inc. presents the qualifications and experience of its key personnel related to collection and administration of the contract. Ware Disposal, Inc. can add additional personnel including a contract recycling coordinator specifically assigned to the County, and other employees who will undertake specific assignments to assist these key individuals should the need arise.

JUDITH HELAINE WARE
PRESIDENT/CEO/CFO

Judith Helaine Ware has been the President and CEO of Ware Disposal, Inc. since the mid-1980s and the CFO of the Company since its inception in 1968. She understands accounting principles utilized by large-scale CPA firms to produce the Company's financials and to adhere to generally accepted accounting principles. She develops the Company's overall corporate strategy (through the Company's annual corporate plan) and deals with financing/leasing companies in securing the requisite financing of capital equipment.

She has participated in a number of seminars and conferences in the state and municipalities' attempt to develop permanent solutions in meeting their requirements under AB 939, the State of California's Integrated Waste Management Act of 1989. Her participation in a number of these seminars led to a number of municipalities to implement construction and demolition and green waste programs to capture additional diversion. Her knowledge of the solid waste and recycling industry is beyond reproach and she has 41 years of experience in the industry. She has overseen the growth of Ware Disposal, Inc. from four (4) trucks in 1968 to a fleet of nearly seventy (70) today.

JAY WARE
CHIEF OPERATING OFFICER/GENERAL MANAGER

Jay Ware possesses nearly 20 years of experience in the solid waste and recycling industry. He has a full understanding of managing the daily operations of a large-scale truck fleet and also oversees the dispatch operations for the Company, as well as the staff, employment and equipment design for every contract. He

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began his career in the industry by driving routes and signing up customers. He attended the Solid Waste Association of North America's Construction and Demolition course in Salt Lake City in July 2001; the first time the course had ever been offered by SWANA. He was a panelist on construction and demolition facility operations for the California Resource Recovery Association's Construction and Demolition Council at the City of San Diego on 27 February 2003, and currently is an executive member of the organization's Construction and Demolition Council (CDC).

It was his vision to establish Madison Materials, Ware Disposal, Inc.'s processing and transfer facility. He believed that mixed construction and demolition and self-haul materials could best be handled by recycling and processing facilities, as these materials represent significant tonnages for all jurisdictions and represented a significant obstacle to compliance with AB 939 if they were not addressed.

He will be the point person as part of the transition from the previous service provider to the new service provider. He has coordinated a number of previous service transitions from previous providers, including the City of Laguna Woods, Orange County permit area number five, the Irvine Company, and several school districts across Orange County, including but not limited to, Saddleback Valley Unified School District. The rest of his qualifications are as follows:

- Twenty (20) years of dispatch experience;
- Fifteen (15) years of management experience;
- Fifteen (15) years of operations management;
- Eighteen (18) years of experience in negotiating contracts;
- Eighteen (18) years of fleet management.

He is a graduate of the University of Southern California (USC) with concentrations in business administration and communications. He will represent the Company in franchise administration issues with the County. He will also oversee additional key personnel recruitment and employment.

BEN MARLON WARE
VICE PRESIDENT/SECRETARY OF THE BOARD

Ben Ware, the original founder and owner of Ware Disposal, Inc. possesses nearly 45 years of experience in the solid waste and recycling industry. He has a full understanding of managing the daily operations of a large-scale truck fleet and oversees the dispatch operations for the Company. He also possesses over 35 years of mechanical experience. When he established the Company in 1968, he began collecting recyclable material and prevented it from being landfilled well before AB 939 was passed in 1989.

He has undertaken the management of franchise transition, a characteristic that will assist the Company well during the transition from the previous service

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provider to Ware Disposal, Inc. (if selected). His role will be that of the Senior Technical Relations Coordinator and to coordinate special projects during the transition from the previous service provider to the new provider. The rest of his qualifications are as follows:

- Forty years of operation management;
- Forty years of management experience;
- Forty years of dispatch experience;
- Forty years of mechanical experience;
- Over 35 years of experience in negotiating contracts;
- Over 35 years of experience in fleet management.

JASON BRYCE RUSH
LEGISLATIVE/EXTERNAL AFFAIRS DIRECTOR AND RECYCLING
COORDINATOR

Jason Bryce Rush is the Legislative Affairs Director and Corporate Recycling Coordinator for Ware Disposal, Inc., position he has held for over eight (8) years. He joined Ware Disposal, Inc. after working for two (2) years as an environmental policy analyst in the California State Assembly. His understanding of environmental rules and regulations and the governmental process is beyond reproach.

He has attended numerous seminars/conferences to the solid waste and recycling industries allowing him to remain well-versed on technologies, regulations, and business strategies related to recycling, and the newer zero waste management systems. His specialty with business accounts and local municipalities has been "performance auditing", a process by which he analyses an existing waste management program and waste supply and then integrates this information with existing and potential demand (domestic and foreign recycling markets) to optimize services to reduce a client's overall disposal costs and increase recycling. He will write the necessary reports for the County and will prepare needed information suitable for inclusion in the County AB 939 annual report to the California Integrated Waste Management Board, if so directed by the County. He will write all public education materials that will be disseminated in the County area. He attended the Solid Waste Association of North America's Recycling Systems course in Salt Lake City in July 2001. He was the principal author of Madison Materials' transfer/processing report as part of Madison Material's large volume facility permitting process.

Mr. Rush will be intimately involved in the recruitment of the Recycling Coordinator, and he will provide his expert training to the new hire's indoctrination to zero waste management. Jason will work closely and monitor the Recycling Coordinator's activities to assure conformance with the diversion needs and requirements of the contract. Jason will also co-represent the Company at various civic events in the County. He is a graduate of the University

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of Scranton with concentrations in political science and philosophy and a master's degree in political science from the Claremont Graduate School.

BRAD TIMMONS
OPERATIONS MANAGEMENT SPECIALIST

Brad Timmons has over 20 years of experience in the solid waste and recycling industries. He has previously worked in a number of capacities for Western Waste and Browning Ferris Industries. He possesses many years of practical experience in single-family residential and commercial MSW collection and routing. He will assist the Company through the following means:

Routing—He will route the entire residential and nonresidential sectors of the County while ensuring minimal disruption to the customers' current service frequency. This will be accomplished well in advance of service transition and initiation in an effort to ensure the City an essentially seamless transition.

Marketing—He will assist the Company in targeting key sectors of the County in an effort to increase participation in recycling/diversion programs (e.g., the multi-family sector in the County) so that it exceeds its AB 939 obligations.

Developing recycling programs—He will utilize his 20 years of industry experience to assist in the implementation of specific recycling and diversion programs for the County's commercial sector and that they ultimately become highly successful.

Mr. Timmons is also an accomplished public relations manager. He will assist Mr. Jason B. Rush in the Company's outreach to local business and property management groups, and to local charitable organizations as he currently does in the City of Laguna Woods. Mr. Timmons will be primarily responsible for training customer service representatives (CSRs) to be hired for the contract with the County.

MANUEL GONZALES
SENIOR OPERATIONS MANAGER – RESIDENTIAL
SERVICES SAFETY OFFICIAL

Manuel Gonzales has been the Senior Operations Manager for Ware Disposal, Inc. for the past 10 years. Prior to becoming the Senior Operations Manager, he was Ware Disposal, Inc.'s chief mechanic, and got his entry into the firm as a driver for the Company, driving both front-end loader and roll-off routes. He will be one of the lead individuals to ensure a smooth transition in dealing with the alternative fuel technology.

He has assisted the Company in making the Company's routes more efficient and was the leading force for implementing a GPS system in all of the Company's trucks in 2002. He will also assist the Company to locate and place all of the

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commercial containers for the County's commercial, industrial, and multi-family customers. Mr. Gonzales will also be one of the key individuals involved in recruiting and training new drivers and service staff for the County.

RICARDO NIETO
SENIOR OPERATIONS MANAGER – COMMERCIAL

Ricardo Nieto is the Operations Manager at Madison Materials. He possesses an extensive background in the trucking and solid waste industry. For over fifteen years, he was the Operations Manager for American West Trucking in Anaheim, California, where he supervised approximately sixty employees and managed the day-to-day operations of maintaining the Department of Transportation logs, supervised the dispatch operations and other affiliated personnel.

As part of that position, he possesses the necessary experience and training for operating equipment like fork lifts, wheel loaders and excavators. He has possessed a California Class A commercial driver's license since 1987.

Ricardo has the responsibility at Madison Materials to market the processed recyclable products so they are returned back to the end-user marketplace. Over the last calendar year, he successfully marketed over 90,000 tons of recyclable materials. He also has the responsibility of developing and maintaining the facility's safety policies, managing the facility's fifty employees, supervising the mechanics, providing the necessary incentive for workers on the sort line to increase productivity, and identifying methods to improve the quality of the overall product.

JEREMY OLSON
COMMERCIAL BUSINESS AND C&D PROCESSING COORDINATOR

Jeremy Olson is going on his seventh year with the solid waste and recycling industry. He has worked for two of the top three national waste haulers. Mr. Olson started his Waste and Recycling career in 2000 with Browning-Ferris Industries, aka Allied Waste, the nation's number two solid waste provider. Mr. Olson possesses an Associate Degree in Marine Biology from Orange Coast College and a B.S. Degree in Business Management from the University of Phoenix.

He started off as a new business growth representative for BFI in the City of Long Beach, and increased the market share for this city over 300%. After one year, he was promoted to Major Account Executive for the largest market in the United State, Los Angeles, California. Here he brought on such accounts as Dodger Stadium, Long Beach Memorial Hospital and California State University, Dominguez Hills. He was then promoted to sales supervisor, where he hired a team of eight sales representatives for the Los Angeles and San Fernando Valley, California areas. Mr. Olson has brought in more than ten million dollars of contract business in a three-year period for the company.

Ware Disposal, Inc.

County of Los Angeles
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Jeremy then went to work for Republic Waste Services, the nation's number three solid waste provider, and the number two solid waste provider in Los Angeles. Here he took the role of Major Account Executive and Recycling Coordinator. While he was there he brought on such accounts as the V.A. Hospital of Long Beach, Oberthur Card Systems, the largest manufacturer of credit cards, and Loyola Marymount University, as well as many other large accounts. He has assisted with Loyola Marymount University to help put together the most efficient recycling program in the California university system. This program is now the benchmark for all Universities in California, and many colleges call LMU for advice on meeting their AB 939 requirements. Jeremy also helped with a sorting of recyclables at the Long Beach transfer station, which in turn diverted twenty five percent (25%) of the trash coming into the facility.

Jeremy has worked for Ware Disposal, Inc. for the last two years. He has brought on many new accounts and currently works with property managers and local businesses to consolidate their trash to one hauler, as well as assisting with implementing the recycling programs of Ware Disposal, Inc. He has implemented the Ware Disposal, Inc. C&D recycling program to the contractors and construction companies in the area. He has currently created a C&D recycling program for the City of San Diego construction companies, that is helping them attain more than 75% of diversion on all of their material. He is very active with the local Chambers of Commerce, and has helped increase the overall profitability of the company.

YOLANDA MORA
ACCOUNTANT AND BILLING FOR TUSTIN

Yolanda Mora is responsible for Ware Disposal, Inc.'s financial reporting and other fiscal matters on the subject contract. She has an extensive background in accounting, finance and management information systems resulting in significant improvements in cost reporting and controls. Before joining Ware Disposal, Inc. she worked for manufacturing companies in Orange and Los Angeles County. Ms. Mora will assist the COO and CFO to assure that the services provided in the County are cost-efficient and sustainable. Ms. Mora has a diploma from the Southern California Institute of Technology in computer sciences.

**DENNIS C. SANDERS, GABRIEL MARTINEZ, & MIGUEL
CASTELLANOS**
JOINT DISPATCHERS

These three individuals have been in the solid waste and recycling industry for over 15 years as dispatchers. Prior to joining Ware Disposal, Inc. in 1999, all three were responsible employees of large waste hauling organizations that had a number of residential contracts; and they were responsible for coordinating residential routing and dispatching. In addition to these current duties, they assist in customer service and billing related activities. All three will be involved

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in the training of new CSRs to be employed to handle residential and nonresidential customer requests and complaints, as well as working with the CSRs in their new positions.

KEITH CARLBERG
CUSTOMER SERVICE RELATIONS MANAGER

Keith Carlberg is the Customer Service Relations Manager at Ware Disposal, Inc. Mr. Carlberg is responsible for assuring that all customer requests and complaints are handled quickly and in a responsive manner. He possesses over fifteen years in customer service and large account management. His experience includes accounting/financial management, retail management and construction/inspection management. He will be responsible for supervising all customer relations with the public and businesses in the County. He will directly supervise all Customer Service Representatives (CSRs) involved with the transition and ongoing public relations.

As the Customer Service Relations Manager for Ware Disposal, Inc. Keith has maintained multiple large volume accounts over the past three years. His customer service skills have created positive relations with the company's clients and seek to provide the best possible service at all times. Keith has implemented organizational management tools to promote an accurate and consistent system. Keith assists in educating and implementing Ware Disposal, Inc.'s recycling programs so the Company's clientele are aware of any current state and/or city measures and/or programs. Keith possesses sufficient knowledge of operations as it relates to the solid waste industry.

Keith also was responsible for residential customer services for Ware Disposal, Inc. related to its City of Laguna Woods' contract. He supervised CSR activities, and handled the few customer complaints in a professional and responsive manner that resolved any difficulties promptly.

DAVID LITTLE, DIV-CON ENVIRONMENTAL, INC.
RECYCLING CONSULTANT TO WARE DISPOSAL, INC.

David Little is Ware Disposal, Inc.'s recycling consultant and he will develop and supervise the firm's diversion programs for the County. He will also direct its activities until a full time County-dedicated recycling coordinator is hired and fully trained to serve the County. Mr. Little has over 28 years of experience in the recycling and waste management industry, and he is degreed in Accounting/Finance. Mr. Little is the President of Div-Con Environmental, Inc. (Div-Con), a waste management consulting firm founded in August of 2003. Div-Con's primary mission is to implement cost effective and efficient recycling and diversion programs in, primarily, the commercial marketplace. In providing services for such companies as The Irvine Company, Maguire Properties and other major property owners in Southern California he has been successful in

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designing and implementing diversion programs that have significantly diverted materials from landfill disposal.

Mr. Little has worked for many municipal entities over the years, including the City of Los Angeles, Recycling Division in conjunction with CH2M Hill and was one of the founders of 20/20 Recycling Centers which served the requirements of AB2020. His expertise in designing recycling programs that reduce costs for large commercial enterprises has gained him recognition as an innovative and creative leader in the property management and consulting industries. In his work with waste hauling companies, he was responsible for interfacing with municipal customers on creating and implementing recycling education programs and reporting to City officials.

His role on this contract will be to develop and supervise Ware Disposal, Inc.'s multifaceted diversion program for the County, including development and publication of public education materials and instructions, outreach coordination, diversion collection routing, commercial and multifamily recycling programming, waste auditing, and waste prevention developmental activities.

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.4 – UNPERMITTED WASTE SCREENING PROTOCOL

This item consists of 5 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
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Section B4: Unpermitted Waste Screening Protocol

Unpermitted Waste Screening Protocol: The purpose of Ware Disposal, Inc.'s Unpermitted Waste Screening Protocol is to prevent prohibited wastes from entering the waste stream through any of the weekly collection services or special services provided by Ware Disposal, Inc. or to manage wastes collected pursuant to the franchise agreement. Fully automated collection systems protect worker health and safety by creating a buffer between worker and waste. These systems also make it more difficult to detect the entry of prohibited wastes into the waste stream. This program is an important component of the Ware Disposal, Inc. effort to assure the highest level of service to the assigned area's customers. Our method is as follows:

Ware Disposal, Inc. drivers are properly trained to identify any hazardous materials in containers. Drivers will be given regular refresher courses as well including simulation to assure adherence to training principles. There will be an initial training session with respect to unpermitted waste screening and response activities, with refresher and updates on a quarterly basis. There will be cameras in the packer compartment of the truck that will aid the driver in identifying the presence of unpermitted wastes and materials during tipping activities. Ware Disposal, Inc. will augment this with periodic checks of all vehicles and drivers by the route and/or field supervisor. In the event of unpermitted waste, we shall use several sequential steps to resolve the situation with the customer:

First occurrence

- Cart will not be emptied;
- Cart will be tagged with a non-collection notice;
- Customer service will notify customer by phone or mail that further contamination will result in non-collection.

Second occurrence

- Cart will not be emptied;
- Cart will be tagged with non-collection notice;
- Field or route supervisor will meet with resident to discuss the problem.

Third occurrence

- Cart will not be emptied;
- Cart will be tagged with non-collection notice;
- Field or route supervisor will meet with resident to discuss the problem;
- County will be notified and any further action will be at the County's direction.

In the event there are unsafe and/or hazardous materials in the containers, if safe enough to handle with conventional equipment and procedures, it will be removed and customer will be given the County's HHW round up number (1 888 CLEAN LA) to call to find out about the next convenient round up event. The

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County of Los Angeles' Household Hazardous and Electronic Waste collection program flyer will be left with the resident informing them of the next convenient round up event. The 1 888 CLEAN LA telephone number will be included on the tag as well.

To assist the community and customers with understanding what is safe and what is unsafe, Ware Disposal, Inc. shall develop and implement a Safe Disposal Education Program. This program shall have two elements: home education and school education. The home education component shall consist of holding an annual town hall meeting and frequently updating of a well publicized web site, delivery of an annual pamphlet describing the safe disposal program, use of magnets displaying the safe disposal message, a biannual convergent media message sent to each home identifying safe disposal procedures and safe alternatives to toxics, and provision of messaging on all on-hold callers identifying the availability of safe disposal opportunities and soliciting their participation. The school component will consist of updates to PTA and student assemblies on the issue of safe vs. unsafe disposal, and the provision of convergent media materials for use in the school curriculum extolling the benefits of safe disposal to all school aged children and youth.

Contamination audits: Ware Disposal, Inc. will conduct contamination audits. Our specific protocol is as follows. Within the first six months of commencing the franchise, Ware Disposal, Inc. shall check all customers' recyclable carts and green waste carts once to ascertain whether customers are using their carts appropriately. This is defined as recyclables only in the recycling cart, and green waste only in the green waste cart. Checks will be conducted by having a team of employees trained to conduct inspections to observe the contents of each inspected cart by manually opening the lid of the cart or bin and visually inspecting the contents to identify potential contamination. This likely will take about a month to complete. Results will be tabulated and reported to the County on a house and route basis. Checking will be done after carts are placed at the curb, ready for collection.

After the first six months of service, this procedure will be repeated annually for at least 20 percent of all carts on a rotating basis, such that all carts are checked at least once every five years. If Ware Disposal, Inc. personnel observe contamination during the course of this or any other audit, we will leave a non-collection notice on the cart, and our dispatcher will be called and alerted to this event. Ware Disposal, Inc. will follow up with a call to the residence to help them to understand why the cart wasn't collected and what they need to do to avoid non-collection.

Within two months, Ware Disposal, Inc. shall recheck any residences that had contamination to assure that carts are free of contamination at collection. If not, a non-collection notice shall again be left, the dispatcher called, but customer services will follow up with a site visit to help train the resident in proper

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operation. It is noted that Ware Disposal, Inc. shall provide a recap of all such audit activities in its monthly report.

In addition to these spot checks, Ware Disposal, Inc. shall regularly check the extent of contamination from the post collection processing/marketing results. The desired level of residue will be set at about 10%. Anything above this level will be cause for Ware Disposal, Inc. to send out information or other materials to help inform residents about contamination issues. The contamination audit will also be utilized to augment the existing unpermitted waste screening protocol.

Emergency Response Procedure: As it relates to employee response procedure when hazardous wastes are encountered during collection activities, the following represents Ware Disposal, Inc.'s policy.

First, Ware Disposal, Inc. seeks to reduce this potential problem through public education and instruct residents that household hazardous waste they wish to discard should not be placed into their regular trash or recycling container. Residents will be encouraged to seek out public education assistance through www.888CleanLA.com and other media. Such wastes can be corrosive, toxic, ignitable, flammable or reactive and commingling them with their regular trash could create a dangerous situation. Much of their regular trash goes to landfills where household hazardous waste can contaminate soil and seep into ground water.

However, there are residents that do not heed such a public education warning. In the event that the refuse and/or recycling container is contaminated, Ware Disposal, Inc. will notify the resident of such an occurrence. First notification is a non-collection notice on the cart and no service for the contaminated cart. The second notification is a non-collection notice on the cart, no service to the contaminated cart and a letter. The third notification is a non-collection notice, no service to the contaminated cart and a mailed letter with notification to the County of Los Angeles.

If Ware Disposal, Inc. accidentally collects hazardous waste during collection, or there is a toxic spill or leak, the following is what Ware Disposal, Inc. will accomplish in that specific event:

- Keep the area well ventilated;
- Extinguish any open flame or heat source, provided it is safe to do so;
- Keep all children and pets away;
- Ensure that employees wear gloves and protective clothing;
- Stop the product from spreading by covering the spill with an absorbent material;
- Provided that the material in question is relatively safe to handle, sweep and scoop the absorbent into a container with a lid or into a strong plastic bag. Clean area with soap and rags, put used rags into container as well.

Ware Disposal, Inc.

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- No Ware Disposal, Inc. employee has ever been instructed to wash hazardous materials into the storm water system;
- The supervisor will label the container with the product name, chemical name and hazard category, provided that this information is readily available. If not, Ware Disposal, Inc. will contact its hazardous waste collection provider to make a special pick up of said material and identify it accordingly.
 - If the hazardous waste encountered is large and not manageable, the employee is to call the dispatch office immediately (all drivers are equipped with mobile phones with GPS systems), where the operations manager will contact the company's hazardous waste collection provider to make a special pick up, as well as contacting the County's Fire Department, Los Angeles County Health Care Agency, Environmental Health Division and the State of California Department of Health Services so that all appropriate governmental agencies have been contacted. The appropriate local agencies will be notified either via telephonically, facsimile and/or e-mail, then include the incident on the next monthly report to the County of Los Angeles.
 - If the hazardous waste is not detected during collection and ultimately ends up at Madison Materials, Madison has a hazardous waste screening program in place as well.

Lastly, Ware Disposal, Inc. understands and agrees with the terms of the franchise agreement that pertain to unpermitted waste screening (Section 6 and Section F4 of Exhibit 3A).

Exhibit 3D – Franchisee Documentation

Item B.5 – OFFICE

This item consists of 2 pages (including this page).

Initials: gw Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

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East Charter Oak Franchise Area
Exhibit 3D

Section B5: Office Location and Office Hours

Ware Disposal Inc.'s office location and office hours are as follows (Section 7A):

Office Location:

Franchise Administration:

1035 East Fourth Street
Santa Ana, California 92701 4750
T 714 664 0677
T 877 714 WARE (for residential enquiries)
F 714 664 0696

Maintenance and Operations:

1018 North Lincoln Avenue
Santa Ana, California 92701 3923
T 714 834 0234
F 714 836 4697

Mail Location:

PO Box 8089
Newport Beach, California 92658 8089

Office Hours:

Monday through Friday: 8:00am through 5:00pm;
Saturday: 8:00am through 12:00pm

www.waredisposal.com

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.6 – ACKNOWLEDGMENT of receipt of fact sheet relating to form of Non-employee Injury Report

This item consists of 1 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

Ware Disposal, Inc. acknowledges receipt of the fact sheet relating to the Non-Employee injury report form that is available on the County's website at:
http://ceo.lacounty.gov/RMB/pdf/Forms/cms1_044804.pdf

Judith Ware
Signature

Exhibit 3D – Franchisee Documentation

Item B.7 – INSURANCE AND PERFORMANCE ASSURANCE

This item consists of 9 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

ACORD CERTIFICATE OF LIABILITY INSURANCE		OP ID PB WAIVED-1	DATE (MM/DD/YYYY) 02/29/08
PRODUCER BCD Insurance Services, Inc. 3848 Carson Street, Suite 300 Torrance CA 90503 Phone: 310-316-5500 Fax: 310-316-5518		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED Ware Disposal, Inc. 1035 E. 4th Street Santa Ana CA 92701-4750		INSURERS AFFORDING COVERAGE INSURER A: American International INSURER B: Commerce & Industry Ins. Co. INSURER C: Everest National Insurance Co. INSURER D: INSURER E:	NAIC #

COVERAGES THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Poll Legal Liab GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	EG2223762	02/28/08	02/28/09	EACH OCCURRENCE	\$ 1,000,000
					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
					MED EXP (Any one person)	\$ 10,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COM/POP AGG	\$ 1,000,000
					Emp Ben.	1,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	CA 653-14-76	02/28/08	02/28/09	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
					AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY: EA ACC	\$
					AGG	\$
C	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$None	71G7000037-071	02/28/08	02/28/09	EACH OCCURRENCE	\$ 4,000,000
					AGGREGATE	\$ 4,000,000
					WC STATUTORY LIMITS	\$
					OTHER	\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER				E.L. EACH ACCIDENT	\$
					E.L. DISEASE - EA EMPLOYEE	\$
					E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 *10 Days Notice of Cancellation if Cancelled for Non-Payment of Premium.
 County, its Special Districts, its officers and its employees are included as Additional Insured for all activities arising out of this Agreement.
 RE: The Exclusive Franchise Agreement for the Area of East Charter Oak/Foothill/Ramona/Spadra.

CERTIFICATE HOLDER County of Los Angeles Dept. of Public Works Environment Programs Div. 900 S. Fremont Annex Bldg 3rd Alhambra CA 91803	COULAPW	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WARRANTS TO MAIL 30* DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Marc Bergman
--	---------	---

IMPORTANT

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

ENDORSEMENT NO.

This endorsement, effective 12:01 AM, February 28, 2008
Forms a part of Policy No: EG 2223762
Issued to: WARE DISPOSAL INC
By: AMERICAN INTERNATIONAL SPECIALTY LINES INS.CO.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED PRIMARY AND NON-CONTRIBUTORY ENDORSEMENT -
OWNERS, LESSEES OR CONTRACTORS - YOUR WORK

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY AND
POLLUTION LEGAL LIABILITY POLICY

SCHEDULE

Name of Additional Insured Person(s) or Organization(s):

"County, its Special Districts, its officers, and its employees as insured for all activities arising from the Agreement"

Location(s) of Covered Operation(s):

The Exclusive Franchise Agreement for the Area of East Charter Oak/Foothill/Ramona/Spadra

I. Solely as respects COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY, COVERAGE E-2 PRODUCTS POLLUTION AND EXPOSURE LIABILITY, and COVERAGE E-3 - CONTRACTORS POLLUTION LIABILITY, SECTION II - WHO IS AN INSURED is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for bodily injury, property damage, personal and advertising injury, or environmental damage caused, in whole or in part, by:


A. Your acts or omissions; or

B. The acts or omissions of those acting on your behalf;

in the performance of your work for the additional insured(s) at the location(s) designated above.

II. As respects the coverage afforded the additional insured(s) scheduled above, this insurance is primary and non-contributory, and our obligations are not affected by any other insurance carried by such additional insured(s) whether primary, excess, contingent, or on any other basis.

All other terms, conditions and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

Client#: 30141

WARED1

DATE (MM/DD/YYYY)
05/01/08

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

PRODUCER
Dodge Insurance Services, Inc.
Arroyo Insurance Services
3510 Torrance Blvd. Suite 305
Torrance, CA 90503

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Ware Disposal, Inc.
P. O. Box 8206
Newport Beach, CA 92658

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Redwood Fire and Casualty Co.	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRB	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/PROP AGG \$
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (EA ACCIDENT) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	W7836805	08/01/07	08/01/08	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 *10 Days Notice of Cancellation for Non-payment of premium /Non-reporting of Payroll.
 "Employers Liability Limit \$1,000,000 (per Accident/Aggregate Policy Limit)"

CERTIFICATE HOLDER

County of Los Angeles Dept of
Public Works
Environmental Programs Div.
900 S Fremont Annex Bldg. 3rd Fl
Alhambra, CA 91803

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ~~NOTICE~~ MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Paul S. [Signature]

DLC

© ACORD CORPORATION 1988

SU5024402

RENEWABLE BOND FOR FAITHFUL PERFORMANCE

KNOW ALL MEN BY THESE PRESENTS:

That we, Ware Disposal, Inc. (Franchisee/Principal)

as principal, and Arch Insurance Company (Surety)

as surety, are held and firmly bound unto the LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS AND COUNTY OF LOS ANGELES, State of California (hereinafter "County"), in the sum of:

Two Hundred Forty Five Thousand Nine Hundred Forty Nine Dollars (\$ 245,949.00) lawful money of the United States, for the payment of which sum, well and truly to be made, we bind ourselves, jointly and severally, firmly by these presents.

The condition of the above obligation is such that, whereas said principal has been awarded and is about to enter into a written contract with the County for the Exclusive Franchise Agreement for the Area(s) of East Charter Oak/Foothill/Ramona/Spadra and is required by said County to give this bond in connection with the execution of said contract:

NOW, THEREFORE, if said principal shall well and truly do and perform all of the covenants and obligations of said contract on its part to be done and performed at the times and in the manner specified therein, then this obligation shall be null and void, otherwise it shall be and remain in full force and effect.

The bond is for the term beginning 4/1/08 and ending 3/31/09, which term may be renewed for additional years.

It is agreed that any alterations in the work to be done which may be made pursuant to the terms of said contract, shall not in any way release either the principal or surety hereunder, nor shall any extensions of the time granted under the provisions of said contract release either the principal or surety.

WITNESS our hands this 25 day of April, 2008

By Ware Disposal, Inc. (Franchisee/Principal)
By Arch Insurance Company (Surety)
By [Signature] Its President
By [Signature] Its Attorney-in-fact
By William J. Shupper Its Attorney-in-fact
By [Signature] Its

NOTE: The language from above shall be used to obtain performance bond, unless otherwise approved by the County.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

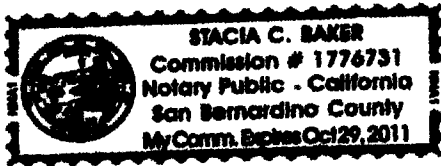
STATE OF CALIFORNIA

County of San Bernardino }

On APR 25 2008 before me, Stacia C. Baker, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared William J. Shupper
Name(s) of Signer(s)
N/A

who 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.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature Stacia C. Baker
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

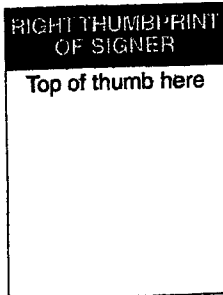
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

Raymond E. Gail and William J. Shupper of Rancho Cucamonga, CA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

In Testimony Whereof, the Company has caused this instrument to be signed and its corporate seal to be affixed by their authorized officers, this 30th day of January, 2007 Arch Insurance Company

Attested and Certified


Martin J. Nilsen, Secretary

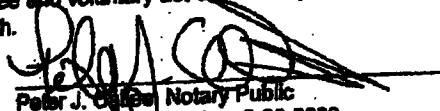



Edward M. Titus, Vice President

STATE OF NEW YORK SS
COUNTY OF NEW YORK SS

I Peter J. Calleo, a Notary Public, do hereby certify that Edward M. Titus and Martin J. Nilsen personally known to me to be the same persons whose names are respectively as Vice President and Secretary of the Arch Insurance Company, a Corporation organized and existing under the laws of the State of Missouri, subscribed to the foregoing instrument; appeared before me this day in person and severally acknowledged that they being thereunto duly authorized signed, sealed with the corporate seal and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary acts for the uses and purposes therein set forth.

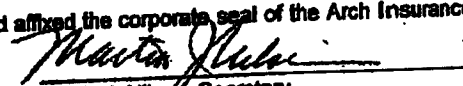
PETER J. CALLEO, ESQ.
Notary Public, State of New York
No. 02GA6109388
Qualified in New York County
Commission Expires May 3, 2008


Peter J. Calleo, Notary Public
My commission expires 5-03-2008

CERTIFICATION

I, Martin J. Nilsen, Secretary of the Arch Insurance Company, do hereby certify that the attached Power of Attorney dated on behalf of the person(s) as listed above is a true and correct copy and that the same has been in full force and effect since the date thereof and is in full force and effect on the date of this certificate; and I do further certify that the said Edward M. Titus, who executed the Power of Attorney as Vice President, was on the date of execution of the attached Power of Attorney the duly elected Vice President of the Arch Insurance Company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the Arch Insurance Company on this 25 day of APR 2008


Martin J. Nilsen, Secretary

This Power of Attorney limits the acts of those named therein to the bonds and undertakings specifically named therein and they have no authority to bind the Company except in the manner and to the extent herein stated.

PLEASE SEND ALL CLAIM INQUIRIES RELATING TO THIS BOND TO THE FOLLOWING ADDRESS:

Arch Contractors & Developers Group
135 N. Robles Ave., Ste. 825
Pasadena, CA 91101



Exhibit 3D – Franchisee Documentation

Item B.8 – INTERNAL REVENUE SERVICE NOTICE 1015

This item consists of 3 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

INTERNAL REVENUE SERVICE NOTICE 1015

Ware Disposal, Inc. will notify its employees and will require its subcontractors to notify their employees that they may be eligible for the federal earned income credit under federal income tax laws and will provide a copy of Internal Revenue Service Notice 1015.

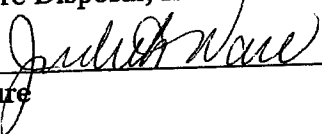
County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

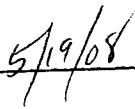
Section B8: Internal Revenue Service Notice 1015

Ware Disposal, Inc. acknowledges receipt of fact sheet relating to Internal Revenue Service Notice 1015 (Section 23C1) and shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under federal income tax laws and that the notice will be provided in accordance with IRS Notice 1015.

For Ware Disposal, Inc.



Signature



Date

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2005)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2005 are less than \$37,263 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2006.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice by calling 1-800-829-3676, or from the IRS website at www.irs.gov.

How Will My Employees Know if They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2005 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2005 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2005 and owes no tax but is eligible for a credit of \$799, he or she must file a 2005 tax return to get the \$799 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2006 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Notice 1015 (Rev. 12-2005)
Cat. No. 20599H

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.9 – ACKNOWLEDGEMENT of receipt of fact sheet relating to Safely Surrendered Baby Law

This item consists of 5 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

Ware Disposal, Inc. acknowledges that it has read and completely understands the program(s) related to the safely surrender baby law as articulated in the bid documents and the County of Los Angeles website.

Ware Disposal, Inc. agrees to provide each employee involved with the contract a copy of the "No Shame. No Blame. No Names." County program documentation, in both English and Spanish, as provided in the downloadable version on the County of Los Angeles website.

Ware Disposal, Inc. and its contractors will post posters of copies of County of Los Angeles posters regarding the Safely Surrender Baby Law.

Jared Naw
Signature

No shame. No blame. No names.

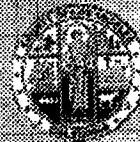
Newborns can be safely given up
at any Los Angeles County
hospital emergency room or fire station.



In Los Angeles County:
1-877-BABY SAFE
1-877-222-9723
www.babysafe.la.org



State of California
Gloria Davis, Governor
Health and Human Services Agency
Gardland Johnson, Secretary
Department of Social Services
Rita Saenz, Director



Los Angeles County Board of Supervisors
Glenn Malina, Supervisor, First District
Yvonne Brathwaite Burke, Supervisor, Second District
Ise Yacoubzsky, Supervisor, Third District
Don Knabe, Supervisor, Fourth District
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 4:30 a.m. on Thursday, July 28, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

=====
 Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.
 =====

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

Sin pena. Sin culpa. Sin peligro.

Los recién nacidos pueden ser entregados en forma segura en la sala de emergencia de cualquier hospital o en un cuartel de bomberos del Condado de Los Angeles.



En el Condado de Los Angeles:
1-877-BABY SAFE
1-877-222-9723
www.babysafea.org



Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Candiana Johnson, Secretaria

Departamento de Servicios Sociales
(Department of Social Services)
Bill Stern, Director



Consejo de Supervisores del Condado de Los Angeles

Gloria Molina, Supervisora, Primer Distrito
Monte Brathwaite Burke, Supervisora, Segundo Distrito
Zev Yaroslavsky, Supervisor, Tercer Distrito
Don Krabe, Supervisor, Cuarto Distrito
Michael D. Antonovich, Supervisor, Quinto Distrito

Esta iniciativa también está apoyada por First 5 LA y INFO LINE de Los Angeles.

¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-340-4000.

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entrega a su bebé a un anepisado del hospital o de un cuartel de bomberos.

¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adónde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:25 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

Cada recién nacido merece una
oportunidad de tener una vida saludable.
Si alguien que usted conoce está pensando
en abandonar a un recién nacido, infórmele
qué otras opciones tiene.

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarnos a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.

Exhibit 3D – Franchisee Documentation

Item B.10 – FRANCHISEE’S EEO CERTIFICATION (FORM PW-7)

This item consists of 3 pages (including this page).

Initials: gw Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B10: Franchisee EEO Certification Form (PW-7)

Enclosed, please find Ware Disposal, Inc.'s EEO Certification Form, Form PW-7
(Section 23E3).

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

FORM FW-7

PROPOSER'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

Company Name: Ware Disposal, Inc.
 Address: P.O. Box 8206 NB, CA 92658
 Telephone: 95-3743725

In accordance with Los Angeles County Code Section 4.92.010, the Proposer certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

1.	The proposer has a written policy statement prohibiting any discrimination in all phases of employment.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
2.	The proposer periodically conducts a self-analysis or utilization analysis of its work force.	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
3.	The proposer has a system for determining if its employment practices are discriminatory against protected groups.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
4.	Where problem areas are identified in employment practices, the proposer has a system for taking reasonable corrective action to include establishment of goals and timetables.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

Authorized Signature: Jay Ware
 Signature: Jay Ware Date: 8/9/07

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.11 – HOLIDAY COLLECTION SCHEDULE

This item consists of 2 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B11: Holiday Collection Schedule

Ware Disposal, Inc. will collect from premises that were scheduled for collection on a holiday the day AFTER the scheduled service day (Section B1 of Exhibit 3A). All other premises scheduled for collection for the remainder of said collection week will be collected one day LATER than their regularly scheduled collection day.

For the purposes of identifying Ware Disposal, Inc.'s recognized holidays, they are as follows (and in chronological order):

- New Year's Day;
- Memorial Day;
- Fourth of July;
- Labor Day;
- Thanksgiving Day;
- Christmas Day.

Attached as part of Section B11 is Ware Disposal, Inc.'s East Charter Oak holiday collection schedule for calendar year 2008.

Exhibit 3D – Franchisee Documentation

**Item B.12 – WASTE DIVERSION PROGRAM, INCLUDING CUSTOMER RECYCLING
AND SAFE DISPOSAL EDUCATION PROGRAM**

This item consists of 20 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B12: Waste Diversion Program, including Customer Recyclables Diversion Education Program (Sections B2 and F4 of Exhibit 3A)

The following represents Ware Disposal, Inc.'s Waste Diversion Program, including Customer Recyclables Diversion Education Program for the East Charter Oak Franchise Area. The Waste Diversion Program, including all of the required public education and outreach materials, will be described below and the required public education and outreach materials, can be found at the conclusion of this section.

Ware Disposal, Inc. offers a comprehensive waste diversion program, comprised of the collection of recyclable materials, green materials, customer education and outreach and record keeping and reporting to the County of Los Angeles. With higher diversion as the goal, community participation in the waste diversion program and specific recycling behaviors will determine how much outreach is necessary. Ware Disposal, Inc. believes a collaborative outreach effort with the County of Los Angeles and the East Charter Oak residents will ensure the best results.

Ware Disposal, Inc.'s protocol is based on a comparison of positive sorts done at Madison Materials and then compared to the diversion allocations provided by the subject facility. Our protocol for Conducting Quarterly Diversion Allocation Audits is described below.

Every load brought to a MRF from a jurisdiction is recorded by the jurisdiction of origin at the scale house. Incoming loads from the County will be deposited on the tipping floor. These loads are not mixed with any other jurisdictions' until the point of processing as it is infeasible to separate and process each jurisdiction's loads separately. Madison Materials has employed a process for allocating tonnage to each city that receives diversion credit. This allocation system is quite similar to that found at other Orange County transfer stations. It has been formulated to be as transparent as it can be as it relates to mixed material recovery facility processing. This type of methodology has already been reviewed by the Orange County Integrated Waste Management Board (OCIWMD) and is consistent with existing policies regarding said issue of the California Integrated Waste Management Board (CIWMB).

The County's allocation percentage is established as follows. Ware Disposal, Inc. (through Madison Materials) will separate loads from the County and will characterize the loads in the following order of residential recyclables, commercial, and roll-off (construction and demolition). Each characterization is accomplished by hand sort, and weights are established for each of the three waste categories. A five-day sampling is conducted to account for changes in the waste stream over the course of a week. These daily samples are then averaged to produce a quarterly characterization

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that is used to establish the allocation percentage for the County. This characterization process is repeated every quarter to establish the next quarter's allocation to account for seasonal fluctuations. Madison Materials has run tests on the jurisdictions it currently services and the testing has proven to be successful and has resulted in diversion rates in excess of 50%.

The recyclable commodities from this process are recovered paper, cardboard, newsprint, plastics 1-7, scrap metal, non-ferrous metals, aluminum, wood, green waste, drywall, concrete, dirt, asphalt, roofing materials and other assorted recyclable materials. Madison Materials has a successful track record over the past five (5) years in marketing all of the aforementioned commodities. The results of this recovery process will be reported to the County as specified in the franchise agreement.

The main goal of Ware Disposal, Inc.'s waste diversion program for the East Charter Oak franchise area is to assist the County of Los Angeles in meeting its AB 939 diversion mandates. Our objectives are as follows: elevating the awareness of East Charter Oak residents on recycling opportunities available to them through Christmas tree recycling, bulky item collection (annual and on-call), reuse opportunities for certain items, the proper disposal of materials not accepted through Ware Disposal, Inc.'s programs and general resource conservation and steps to enhance Ware Disposal, Inc.'s commitment to a more sustainable County of Los Angeles.

Ware Disposal will employ reasonable business efforts to divert all recyclables, green waste, bulky items, CEDs and E-waste it collects from the East Charter Oak franchise area.

Construction and Demolition material processing: Ware Disposal, Inc. remains committed to delivering all construction and demolition materials collected through temporary roll-off box service it provides to East Charter Oak residents to Madison Materials for appropriate processing, as well as providing the County of Los Angeles additional diversion credit in the East Charter Oak Franchise Area. All construction and demolition materials collected by Ware Disposal, Inc. in the East Charter Oak Franchise Area and diverted will be reflected on Ware Disposal, Inc.'s monthly reporting forms to the County of Los Angeles.

Education: The purpose of the education program is several-fold. First, there is a need to roll out the new program, so customers need to know about the new program, what the expectations are, who the contractor is, and how to operate the system. Second, there is a need to provide a clear line of communications between the customer and Ware Disposal, Inc. Third, there is a need to educate the customers to ongoing proper operation of the system, and to begin a life-long process of becoming environmental stewards through reducing their net output of waste. Finally, there are a number of specific programs that occur from time to time, and we are required to inform the customers of these developments. Each

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of these components is described below, along with some basic ground rules Ware Disposal, Inc. shall adhere to in the process.

Ware Disposal, Inc. will publish, whenever possible, all products and goods on recycled content material, and we'll be sure to include a notification on the products that items have been manufactured with recycled content. For example, all of the public education and outreach materials distributed to residents in advance of service commencement on 1 June 2008 will include the universal recycling symbol along with the phrase "printed on recycled paper" to indicate that recycled content products have been utilized. We will print on recycled paper, use nontoxic inks, and provide take back mechanisms for any items that we produce that cannot be recycled for whatever reason.

Second, we shall never publish or distribute anything without the expressed written permission of the County. We shall provide all matter for County review and approval in accordance with the requirements of the Franchise Agreement.

Third, we shall be guided by a spirit of cooperation among and between our firm, our customers, and the County.

Transition Education: First, customers need to know about the new program, what the expectations are, who the contractor is, and how to operate the system. Ware Disposal, Inc. shall handle this by doing the following:

- Advertising for, setting up, and conducting at least two or more town hall events for the communities to inform the residents about the upcoming change and how it will affect them;
- Preparing and mailing to each and every household a packet of information about the new program, its operation, key phone numbers, and more;
- Preparing a letter and post card informing the residents about the new program and encouraging their active participation in the town hall meetings and to contact Ware Disposal, Inc. to alert us to their special needs;

Communications: Second, there is a need to provide a clear line of communications between the customer and Ware Disposal, Inc.

- In all communications that are delivered to the customers, we shall clearly identify our toll free telephone number, key contact, address, website, and one or more clear mottos such as reduce, reuse, recycle; leave less for the future; get your green on; and the such;
- This includes our brochure, any pamphlets, and magnets.

Educational Outreach and Awareness: Third, there is a need to educate the customers to ongoing proper operation of the system.

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- This will occur through regular and frequent outreach.
- Our standard forms of outreach will include but not be limited to:
 - Truck billboard (in the format specified in Section F4 of Exhibit 3A);
 - Brochures;
 - Magnets;
 - Annual update;
 - Billing inserts;
 - Newspaper articles and ads;
 - PSAs;
- The specific outreach programs will include the following (copies of relevant materials have been included at the conclusion of this section):
 - The initial subscription order, which is mandatory prior to commencing service with East Charter Oak residents prior to the commencement of services—it is the best opportunity to educate customers about service guidelines;
 - The annual summary of subscription information and notice: Once per calendar year, Ware Disposal, Inc. will send each East Charter Oak service recipient a summary of program guidelines, holiday information and updated program information. Results from the contamination audits will be published in this information with suggestions to utilizing the information to achieve higher diversion rates.
 - Customer recyclables diversion education program:
 - Recycling educational goals;
 - Tips on recycling and waste reduction and reuse;
 - Establishing program tasks including school visitations, speakers' bureau, mailing quarterly newsletter, and onsite meetings at multifamily complexes and neighborhood associations.
 - Safe Disposal Customer Education program (see our discussion on this below).

Special Program Outreach: Finally, there are a number of specific programs that occur from time to time, and we are required to inform the customers of these developments.

- Annual clean up event;
- Community neighborhood clean up events;
- E-waste collection program;
- SHARPs collection;
- Bulky item pick up;
- Excess waste collection.

We shall do the special program outreach through a quarterly newsletter, newspaper ads, and special mailings that will be distributed from time to time.

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As it relates to the annual clean-up campaign, it will include the following and the method of collection will transpire:

- a. Ware Disposal, Inc. will notify residents of the day said clean-up campaign will transpire. The annual clean-up campaign will transpire either in April or May of each calendar year. Ware Disposal, Inc. will provide notice to all residents of said event no less than thirty (30) days prior to the clean-up campaign. Said notice will state what day(s) the event will transpire, what items to set out for collection, the time for the event and how to set out said items for collection (as well as what items are prohibited for collection). The notice for the annual East Charter Oak Franchise Area clean-up campaign will be included as part of the second quarter invoicing cycle in an effort to reduce the amount of waste generated. The annual clean-up campaign will be conducted on the basis of collection day and the notice to residents as part of the second quarter invoicing cycle will reflect this.
- b. Annual clean-up campaign will include the following items: Bulky items, abandoned items, excess waste generated at a residential premises, electronic waste, consumer electronic devices, fluorescent tubes (which shall remain intact at the point of collection), batteries, tires (not to exceed two (2) per residential premises that are from passenger carts or pick up trucks). Special wastes such as electronic waste, consumer electronic devices, florescent tubes, and batteries will be handled by a second collection team, so those materials can be safely and properly handled and recycled/ disposed as appropriate.
- c. At the conclusion of the annual East Charter Oak Franchise Area clean-up campaign, Ware Disposal, Inc. will report on the monthly reporting forms, total tonnage of materials collected, diverted and landfilled for additional diversion credit to the County of Los Angeles.
- d. Madison Materials shall be the franchisee-designated facility for recycling, diversion and processing for the annual East Charter Oak Clean-Up Campaign.

Safe Disposal Education Program: To assist the community and customers with understanding what is safe and what is unsafe, Ware Disposal, Inc. shall develop and implement a Safe Disposal Education Program. This program shall have two elements: home education and school education. The home education component shall consist of holding an annual town hall meeting and updating of a well publicized web site, delivery of an annual pamphlet describing the safe disposal program, use of magnets displaying the safe disposal message, a biannual convergent media message sent to each home identifying safe disposal procedures and safe alternatives to toxics, and provision of messaging on all on-hold callers identifying the availability of safe disposal opportunities and soliciting their participation. The school component will consist of updates to PTA and student assemblies on the issue of safe vs. unsafe disposal, and the provision of convergent media materials for use in the school curriculum extolling the benefits of safe disposal to all school aged children and youth.

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Reporting: Ware Disposal, Inc. shall provide regular reports to the County as required in the Franchise Agreement. This includes the following:

Monthly: Within 45 days after the end of each calendar month, Ware Disposal, Inc. shall submit its monthly report for that calendar month in both written and electronic format. The monthly report shall consist of the following data:

- Total number of premises serviced including commercial, multifamily and single family;
- Total quantity of materials collected for refuse, recyclables, and green waste in tons with the exception that green waste could be reported volumetrically if scales are not available;
- Recovered materials and residue weights for refuse, recyclables, green waste and biomass;
- Disposition of all materials and residues by facility and weight;
- Total quantity of special wastes including bulky items, CEDs, used tires, etc., and disposition;
- Collection service route maps and schedule;
- Information about any work issues, contamination incidents, customer complaints, etc.;
- Any other information requested by the County Director.

Quarterly: Within 45 days after the end of each calendar quarter, Ware Disposal, Inc. shall submit its quarterly report in both written and electronic format. The quarterly report shall consist of the following data in addition to the regular monthly information:

- A narrative description of efforts made to deter and prevent scavenging of recyclables;
- The quantity of recyclables rejected for sale after processing together with the reason(s) for rejection and disposition of the material;
- A report of waste diversion program promotional activities including a listing and samples of materials distributed to customers;
- The set out rate for all customers by customer type or any other measurement required by the County;
- Collection service route maps and schedule for the entire service area;
- A summary of the number of non-collection notices and the reasons for issuance, and their resolution.

Annually: On or before each February 28, Ware Disposal, Inc. shall submit its annual report for the preceding calendar year to the County in both written and electronic format approved by the Director. The annual report shall consist of the following data:

- A summary of the monthly reports;
- A summary of the quarterly reports;

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- General information about the franchisee;
- A copy of the most recent annual public financial report and other periodic public reports, or a guaranty in the form provided by the Director by a guarantor satisfactory to the Director, with which the guarantor must provide its own audited financial report(s);
- A report of Ware Disposal, Inc.'s compliance with its performance obligations for diversion programming;
- An updated inventory of service assets;
- A copy of telephone directories described in Section 7B;
- A description of contamination audits of recyclables containers;
- An updated list naming all subcontractors, the goods or services provided by subcontractor, and a description of Ware Disposal, Inc.'s relationships to each and every subcontractor in accordance with the franchise agreement;
- Any other information requested by the County Director.

Violation Reports: If Ware Disposal, Inc. discovers any person is providing unauthorized service in the County of Los Angeles, or are in violation of any applicable law, then it is obligated to report such occurrence to the County in a prompt manner and which shall consist of the following data:

- Name and address of the violator, if known;
- Information as available concerning the specifics of the violation;
- Any other information requested by the County Director.

Other Aspects of Ware Disposal, Inc.'s Waste Diversion Program:

Contamination Audits: Ware Disposal, Inc. will conduct regular contamination audits. Our specific protocol is as follows. Within the first six months of commencing the franchise, Ware Disposal, Inc. shall check all customers' recyclable carts and green waste carts once to ascertain whether customers are using their carts appropriately. This is defined as recyclables only in the recycling cart, and green waste only in the green waste cart. Checks will be conducted by having a team of employees trained to conduct inspections to observe the contents of each inspected cart by manually opening the lid of the cart or bin and visually inspecting the contents to identify potential contamination. This likely will take about a month to complete. Results will be tabulated and reported to the County on a house and route basis. Checking will be done after carts are placed at the curb, ready for collection.

After the first six months of service, this procedure will be repeated annually for at least 20 percent of all carts on a rotating basis, such that all carts are checked at least once every five years. If Ware Disposal, Inc. personnel observe contamination during the course of this or any other audit, we will leave a non-collection notice on the cart, and our dispatcher will be called and alerted to this event. Ware Disposal, Inc. will follow up with a call to the residence to help them

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to understand why the cart wasn't collected and what they need to do to avoid non-collection.

Within two months, Ware Disposal, Inc. shall recheck any residences that had contamination to assure that carts are free of contamination at collection. If not, a non-collection notice shall again be left, the dispatcher called, but customer services will follow up with a site visit to help train the resident in proper operation. It is noted that Ware Disposal, Inc. shall provide a recap of all such audit activities in its monthly report.

In addition to these spot checks, Ware Disposal, Inc. shall regularly check the extent of contamination from the post collection processing/marketing results. The desired level of residue will be set at about 10%. Anything above this level will be cause for Ware Disposal, Inc. to send out information or other materials to help inform residents about contamination issues.

Water and power conservation measures: Although not a major factor in this contract, water and power conservation measures are very much part of the Ware Disposal, Inc. creed, as we practice zero wasting and conservation at all of our facilities religiously. We assure the proper reclamation of used water from facility operations, truck washing, and other operations. In addition, we have incorporated designs into our buildings that minimize energy consumption. Our trucks are alternative fuel vehicles. And we have motion sensor lighting that turns off automatically when employees are not in a room or facility.

Waste reduction and reuse: Ware Disposal, Inc. has an extensive in-house waste reduction, reuse, and recycling program. Not only does Ware Disposal, Inc. recycle extensively, but it practices waste reduction and reuse activities including electronic distribution of correspondence, double-sided copying, use of recycled content paper (30% post-consumer content), and reuse of pallets, boxes, and other materials.

Procurement systems: Ware Disposal, Inc. provides for procurement of recycled content and reusable products whenever feasible including oil, paper, equipment parts, wheels, electronic device components, and other items. All materials distributed to the public shall contain recycled content to the extent allowed by technology and market availability.


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WARE DISPOSAL

Residential Bulletin



East Charter Oaks/Foothill/Ramona/Spadra Recycles!

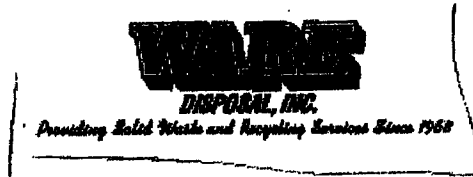
Printed on Recycled Paper

877-714-WARE (9273) • www.WareDisposal.com
Hours: Monday-Friday 8:00 am-5:00 pm • Saturday 8:00 am-12:00 pm
Horario: Lunes-Viernes 8:00 am-5:00 pm • Sábado 8:00 am-12:00 pm

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EAST CHARTER OAK/FOOTHILL/RAMONA/SPADRA AREA DE FRANQUICIA
Horario para la distribución de carros/transición de servicios de franquicia de
Ware Disposal

Estimado Residente/Propietario:

Ware Disposal se complace en anunciar que, a partir del martes, 2 de abril de 2008, Ware Disposal empezará a proveer su servicio de recolección automatizado de basura y reciclaje. Este servicio es el resultado de un acuerdo de franquicia exclusivo otorgado por la Junta de Supervisores del Condado de Los Angeles, después de un proceso competitivo de licitación pública.

Ware Disposal entregará nuevos carros a su comunidad a partir del 8 de mayo y concluyendo el 30 de mayo. Su itineraria actual de recolección de basura seguirá dando servicio a su residencia hasta el 31 de mayo.
No use sus viejos carros hasta el 31 de mayo.

Su día de recolección podrá cambiar. Usted también recibirá un mapa con un horario de recolección que indicará su nuevo día de servicio. Ware Disposal no dará servicio a ningún otro carro/itinerario, una vez que el nuevo servicio comience. Si le gustaría dejarse de algún carro/itinerario, por favor coloque una calcomanía que diga "TAKE ME" en ellos y colóque los en la acera durante su día de recolección normal.

Todos los carros deben ser colocados para la recolección antes de las 6 de la mañana en su día de servicio. Por favor asegúrese que las ruedas de los carros estén contra la acera. Los carros deben ser colocados manteniendo una distancia de dos pies entre ellos y lejos de autos y otros objetos. Si usted requiere carros más pequeños (de 65 galones o 35 galones), o carros adicionales, por favor comuníquese con Ware Disposal al 1-877-714-8273.

Si usted tiene alguna pregunta, por favor comuníquese con nosotros al 1-877-714-8273. Le agradecemos de antemano su paciencia durante el proceso de transición y le agradecemos la oportunidad de servir a su comunidad.

Sinceramente,
WARE DISPOSAL INC.

P.O. Box 8089 • Newport Beach, CA 92656 • Billing Inquiries: (977) 714-WARE (8273) • www.WareDisposal.com
Horario Lunes-Miércoles 8:00 am-6:00 pm • Sábado 8:00 am-12:00 pm

Printed on Recycled Paper

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Providing Solid Waste and Recycling Services Since 1968

EAST CHARTER OAK/FOOTHILL/RAMONA/SPADRA FRANCHISE AREA
Ware Disposal Cart Delivery Schedule/Transition Information

Dear Resident/Property Owner:

Ware Disposal is pleased to announce that effective Monday, June 2, 2008, we will begin providing your automated trash and recycling collection services. This service program is the result of an exclusive franchise agreement that was awarded to Ware Disposal by the County of Los Angeles Board of Supervisors through a competitive bid process.

Ware Disposal will deliver new carts to your community between May 29th through May 30th. Your current trash collection service provider will continue to service your residence until May 31st. Ware Disposal will start servicing your new carts effective June 2, 2008 under the new franchise agreement. ***Do not use your new carts until May 31st.***

Your collection day may change. You will also receive a new collection schedule map that will indicate your new service day. Ware Disposal will not service any other carts/containers, once the new service begins. If you would like to get rid of old carts, please place a "TAKE ME" sticker on the outside of the cart and set them outside on your next collection day for removal.

All carts should be set out for collection by 6:00 am on your service day. Please make sure the wheels of the carts are against the curb. Carts should be placed side by side with two (2) feet of space between them and away from parked cars and other objects. If you require smaller sized carts (45-gallon or 55-gallon), or additional carts, please contact Ware Disposal at (877) 714-8273.

If you have any questions, please feel free to contact us at (877) 714-8273. We thank you in advance for your patience during the transition process and look forward to servicing your community.

Sincerely,
WARE DISPOSAL INC.

P.O. Box 8088 • Newport Beach, CA 92688 • Billing Inquiries: (877) 714-WARE (8273) • www.WareDisposal.com
Hours: Monday-Friday 8:00 am-6:00 pm • Saturday 8:00 am-12:00 pm



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Providing Solid Waste and Recycling Services Since 1968

Bienvenido a Ware Disposal Inc. - su nueva Franquicia de Servicio de Recolección de Basura para East Charter Oak/Foothill/Ramona/Spadra

Estimado Residencia / Propietario:

El 20 de noviembre de 2007, la Junta de Supervisores del Condado de Los Angeles seleccionó a nuestra compañía, Ware Disposal, como la nueva franquicia de servicio de recolección de basura. Los nuevos servicios de recolección comenzarán el 1° de julio de 2008. Es un honor y un privilegio para nosotros tener la oportunidad de servir a su comunidad.

Ware Disposal comenzó sus operaciones en 1968 y todavía es dirigida por la misma familia. Ware Disposal es una de las compañías con más experiencia en la recolección de basura del Sur de California.

Como parte del nuevo servicio básico, Ware Disposal le proporcionará tres canchales de 68 galones: un canchale negro para la basura, uno azul para material reciclable, y uno verde para los desechos verdes. Un folleto de servicio está incluido con sus nuevos canchales. Este folleto le proveerá la información necesaria sobre qué colocar en los canchales, como pedir canchales adicionales, su nuevo día de servicio de recolección, y qué hacer con sus recipientes/botes viejos.

Ware Disposal y el Departamento de Obras Públicas del Condado de Los Angeles tendrán dos reuniones comunitarias para proveer información adicional y contestar sus preguntas sobre su nuevo servicio. Las reuniones se llevarán a cabo en el parque Valleydale, 5525 North Luck Ellen Avenue, Azusa, California, en los siguientes fechas:

- Jueves, 1 de mayo de 2008 a las 6 de la noche;
- Sábado, 3 de mayo de 2008 a las 10 de la mañana.

Entregaremos los nuevos canchales para su comunidad a partir del 8 de mayo y concluyendo el 30 de mayo. Usted recibirá la descripción de instrucciones cuando comience a usar sus nuevos canchales y qué hacer con los recipientes/botes viejos.

Le agradecemos de antemano por su participación en el nuevo sistema franquicia de recolección de basura en su comunidad. Este nuevo sistema ayudará a mantener un medio ambiente limpio y saludable así como todos podamos disfrutar. Si usted tiene alguna pregunta, por favor llame a nuestro centro de servicio de cliente al: 1-877-714-9273.

Sinceramente,

WARE DISPOSAL INC.

P.O. Box 8080 • Newport Beach, CA 92668 • Billing Inquiries: (977) 714-WARE (9273) • www.waredisposal.com
Horario: Lunes-Viernes 8:00 am-5:00 pm • Sábado 8:00 am-12:00 pm



Recycle to Recycle Paper

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Providing Solid Waste and Recycling Services Since 1968

**Welcome From Ware Disposal Inc.—Your New East Charter Oak/Foothill/Ranoma/Spectra
Franchise Trash Collection Service Provider**

Dear Resident/Property Owner:

On November 20, 2007, the County of Los Angeles Board of Supervisors selected our company, Ware Disposal Inc., as the new trash collection service provider. New collection services will begin on June 1, 2008. We are honored and look forward to servicing your community.

Ware Disposal began its operations in 1968 and is one the longest standing, family owned and operated solid waste enterprises in Southern California.

As part of the new basic service, you will be provided three 96-gallon containers; one black cart for refuse, one blue cart for recyclable materials and one green cart for green waste. An introductory service brochure will be included with your new carts. This brochure will provide you with the necessary information concerning what to place into the carts, how to order additional carts, your new collection service day, what to do with your old containers, etc.

Ware Disposal and the County of Los Angeles Department of Public Works will conduct two community meetings to provide additional information and answer any questions you may have concerning your new service. The meetings will be held at Valleydale Park, 6525 North Lark Ellen Avenue, Azusa, California on the dates listed below:

- Thursday, May 1, 2008 at 6pm;
- Saturday, May 3, 2008 at 10 am.

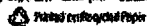
New carts will be delivered beginning May 8, 2008, through May 30, 2008. You will receive additional cart delivery information in the mail as part of the new/old cart/container exchange coordination.

We thank you in advance for your participation in the new franchise waste collection system in your community. This new system will help maintain a clean and beautiful environment everyone can enjoy. If you should have any questions, please call our Customer Service Department at: 1-877-714-WARE (8273).

Sincerely,

WARE DISPOSAL INC.

P.O. Box 8099 • Newport Beach, CA 92658 • Billing Inquiries: (877) 714-WARE (8273) • www.WareDisposal.com
Hours: Monday–Friday 8:30 am–6:00 pm • Saturday 8:00 am–12:00 pm



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Providing Solid Waste and Recycling Services Since 1968

Senior Citizen Discount

The 25% Senior Discount is available to residents who meet the following criteria:

A. Head of household, over 62 years of age and generate a small amount of waste (uses 35-gallon sized cart);

OR

B. Head of household, over 62 years of age and qualify for utility rate discounts based on financial need. Examples of acceptable discounts are listed below.

If you meet the requirements under Section B, you will also need to provide a copy of a utility bill (phone, gas, electricity) stating you have qualified and are currently receiving a utility rate discount such as:

- Lifeline program;
- California Alternate Rates for Energy (CARE) program; OR
- Family Electric Rate Assistance program (FERA).

Acceptable forms of proof to verify age are:

- A copy of your California Driver's License or California Identification Card;
- A copy of your US Passport.

Once verified, we will notify you of your enrollment in our senior discount program.

You Can Pay Online

You can pay your Ware Disposal trash collection service fees online at:

www.waredisposal.com

Please contact our Customer Service Center at 1-877-714-WARE (9273) to set up your online payment account. We will provide you with a security code to access your account upon enrollment.

Pay by credit card please



P.O. Box 8099 • Newport Beach, CA 92659 • Billing Inquiries: (877) 714-WARE (9273) • www.WareDisposal.com
Hours: Monday-Friday 8:00 am-5:00 pm • Saturday 8:00 am-12:00 pm

Printed on recycled paper

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WASTE DISPOSAL

1-877-714-9273

East Charter Oak/Foothill/Hazleton/Sydney Special Services Information

What to do with your Bulky Items:

You may request up to two pick-ups per year of bulky items and certain E-waste products at no charge. This service will be provided on your next scheduled service day. You must contact our Customer Service Department at least 24 hours in advance to arrange for a pick-up.

Acceptable bulky items include: furniture (chairs, tables), clothing, books, appliances (toasters, refrigerators), bagged or banded green waste, E-waste (televisions, cd players, microwaves, cell phones) and automobile tires (only 2). Please, no construction or demolition materials.

Yearly Clean-Up Event to complete Big Small

Ware Disposal will hold a curbside clean up event once a year. The date for this event has not been determined. All residential customers will be notified by mail at least 2 weeks prior to the event.

What to do with your Household Hazardous (HHW) and Electronic (E-Waste) Waste

The County of Los Angeles offers FREE collection events for Household Hazardous Waste and E-Waste throughout the year. These events are open to all residents of LA County and are usually held on a Saturday from 9 a.m. to 3 p.m. An appointment is not needed to participate in a Collection Event. For more information on dates and locations, please call 1-888-CLEAN-LA (263-2652), or you can go to www.888CleanLA.com.

Household Hazardous Waste (HHW) is any product that contains acids, poisons, corrosives, or are flammable or irritant. Common items include paint, batteries, solvents, oils, and pesticides. They can be dangerous to your health and to the environment. They should never be discarded in a sink or storm drain.

Electronic Waste (E-Waste) includes: televisions, computers, monitors, fax machines, cell phones, microwaves, keyboards, electronic games and computer printers. These items cannot be disposed of in your trash or recycling carts.

E-Waste is acceptable as a bulky item pick up. Please contact us to schedule a pick up of your E-waste at least 24 hours in advance.

What about old tires?

Automobile tires are acceptable bulky items. Please contact us to schedule a pick up at least 24 hours in advance. Old tires can also be disposed of at local tire stores in your area, or you can call the Los Angeles County Department of Public Works at (888) CLEAN LA or log on to www.888CleanLA.com for more information.

Other services available

Railroad Service: Ware Disposal will retrieve your carts from your backyard or other designated area for servicing and return them in their designated area after servicing. Roll out service is available for an additional fee. Seniors and/or disabled residents will be eligible for free roll out service.

Special and Special Services: This is a manual collection type service for residents who live in difficult to service areas, or when an automated or traditional collection vehicle cannot be used. There is an additional fee for this service.

Can I request an additional Cart?

Yes! Contact our Customer Service Center at 1-877-714-9273 to request additional carts. The Basic Service includes one extra green waste cart or one extra recyclables cart, or both, free of charge upon request. Additional carts for refuse are also available for a fee of \$5.00 per cart per month.

 Printed on Recycled Paper

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

WARE DISPOSAL

1-877-714-8973

Información Sobre Los Servicios Especiales en East Charter Oak/Foothill/Rancho/San Dimas

¿Que se puede hacer con los Artículos Voluntarios?

Usted puede solicitar que recojan artículos voluntarios y ciertos equipos electrónicos sin costo adicional, dos veces al año. Este servicio se dará el próximo día señalado para su recolección regular si nos llama con 24 horas de anticipación. Por favor llame a Servicio al Cliente para hacer los arreglos.

Artículos voluntarios aceptables incluyen: muebles (sillas, mesas), ropa, cajas, aparatos de línea blanca (como estufas, refrigeradores), electrodomésticos en funcionamiento o en partes, electrodomésticos (decolorador, toaca discos, microondas), teléfonos celulares, y herramientas (con límite de 2).

Servicio Anual de Limpieza

Ware Disposal realizará un Evento de Limpieza de Acero una vez al año. Aun no se ha determinado cuando este evento se llevará a cabo. Sin embargo, todos los residentes serán notificados por correo, por lo menos con 2 semanas de anticipación.

Reservación de Espacio del Hogar y Electrónicos

El Condado de Los Angeles ofrece eventos de recolecciones de Desechos Tóxicos del Hogar y Electrónicos (H-HWE-Event) durante el año para los residentes del Condado de Los Angeles. Estos eventos son GRATIS y se llevan a cabo por lo regular los sábados de 9 a.m. a 2 p.m. No se requieren citas para participar en estos eventos. Para más información sobre fechas y lugares, por favor comuníquese con el Departamento de Obras Públicas del Condado de Los Angeles al (800) CLEAN-LA (253-2852) o entre a la página www.BARCleanLA.com.

Desechos Tóxicos del Hogar son aquellos productos etiquetados: White, amoníaco, electricidad, inflamables, combustible e irritantes. Estos incluyen artículos como pintura, baterías, aceites y productos. Estos productos son nocivos para la salud y para el medioambiente. Además, estos materiales tóxicos deben desecharse en un fregadero o canchales de desechos.

Desechos Electrónicos (E-Waste) incluyen: televisores, computadoras, monitores, máquinas de fax, teléfonos celulares, cámaras, cámaras de video, impresoras, y videograbadoras. Estos productos no pueden ser desechados ni en su basura ni en los eventos de reciclaje.

El E-Waste es aceptable bajo el servicio de artículos voluntarios (para reglas artíbas). Por favor comuníquese con nuestra oficina con 24 horas de anticipación para hacer los arreglos.

Reservación de Herramientas

Se aceptan los materiales como artículos voluntarios pero con restricciones, comuníquese con nosotros para más información. También llame a sus tiendas de herramientas para averiguar si ellas las aceptan, o llame al Departamento de Obras Públicas del Condado de Los Angeles al (800) CLEAN-LA (253-2852) o entre a la página www.BARCleanLA.com para más información.

Oficina de Servicios Responables

Servicio de Acarreo desde su Carrito El día señalado para su servicio regular, Ware Disposal recoge sus carritos de su patio o otro lugar designado para dicho servicio y los regresa a su lugar de origen después de ser vaciados. En la mayoría de los casos, este servicio es gratuito por un costo. Los residentes discapacitados están elegibles para libre servicio de acarreo desde su patio.

Servicio de Entrega/Recolección Manual Ciertos artículos manuales tipo patio serán servidos en áreas donde los vehículos de recolección automatizados no pueden manejar sin peligro o donde los residentes viven en áreas de difícil acceso. Comuníquese con Servicio al Cliente para información sobre tarifas para este servicio.

¿Puede Recibir Cuentas Adicionales?

¡Sí! Para más información sobre estos servicios adicionales comuníquese con Servicio al Cliente. Cuentas adicionales pueden ser obtenidas al bajo costo de \$4 por carrito por mes.



County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D



DISPOSAL, INC.

Providing Solid Waste and Recycling Services Since 1968

Descuento De Jefes De Familia Mayores De 62 Años

El descuento de 25 % esta disponible para personas mayores de 62 años de edad que reúnen los siguientes requisitos:

- A. Jefes de familia mayores de 62 años que generan una pequeña cantidad de basura y usan carritos de tamaño de 35 galones;
- B. Jefes de familia mayores de 62 años que califican para descuentos basada en necesidad económica para las tarifas de servicios públicos.

Si usted reúne los requisitos de la Sección B, usted también tendrá que proporcionar una copia de su factura de servicios públicos (teléfono, gas, electricidad), declarando que usted califica y está recibiendo un descuento en sus servicios públicos como:

- Programa de "Lifeline"
- El programa Tarifas Alternativas de Energía para California (CARE); o
- El programa Familiar de Reducción de las Tarifas Eléctricas (FERA).

Los documentos aceptables para verificar su edad son:

- Una copia de su Licencia de Conducir de California o Carnet de Identidad de California;
- Una copia de su Pasaporte EE.UU.

Una vez verificado, le notificaremos de su inscripción en nuestro programa de descuento para jefes de familia mayores de 62 años.

Usted puede pagar a través del Internet

Usted puede pagar su cuenta de servicio de recolección de basura sobre el Internet en:

www.waredisposal.com

Por favor comuníquese con nuestro Servicio al Cliente al 1-877-714-9273 para establecer su cuenta de pago sobre Internet. Le proporcionaremos un código de seguridad para tener acceso a su cuenta.

Por favor pague su cuenta sobre Internet con tarjeta de crédito



P.O. Box 9089 • Newport Beach, CA 92658 • Billing Inquiries: (977) 714-WARE (9273) • www.WareDisposal.com
Horario: Lunes-Viernes 8:00 am-5:00 pm • Sábado 8:00 am-12:00 pm

Printed on Recycled Paper

Exhibit 3D – Franchisee Documentation

Item B.13 – CART SPECIFICATIONS

This item consists of 8 pages (including this page).

Initials: JW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

Ware Disposal, Inc. agrees to amend the hot stamp materials for all future orders to reflect the company's legal name, "Ware Disposal, Inc."

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B13: Cart Specifications

Enclosed, please find Ware Disposal, Inc.'s residential cart specifications, including the following information (Section B3d of Exhibit 3A):

- Cart capacity options;
- Container color distinctions;
- Identifying serial numbers;
- Manufacturer's orders and invoices;
- Cart Labels

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Residential Carts

Ware Disposal, Inc. will purchase the residential carts from Rotonics Manufacturing Inc. of Anaheim, California. The cart delivery to East Charter Oak residents commenced 8 May 2008, with all carts listed below delivered by 31 May 2008. Further information relating to the Rotonics residential carts can be found in Section B13 of Exhibit 3D of the Franchise Documentation section.

The following matrices detail the cart inventory for the East Charter Oak Franchise Area. The first matrix details the total overall cart breakdown for the East Charter Oak Franchise Area, the second details the breakdown by cart type for the carts on-hand for the franchise area and the third matrix lists the serial numbers for the carts to be used in the East Charter Oak Franchise Area.

Ware Disposal, Inc. will begin distributing carts to area residents on May 8, 2008 and will complete delivery to all residents by May 31, 2008.

CART SIZE	DISTRIBUTED	ON HAND	TOTAL
35 GALLON	0	500	500
65 GALLON	0	500	500
96 GALLON	11,238	3,199	14,437
TOTAL	11,238	4,199	15,437

*This total includes refuse, commingled manure/refuse, recyclable and green waste carts.

CART SIZE	TYPE	ON HAND	TOTAL
35 GALLON	Refuse	300	300
35 GALLON	Recycle	100	100
35 GALLON	Green	100	100
65 GALLON	Refuse	300	300
65 GALLON	Recycle	100	100
65 GALLON	Green	100	100
96 GALLON	Refuse	1067	1067
96 GALLON	Recycle	1066	1066
96 GALLON	Green	1066	1066

The serial numbers for the carts are as follows:

CART SIZE	TYPE	SERIAL NUMBER SEQUENCE
35 GALLON	Recycle (Blue)	WDR000001-000100
35 GALLON	Green (Green)	WDY000001-000100
35 GALLON	Trash (Black)	WDT000001-000300
65 GALLON	Recycle (Blue)	WDR000001-000100
65 GALLON	Green (Green)	WDY000001-000100
65 GALLON	Trash (Black)	WDT000001-000300

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

96 GALLON	Recycle (Blue)	WDR003501-008312
96 GALLON	Green (Green)	WDY003501-008312
96 GALLON	Trash (Black)	WDT003501-008312

East Charter Oak / Topmill / Ramona / Spadra

TRASH		BASURA	
<ul style="list-style-type: none"> ✓ Concrete ✓ Dirt ✓ Large Appliances ✓ Yard Waste 	<ul style="list-style-type: none"> ✓ Construction Debris ✓ Furniture ✓ Recyclables ✓ Hazardous Waste 	<ul style="list-style-type: none"> ✓ Concrete ✓ Tierra y Piedras ✓ Artefactos Eléctricos ✓ Voluminosos ✓ Desechos de Palo y Jardines 	<ul style="list-style-type: none"> ✓ Residuos De Construcción ✓ Muebles ✓ Residuos Peligrosos
<p>THE FOLLOWING HOUSEHOLD HAZARDOUS WASTE MATERIALS ARE NOT ACCEPTABLE (antifreeze, household cleaners, motor oil, paint thinner, paints latex or oil based).</p>		<p>DESECHOS PELIGROSOS DOMÉSTICOS INCLUIVE TODO LO CLASIFICADO COMO TÓXICO, FLAMABLE O IRRITANTE (anticongelantes, líquidos para limpieza doméstica, aceite de automóviles, diluyente de pinturas, pinturas, látex y bases de aceite</p>	
<p>FOR MORE INFORMATION ABOUT HOW TO DISPOSE OF HOUSEHOLD HAZARDOUS WASTE MATERIAL CALL 1-800-CLEANLA</p>		<p>PARA MAS INFORMACIÓN DE DESECHOS DOMÉSTICOS PELIGROSOS POR FAVOR LLAME A 1-800-CLEANLA</p>	
<p>To request replacement and/or additional container(s) - Contact Ware Disposal Co Inc - 877-714-WARE (9273)</p>		<p>Para reemplazar y/o pedir bota(s) adicionales llame a Ware Disposal Co Inc - 877-714-WARE (9273)</p>	
<p>County Of Los Angeles Department Of Public Works Monday - Thursday 7:00a.m. to 5:30 p.m. (800) 993-5844</p>		<p>Condado de Los Angeles Departamento de Trabajos Públicos Lunes - Jueves 7:00a.m. a 5:30 p.m. - (800) 993-5844</p>	

East Charter Oak / Topmill / Ramona / Spadra

GREEN WASTE		DESECHOS VERDES	
<p>ACCEPTABLE</p> <ul style="list-style-type: none"> ✓ Grass Clippings ✓ Leaves ✓ Brush ✓ Stumpbery Piling ✓ Sawdust ✓ Tree Trimmings ✓ Tree Limbs 4" Diameter Maximum 	<p>NOT ACCEPTABLE</p> <ul style="list-style-type: none"> ✓ Palm Tree Trimming ✓ Palm Founyts ✓ Cactus ✓ Dirt And Rocks ✓ Plastic Or Paper Bags ✓ Animal Waste ✓ Food Waste ✓ Trash 	<p>SE ACCEPYAN</p> <ul style="list-style-type: none"> ✓ Recortes De Césped ✓ Hojas ✓ Malezas ✓ Recortes De Arbustos ✓ Ramas Pequeñas ✓ Aserrín ✓ Recortes De Árboles ✓ Ramas De Árboles, Máximo De 4 Pulgadas De Diámetro 	<p>NO SE ACCEPYAN</p> <ul style="list-style-type: none"> ✓ Recortes De Platera ✓ Hojas De Palmas ✓ Cactus ✓ Tierra Y Rocas ✓ Bolsas De Plástico o De Papel ✓ Esfuerzo De Animal ✓ Sobras De Comida
<p>(1) Place all GREEN WASTE in the GREEN containers. (2) Place container on the curb with the lid closed. (3) Bags or boxes will NOT be picked up from the curb.</p>		<p>(1) Ponga todos los DESECHOS VERDES en el recipiente VERDE. (2) Ponga los recipientes en la banqueta con las tapas cerradas. (3) Desechos verdes puestos en la banqueta dentro cajas o bolsas NO serán recogido.</p>	
<p>To request replacement and/or additional container(s) - Contact Ware Disposal Co Inc - 877-714-WARE (9273).</p>		<p>Para reemplazar y/o pedir bota(s) adicionales llame a Ware Disposal Co Inc - 877-714-WARE (9273)</p>	
<p>County Of Los Angeles Department Of Public Works Monday - Thursday 7:00a.m. to 5:30 p.m. 1-800-993-5844</p>		<p>Condado de Los Angeles Departamento de Trabajos Públicos Lunes - Jueves 7:00a.m. hasta 5:30 p.m. 1-800-993-5844</p>	

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

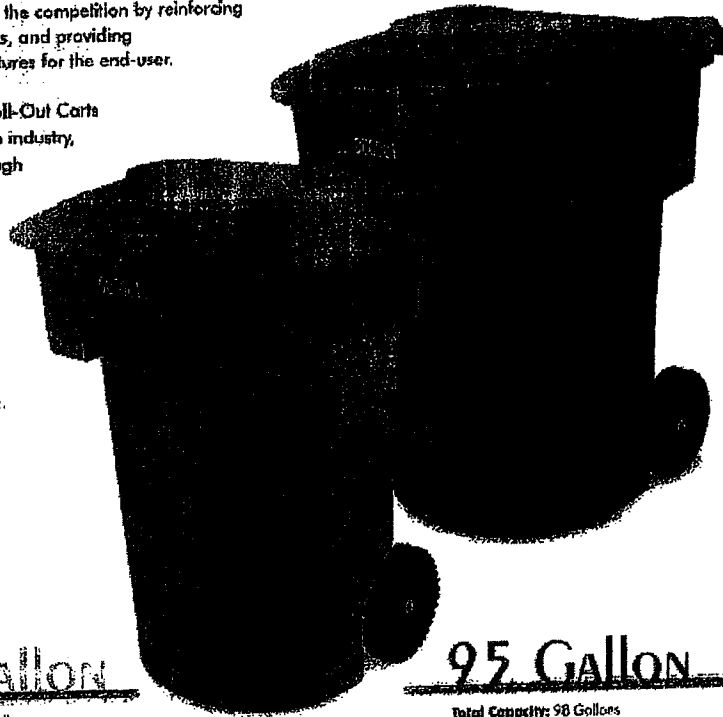
RECYCLABLES		RECICLABLES	
ACCEPTABLE	NOT ACCEPTABLE	SE ACCEPTAN	NO SE ACCEPTAN
<ul style="list-style-type: none"> ✓ Aluminum & Tin Cans ✓ Aluminum Foil ✓ All Glass Bottles & Jars ✓ Clear, Colored & White Plastic Containers ✓ Newspapers ✓ Mixed Paper ✓ Junk Mail ✓ White Ledger Paper ✓ Corrugated Cardboard ✓ Magazines ✓ Cereal Boxes (With Liners Removed) ✓ Telephone Books ✓ Plastic Bags ✓ Plastic Milk Containers ✓ All Plastics Labeled 1 & 2 	<ul style="list-style-type: none"> ✓ Scrap Metal ✓ Window Or Safety Glass ✓ Mirrors ✓ Light Bulbs ✓ Styrofoam ✓ Wax Paper ✓ Ceramics ✓ Clothing ✓ Drinking Glasses ✓ Plastic Wrap ✓ Food Waste ✓ Disposable Diapers 	<ul style="list-style-type: none"> ✓ Botes De Aluminio Y Lata ✓ Papel Aluminio ✓ Todas Las Botellas Y Frascos De Vidrio ✓ Los Recipientes De Plástico De Color Charro, De Colores Y Blancos ✓ Periódicos ✓ Todo Tipo De Papel ✓ Correo De Propagandas ✓ Revistas ✓ Papel Blanco ✓ Cartón Corrugado ✓ Cajas De Cereal (Sin Los Forros) ✓ Directorios Telefónicos ✓ Bolsas De Plástico ✓ Botellas De Leche ✓ Todas Los Plásticos Clasificados 1 Y 2 	<ul style="list-style-type: none"> ✓ Desechos De Metal ✓ Vidrio De Ventana O Seguridad ✓ Espejos ✓ Foams ✓ Plástico Esponjoso ✓ Papel Encerado ✓ Ropa ✓ Cerámica ✓ Vasos De Beber ✓ Envoltura Plástica ✓ Sobres De Comida ✓ Pañales Para Tirar
<p>(1) Place all RECYCLABLES in the BLUE container. (2) Place the container on the curb with the lid closed. (3) Bags or boxes will NOT be picked up from the curb.</p>		<p>(1) Ponga todo MATERIAL RECICLABLE en el recipiente AZUL. (2) Ponga los recipientes en la banqueta con los tapas cerrados. (3) Desechos verdes puestos en la banqueta dentro cajas o bolsas NO serán recogido.</p>	
<p>To request replacement and/or additional container(s) - Contact Ware Disposal Co. Inc. - 877-714-WARE (9273)</p> <p>County Of Los Angeles Department Of Public Works Monday - Thursday 7:00a.m. to 5:30 p.m. 1-800-993-5844</p>		<p>Para Reemplazar y/o pedir bota(s) adicionales llamo a Ware Disposal Co. Inc. 877-714-WARE (9273)</p> <p>Condado de Los Angeles Departamento de Trabajos Públicos Lunes - Jueves 7:00a.m. a 5:30 p.m. 1-800-993-5844</p>	



NEW
HAULER SERIES
Roll-Out CARTS

Roto Industries, Inc. has just released the most durable and innovative roll-out carts for trash collection in the world. Our contemporary design and state of the art Superior Rotational Molding has exceeded the competition by reinforcing all of the stressed areas, and providing additional comfort features for the end-user.

These Hauler Series Roll-Out Carts are the strongest in the industry, yet they maintain enough flexibility to withstand the pressure of fully automated lifters. Durable enough to resist the harsh conditions of the environment, Hauler Series carts outlast the competition.



65 GALLON

Total Capacity: 68 Gallons
Height: 43"
Depth: 31"
Width: 26 3/4"
Wheel Diameter: 10"
Axle Diameter: 5/8"
Loading Rate: 225 lbs
Gripping Area Circumference: 74 1/4"

95 GALLON

Total Capacity: 98 Gallons
Height: 43 1/2"
Depth: 37"
Width: 29 1/2"
Wheel Diameter: 10"
Axle Diameter: 5/8"
Loading Rate: 335 lbs
Gripping Area Circumference: 83 1/2"

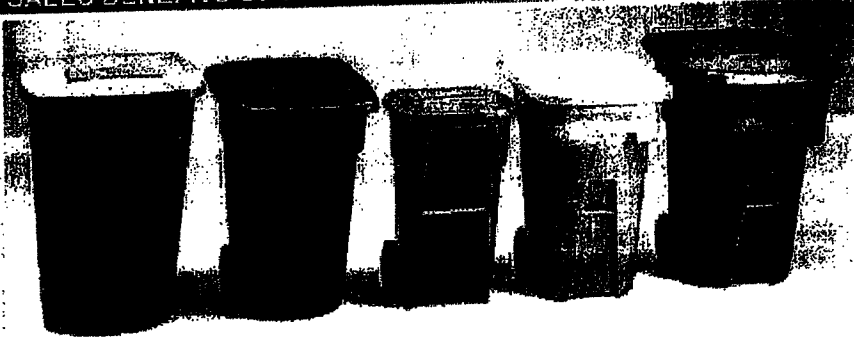
County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Benefits Of Hauler Carts



SALES BENEFITS OF ROTO INDUSTRIES HAULER 35, 60, 70, 90 & 100



MATERIAL

We use plastic resin manufactured by National Petrochemical companies only. These manufacturers utilize a quality control process that insures a consistency that is not equaled by container manufacturers who make their own plastic.

- Crosslink - Phillips 66 & Exxon Polymer
- Linear - Phillips 66 & Quantum Chemicals

CONTAINER SLANT

Roto Industries, Inc. container bottoms do not sit flat on the ground. The wheels are higher on the container, which causes only the tip of the container to touch the ground. This actually gives the container more stability when standing upright. The benefits are:

- Lowers the front of the container for an easier pitch in of the refuse.
- When the container is placed on the street with its wheels in the gutter then it is sitting straight up. Other containers that are sitting flat on their bottom are leaning backwards and tipping when placed against a curb.
- A container is more stable with three (3) balance points. Two (2) wheels and One (1) front of the container equals three (3) balance points. Three (3) balance points enables our container to achieve over 30 mph in a wind tunnel without falling over.

- When you tip the container to roll it, no portion of the container is dragging on the ground. Compare this to other containers that drag when tilted and rolled and must put in extra skid pads to protect the container from wearing out.

CONTAINER WEIGHT AND WALL THICKNESS

All Roto containers have minimum plastic resin weights. We do not build a lightweight container. Our average wall thickness is between 180 to 210/1000 of an inch or between 3/8 and 1/4 of an inch.

LIGHTWEIGHT LID

Our lid is shielded during the molding process, which enables us to make our lids lighter, and for the majority of the plastic to be in the container bottom where it needs to be.

MOVE FROM BACK OR FRONT

The container can be moved from the front using the underside handle or the back using the lid handles.

ROLLED LIP ON CONTAINER EDGE

Our container has a rolled lip on the top edge of the container. This maintains a structural integrity in the container opening and prevents the sides of the container from warping in.

WHEELS

We offer two (2) types of wheels:

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D



1281 N. JEFFERSON ST.
ANAHEIM, CA 92807
(714) 630-0272 FAX (714) 630-8725
www.rotobld.com

INVOICE

PAGE 1 Of 1
INVOICE DATE 4/21/2008
INVOICE NO. 25921

WARE DISPOSAL
P.O. Box 8294
Newport Beach, CA. 92658

WARE DISPOSAL
Deliver to Staging Area in L.A.

SLST	SL92	DUPLICATE	DISC DUE DATE	ORDER NO.	ORDER DATE	SHIP DATE	SHIP NO.
				11811		05/05/08	
TERMS DESCRIPTION		CUSTOMER P.O. NUMBER			SHIP VIA		
NET 30							
ITEM ID	QTY	UNIT OF MEASURE	ORDERED	SHIPPED	UNIT PRICE	EXTENSION	
Hauler 65 gallon - Royal Blue Serial # WDR 008113 - WDT 011812	1	EA	3333	3590	48.30297	145.38500	
Hauler 65 gallon - Cascade Green Serial # WDY 008313 - WDT 011812	1	EA	3333	3500	48.30	169.35500	
Hauler 96 gallon - Black Serial # WDT 008314 - WDT 011812	1	EA	3333	4813	48.25	230.90107	
Hauler 65 gallon - 3 color Serial # WDT 008314 - WDT 011812	1	EA	300	300	41.75000	25.67400	
Hauler 35 gallon - 3 color Serial Number Royal Blue # WDR 000101 - WDR 000200 Cascade Green # WDY 000101 - WDY 000200 Black # WDT 000301 - WDT 000400	1	EA	300	300	39.08	11.71400	
Perform Invoice							
TAXABLE		NONTAXABLE		FREIGHT		TOTAL	
608,423.07				47,152.79		655,575.86	

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.14 – ALTERNATIVES TO FULLY AUTOMATED OR 96-GALLON CARTS

This item consists of 2 pages (including this page).

Initials: ju Dated: 5/19/08 Initials: TWA Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B14: Alternatives to Fully Automated or 96-Gallon Carts
(Sections B3h, B3i and B3j of Exhibit 3A)

The following documentation from Ware Disposal, Inc.'s proposal represents the alternatives to fully automated and/or 96-gallon carts.

Alternatives to 96 gallon automated carts: Ware Disposal, Inc. will provide customers in difficult to service areas with manual or semi-manual automated collection where the use of smaller, more compact vehicles can be used. If the customers have cart storage restrictions, we will provide those customers with manual containers or smaller automated carts, 35 or 65 gallon carts.

The alternatives to 96-gallon cart usage should not be necessary in most of the East Charter Oak Franchise Area. If necessary, an additional Ware Disposal, Inc.'s helper will remove these carts from the premises to a safe area where they are emptied by the route driver utilizing the standard collection vehicle. Once serviced, the driver and helper transport the containers back to the customer's premises.

The 35 and 65-gallon carts have a smaller footprint, which can accommodate a residential customer has space constraints.

Furthermore, should a customer only have use for a fraction of the capacity included under the terms of weekly collection service due to household size, frequent travel and/or severe space constraints, Ware Disposal, Inc. will accommodate them by allowing them to select 35 or 65 gallon carts, at no change in rate.

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.15 – COUNTY-APPROVED SUBCONTRACTORS

This item consists of 10 pages (including this page).

Initials: JW Dated: 4/17/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B15: County-Approved Subcontractors

Ware Disposal, Inc. will utilize the services of the following County-approved subcontractors in and for the East Charter Oak Franchise Area:

Residential Carts

Rotonics Manufacturing is a County-approved subcontractor in that Ware Disposal, Inc. has purchased residential carts for the East Charter Oak Franchise Area. Ware Disposal, Inc. has purchased these residential carts and will not lease or finance from Rotonics, so, once they are delivered to Ware Disposal, Inc. they will become property of Ware Disposal, Inc. Rotonics will also supply replacement carts during the term of the franchise agreement for the East Charter Oak Franchise Area.

Ware Disposal, Inc. does not have any ownership interest in Rotonics Manufacturing.

The purchase order for the residential carts can be found in Section B13, the cart specification section.

ROTONICS MANUFACTURING

Mr Mark Rangel
Refuse Sales Manager
1215 North Jefferson Street
Anaheim, California 92807
T 714 630 0272
F 714 630 6726

Mr James Lauderback
Sales Engineer
1215 North Jefferson Street
Anaheim, California 92807
T 714 630 0272
F 714 630 6726

www.rotonics.com

Refuse Collection Vehicles

Rush Truck Centers of California, Pico Rivera division is a County-approved subcontractor in that Ware Disposal, Inc. has purchased refuse collection vehicles (as demonstrated in Section A2 of Franchise Documentation) for the East Charter Oak Franchise Area. Ware Disposal, Inc. has purchased these refuse collection vehicles and will not lease or finance from Rush Truck Centers, so, once they are delivered to Ware Disposal, Inc. they will become property of Ware Disposal, Inc. Rush Truck Centers will also supply replacement trucks (should the need arise) during the term of the franchise agreement for the East Charter Oak Franchise Area.

Ware Disposal, Inc. does not have any ownership interest in Rush Truck Centers of California.

Ware Disposal, Inc.

**County of Los Angeles
Franchise Documentation**

**East Charter Oak Franchise Area
Exhibit 3D**

**The purchase order for the refuse collection vehicles can be found in Exhibit A2,
the inventory of service assets section.**

RUSH TRUCK CENTERS OF CALIFORNIA, PICO RIVERA DIVISION

**Mr Kevin Voss
Refuse Sales Manager
Rush Truck Centers of California
8830 East Slauson Avenue
Pico Rivera, California 90660
T 800 776 3647
F 562 942 9451**

www.rushtruckcenters.com

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D



INVOICE

PAGE 1 of 1
INVOICE DATE 4/21/2008
INVOICE NO. 25921

WARE DISPOSAL
P.O. Box 8794
Newport Beach, CA. 92658

SHIP TO
Ware Disposal
Deliver to Staging Area in L.A.

SLB1	SLB2	DUE DATE	DISC DUE DATE	ORDER NO.	ORDER DATE	SHIP DATE	SHIP TO				
				11811		04/21/08					
TERMS DESCRIPTION		CUSTOMER P.O. NUMBER			SHIP VIA						
NET 30											
ITEM ID	QTY	UNIT PRICE	ORDERED	SHIPPED	UNIT PRICE	EXTENSION					
Hauler 100 gallon - Royal Blue Serial # WDR 003113 - WDR 011812	1	EA	8333	3800	48.36000	149,365.00					
Hauler 140 gallon - Cascade Green Serial # WDR 003013 - WDR 011812	1	EA	8330	3500	24.24	69,360.00					
Hauler 96 gallon - Black Serial # WDR 003114 - WDR 011813	1	EA	0530	4813	48.351	332,901.67					
Hauler 85 gallon - 3 colors Serial Numbers: Royal Blue # WDR 003101 - WDR 003100 Cascade Green # WDR 003101 - WDR 003100 Black # WDR 003101 - WDR 003100	1	EA	600	000	41.76000	25,074.00					
Hauler 35 gallon - 3 colors Serial Numbers: Royal Blue # WDR 000101 - WDR 000200 Cascade Green # WDR 000101 - WDR 000200 Black # WDR 000101 - WDR 000400	1	EA	300	300	39.06	11,718.00					
Proforma Invoice											
TAXABLE		NON-TAXABLE		FREIGHT		SALES TAX		MISC. CHARGE		TOTAL	
606,423.07						47,153.79				653,576.86	

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D



10000 TRUCK & EQUIPMENT, 1750 HWY 78
10000 Highway Ave.
Paco Bluffs, CA 90260
310-694-1999

Customer Invoice
84998

TRUCK INFORMATION			VEHICLE SALES				
Year/Make	2009 Peterbilt	Model	320	Sales Price	212,899.07		
VIN	3NPR1R009P718719	Vehicle No.	P718719	Factory Paid F.E.T.	12,448.00		
Color	White, White			F.E.T. Tire Credit	0.00		
CUSTOMER INFORMATION				Total Factory Paid F.E.T.	12,448.00		
BANC OF AMERICA LEASING & CAPITAL, LLO - Lessee				Optional Factory Extended Warranties	0.00		
Ware Disposal, Inc. - Lessee				Sub-Total	224,899.07		
Address: 1055 E 4th Street				Dealer Paid F.E.T. *	11,862.75		
City: Santa Ana State CA ZIP: 92705				Local Taxes	0.00		
DATE	SPR/AR USE	REGISTRATION		Tire/Registration Fee	2,058.00		
3/24/2008	NEW	40849745		Vehicle Inventory Tax	0.00		
Sales Tax Paid In Lease Includes CNG Fuel System & Amrap ASL Body Legal: BANC OF AMERICA LEASING & CAPITAL, LLO 2959 NORTHLAKE PARKWAY, 4TH FLOOR TUCKER, GA 30084				Tire Recycling Fee	21.00		
					Documentation Fee **	85.00	
					Administration Fee **	150.00	
					Total Cash Delivered Price	239,212.82	
					Total Down Payment	0.00	
					Contract in Transit	239,212.82	
					Total Used Vehicle Allowance	0.00	
					Less Total Balance Owed	0.00	
TRADE-IN(S)			TYPE	MAKE	MODEL	YEAR/MPG	TRADE ALLOWANCE
NOTARY			Being duly sworn I/We do hereby certify that the abovesigned set forth are true and correct.				
			Subscribed and sworn to me before this _____ day of _____, 2008.				
			Notary Public				
			State of _____				
			County of _____				
			** This fee is not a governmental fee.				
			* SUBJECT TO ADJUSTMENT - FINAL F.E.T. MAY VARY. ANY F.E.T. VARIANCE RESPONSIBLE OF DEALER.				

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D



TRUCK SPECIAL Leasing, Fleet Services
9330 E 99th Ave.
P.O. Box 1000
923 488-1398

Customer Invoice
8-2308

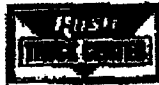
TRUCK INFORMATION			VEHICLE SALES		
YEAR - MAKE	2008 Polaris	MODEL	S20	Sales Price	212,400.00
MODEL NO.	200825000710043	STOCK NO.	F719943	Factory Paid F.E.T.	12,430.00
DEALER	Ware, King			F.E.T. Tire Credit	0.00
CUSTOMER INFORMATION			Total Factory Paid F.E.T.	12,430.00	
Lease to: Ware Disposal, Inc. - Lessee			Optional Factory Extended Warrantee	0.00	
ADDRESS	1555 E 4th Street		Sub-Total	224,830.00	
CITY	San Diego	STATE	CA	Zip	92158
DATE	3/24/2008	NEW/USED	New	Dealer Paid F.E.T. *	11,282.75
		FINANCIAL	49877513	Local Taxes	0.00
Sales Tax Paid in Lease Includes CNG Fuel System & Amrop ASL Body Legal: Ware of America Leasing & Capital, LLC 2058 Northlake Parkway, 4th Floor Tucker, GA 30084			The Registration Fee	2,888.00	
			Vehicle Inventory Tax	0.00	
			The Recycling Fee	21.00	
			Documentary Fee **	55.00	
			Administrative Fee **	199.00	
			Total Cash Delivered Price	239,212.82	
			Total Down Payment	0.00	
			Contract in Transit	239,212.82	
			Total Used Vehicle Allowance	0.00	
			Less Total Balance Due	0.00	
TRADE-INS					
YEAR	MONTH	MODEL	REPAIR NO.	TRADE ALLOWANCE	
NOTARY					
Being duly sworn I hereby certify that the statements and facts are true and correct. Subscribed and sworn to on this _____ day of _____, 2008. _____ Notary Public State of _____ County of _____					
* SUBJECT TO ADJUSTMENT - FINAL F.E.T. MAY VARY. ANY F.E.T. VARIANCE RESPONSIBLE OF DEALER.					
** This fee is not a governmental fee.					

KTG 8-08-08
Printed on the back of this page

Ware Disposal, Inc.

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D



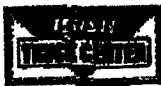
FLEET TRUCK CENTER, FICO SUBJECT
8336 E Benton Ave.
Paco Bluffs, CA 90060
562-498-4390

Customer Invoice
3-2661

TRUCK INFORMATION				VEHICLE SALES	
YEAR - MAKE	2006 Freightliner	MODEL	320	Sales Price	213,400.00
VIN#	3B2ZL32N6P716841	INDEX NO.	P718841	Factory Paid F.E.T.	12,430.00
STATUS	Used, New			F.E.T. Title Credit	0.00
CUSTOMER INFORMATION				Total Factory Paid F.E.T.	12,430.00
Banc of America Leasing & Capital, LLC - Lessor				Optional Factory Extended Warranties	0.00
SOLD TO Ware Disposal, Inc. - Lessee				Sub-Total	224,830.00
ADDRESS 1836 E 4th Street					
CITY	Santa Ana	STATE	CA	ZIP	92705
DATE	2/28/2006	NEW/USED	New	SALES NO.	48237900
Sales Tax Paid in Lease Includes CNG Fuel System & Amrep ABL Body				Dealer Paid F.E.T. **	11,282.78
Legal: Banc of America Leasing & Capital, LLC 2050 Northlake Parkway, 4th Floor Tucker, GA 30084				Local Taxes	0.00
				Title/Registration Fees	2,885.00
				Vehicle Inventory Tax	0.00
				Tire Recycling Fee	21.00
				Documentation Fee **	50.00
				Administration Fee **	150.00
				Total Cash Delivered Price	239,212.82
				Total Down Payment	0.00
				Contract in Transit	239,212.82
				Total Used Vehicle Allowance	0.00
				Less Total Balance Owed	0.00
TRADE-IN(S)					
YEAR	MAKE	MODEL	SERIAL NO.	TRADE ALLOWANCE	
NOTARY					
Being duly sworn under oath says that the statements set forth are true and correct.					
Subscriber and sworn to me before this _____ day of _____, 2006.					
Notary Public					
State of _____					
County of _____					
** This line is not a governing part of the.					
* SUBJECT TO ADJUSTMENT - FINAL P.E.T. MAY VARY, ANY P.E.T. VARIANCE RESPONSIBLE OF DEALER.					

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D



FRANCO TUCKER LEASING, FICO 101424
2830 E. Diamond Ave.
P.O. Box 104, CA 92690
951-508-4793

Customer Invoice

9-2899

TRUCK INFORMATION			VEHICLE SALES		
YEAR/MAKE	2008 Peterbilt	MODEL	320	Sales Price	212,400.07
ENGINE NO.	30FL2008P71030	CHASSIS NO.	PT1B030	Factory Paid F.E.T.	12,430.00
SALESMAN	Voss, Kevin			F.E.T. Title Credit	0.00
CUSTOMER INFORMATION			Total Factory Paid F.E.T.		12,430.00
Banc of America Leasing & Capital, LLC - Lessor			Optional Factory Extended Warranties		0.00
Lease to: Ware Disposal, Inc. - Lessee			Sub-Total		224,830.07
ADDRESS: 1035 E 4th Street					
CITY: Santa Ana STATE: CA ZIP: 92705			Dealer Paid F.E.T. *		11,882.75
DATE	REPO/USED	POWERED	Local Taxes		0.00
2/28/2008	New	48537925	Title/Registration Fee		2,888.00
Sales Tax Paid in Lease Includes CNG Fuel System & Amrep ASL Body Legal: Banc of America Leasing & Capital, LLC 2069 Northlake Parkway, 4th Floor Tucker, GA 30084			Vehicle Inventory Tax		0.00
			Title Recycling Fee		21.00
			Documentation Fee **		55.00
			Administration Fee **		150.00
			Total Cash Collected Price		230,212.82
			Total Down Payment		0.00
			Contract in Trade		230,212.82
			Total Used Vehicle Allowance		0.00
			Less Total Balance Collected		0.00
TRADE-INS					
YEAR	MAKE	MODEL	TRUCK NO.	TRADE ALLOWANCE	
NOTARY					
Being duly sworn upon oath says that the FOREGOING are true and correct. Subscribed and sworn to me before this _____ day of _____, 2008. State of _____ County of _____					
* This fee is not a governmental fee.					

RTC 8-135-001

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.16 – FORM OF TWICE ANNUAL BAGGED REFUSE TAGS

This item consists of 2 pages (including this page).

Initials: ju Dated: 5/19/08 Initials: TWA Dated: 5/21/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B16: Form of Twice Bagged Refuse Tags

Ware Disposal, Inc. shall arrange to collect, transport and dispose of refuse discarded in bags set next to a Customer's refuse carts, two times per year without surcharge. The Customer must contact Ware Disposal, Inc. at least twenty four (24) hours in advance to make arrangements for collection.

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.17 – COUNTY-APPROVED GREEN WASTE EXCLUSIONS

This item consists of 2 pages (including this page).

Initials: gw Dated: 4/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B17: County-Approved Green Waste Exclusions

Ware Disposal, Inc. includes the following items to be included as part of the County-approved green waste exclusion pursuant to the Green Waste definition found in Exhibit 21 and consistent with Section E of Exhibit 3A:

1. Stumps or branches exceeding four (4) inches in diameter or four (4) feet in length; and
2. Yucca or palm fronds;
3. Cactus plants;
4. Dirt and Rock;
5. Animal Waste;
6. Food Waste;
7. Plastic or paper products associated with landscaping and gardening packaging;

The foregoing will be reflected on the affixed sticker as part of the green waste collection cart.

Furthermore, Ware Disposal, Inc. acknowledges the terms as stated in Exhibit E of Exhibit 3A of the franchise agreement for services in East Charter Oak.

Ware Disposal, Inc.

Exhibit 3D – Franchisee Documentation

Item B.18 – CHARGES FOR ADDITIONAL ON-CALL PICKUP OF BULKY ITEM, E-WASTE AND CEDs

This item consists of 2 pages (including this page).

Initials: gw Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B18: Charges for Additional On-Call Pickup of Bulky Items, E-Waste and CEDs

Charges for collection of CEDs in excess of twice annually: In order to increase diversion and eliminate the improper disposal of CED, we will collect all CEDs from our customers at the rate listed in the subscription order form.

Ware Disposal, Inc. will charge the following for additional on-call collection of bulky items and E-waste/CED devices:

SERVICE LEVEL	BASIC CHARGES	SENIOR DISCOUNT
Additional on-call collection of bulky items	\$25.00 per collection	\$18.75 per collection

Exhibit 3D – Franchisee Documentation

Item B.19 – TRANSITION ROLL-OUT PLAN

This item consists of 4 pages (including this page).

Initials: AW Dated: 5/19/08 Initials: TWH Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B19—Transition Roll-Out Plan

The following represents Ware Disposal, Inc.'s transition roll-out plan (Section I of Exhibit 3A), which includes a timeline with a description of relevant tasks as part of the East Charter Oak Franchise Area transition.

MILESTONE CHART AND SCHEDULE

<u>MILESTONE</u>	<u>DESCRIPTION</u>
27 August 2007	Submission of Ware Disposal, Inc.'s proposal
1 November 2007	Commencement of hiring process and training of new personnel
8 November 2007	Officially confirm order for alternative fuel/low emission vehicles to ensure delivery by 1 March 2008 (see order invoice included as part of Section A2 of Franchise Documentation from Rush Truck Centers of California, Pico Rivera division)
20 November 2007	County Board of Supervisors Award Contract
21 November 2007	First Transition meeting with LADPW Staff
3 December 2007	Establishment of toll-free telephone number for East Charter Oak residents
13 December 2007	Officially confirm order for residential carts to ensure delivery by 1 May 2008 (see order invoice included as part of Section A2 and B13 of Franchise Documentation from Rotonics Manufacturing Inc., Anaheim)
20 December 2007	Submittal of Franchise Documentation to LADPW Staff Includes draft residential routes for East Charter Oak area
(In advance of) 31 January 2008	Commence training of customer service staff as it relates to residential program's contents and highlights
31 January 2008	LADPW Staff to review and approve materials submitted as part of Franchise Documentation
7 March 2008	Commencement of database input of residential accounts
14 March 2008	Finalize residential routes for East Charter Oak area
	Finalize temporary storage and staging area for cart distribution to occur week of 26 May 2008
	Finalize location for two (2) community meetings to be held 1 and 3 May 2008
21 March 2008	Database input completed no later than this date
28 March 2008	Public education and outreach brochures, mailers and initial vehicle billboard material completed and ready for distribution by this date

Ware Disposal, Inc.

**County of Los Angeles
Franchise Documentation**

**East Charter Oak Franchise Area
Exhibit 3D**

- 10-24 March 2008

Execute final franchise agreement between County and WDCO

Second Transition meeting with LADPW Staff for communicative purposes, as well as to include the current residential providers to discuss week of 26 May 2008 transition schedule and previous provider equipment removal from East Charter Oak
- 10 April 2008

Letters mailed to residents announcing new hauler and community meetings (LADPW)

Completion of new personnel hiring and training (ongoing from 1 November 2007)
- 28 April 2008

Announcement notice mailed to each resident introducing the hauler/service (WDCO)

Initial mailing to all customers concerning residential and nonresidential trash and recycling program; mailing will identify the schedule for four proposed public workshops, the distribution scheduling for bins and replacement carts, and information about the new services and transition; includes customer notice of cart replacement method and policy
- 28 April 2008

Newspaper publication announcing new franchise system and community meetings (with a copy of franchise map with collection schedule)
- 28 April-2 May 2008

Commence collaborative process with existing providers to ensure simultaneous container removal with container delivery (to occur week of 26 May 2008)
- 1 and 3 May 2008

Community Meetings (LADPW provides introduction)
- 1 May 2008

Complete acquisition of rolling stock and containers

Company will issue the required cash and performance bond, insurance certificate with all appropriate language included

(No later than this date) Provide LADPW Staff with the final vehicle listing with identification numbers
- 5 May 2008

Complete route training exercises for East Charter Oak drivers and other personnel (including service updates, unpermitted waste screening training and distribution of new route maps)
- 12 May 2008

Full complement of employees trained on all routes (no later than this date)

Distribution of prorated Q2 CY 2008 and Q3 CY 2008 billing cycle to East Charter Oak residents
- 8 May 2008

Commencement of residential replacement cart distribution—to run through 31 May 2008

Ware Disposal, Inc.

County of Los Angeles
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East Charter Oak Franchise Area
Exhibit 3D

- Collection of residential old or broken carts (if necessary and/or required)—to run through 31 May 2008 (and provided previous providers do not remove their own equipment; issue to be resolved during collaborative process as specified above)
- Submit compaction vehicle noise level testing certificate, if required
- 2 June 2008 **COMMENCEMENT OF NEW TRASH & RECYCLING SERVICES** (may occur on 31 May 2008 in accordance with Section I of Exhibit 3A)
- 2 June 2008 Weekly transition briefings for LADPW Staff and Council, if so requested—to run through 1 September 2008
- 2 June – 27 June 2008 Respond to resident requests to switch out and replace carts

Respond to resident requests for smaller carts

Respond to resident inquiries on the service, service dates, or alleged missed pick ups

Conduct field screening surveys to assure proper routing and service levels; provide trouble shooting assistance to residents and other customers
- 22 September 2008 Final transition report to be presented and/or mailed before LADPW Staff as requested or necessary

Ware Disposal, Inc. shall use its best efforts to cooperate and work with providers of MSW management services before 2 June 2008 in order to ensure a smooth transition. Prior to that commencement date, franchisee shall use its best efforts to provide MSW management services to customers who do not receive MSW management services from other providers.

Exhibit 3D – Franchisee Documentation

Item B.20 – ADDITIONAL FRANCHISEE COMMITMENTS MADE IN ITS PROPOSAL FOR PROCUREMENT OF THIS AGREEMENT

This item consists of 4 pages (including this page).

Initials: ju Dated: 5/19/08 Initials: TWA Dated: 5/22/08
FRANCHISEE COUNTY

County of Los Angeles
Franchise Documentation

East Charter Oak Franchise Area
Exhibit 3D

Section B20: Additional Franchise Commitments Made In Its Proposal For Procurement of This Agreement (Section J of Exhibit 3A)

1. SHARPS and used oil/oil filter collection program: East Charter Oak Franchise Area residents who desire to dispose of SHARPS and used oil/filters will have those materials collected by Ware Disposal, Inc. at no additional charge so long as the resident utilizes a SHARPS container provided by Ware Disposal, Inc. or a Ware Disposal, Inc. supplied used oil container. Residents will have to purchase Ware Disposal, Inc. approved containers for SHARPS collection or used oil collection in an effort to preserve the health and safety of our collection personnel in East Charter Oak as well as insure that the public is safe as well. The first container is free. The second and third container will cost \$7.50 plus tax per occurrence. The customer will need to purchase this container with a credit card, or a check made payable to Ware Disposal, Inc. Customer will have the ability to pay online as well at www.waredisposal.com. A container will be supplied to an East Charter Oak resident within five (5) business days of payment and telephonic contact. Those residents obtaining the SHARPS container will be able to mail it back to the recycler with the postage paid envelope as part of the container. The used oil containers will be scheduled for pick up on the first Thursday of each month for all customers disposing of used oil in the proper Ware Disposal, Inc. container. Instructions will be provided to the customer upon us delivering the container. Ware Disposal, Inc. will maintain a list of those customers that have ordered used oil containers. Lastly, the East Charter Oak resident will have had to accept our subscription order and integrated solid waste management service, and their account must be in good standing to be eligible for this program so said resident can receive Ware Disposal, Inc.'s public education and outreach information on said subjects.
2. East Charter Oak residents will be permitted to include fluorescent tubes as part of the two on-call pickups per year without surcharge for residential customers conditioned on the following specifications for the collection of fluorescent tubes:
 - a. Fluorescent tubes: Florescent tubes must be kept intact prior to collection. In other words, broken florescent tubes will not be accepted for collection.
3. Supplying biodegradable bags for excess green waste collection: Ware Disposal, Inc. can supply biodegradable bags for excess green waste collection as the last option for East Charter Oak residents. If a residential premises generates excess green waste, the following represents Ware Disposal, Inc.'s public education and outreach campaign for collecting and transporting said excess green waste:
 - a. Residents will be encouraged to place all of their accumulated green waste into the cart provided them at the commencement of services.

Ware Disposal, Inc.

- b. If a resident constantly generates excess green waste at a residential premise, said resident will be encouraged to accept another green waste cart(s) to handle the excess green waste accumulation.
 - c. If the previous two (2) steps are deemed inadequate (meaning the resident has already accepted a third cart for green waste), then Ware Disposal, Inc. can provide biodegradable bags to a resident after the resident makes contact with Ware Disposal, Inc. requesting biodegradable bags for excess green waste collection so long as upwards of the two green waste carts under the basic service rate is paid, and a 3rd green waste cart is then paid for on a monthly basis. The customer account must be in good standing with Ware Disposal, Inc. If the above conditions are met, the resident will have to initiate contact with Ware Disposal, Inc. at least seventy-two (72) hours prior to the resident's normal day of collection to obtain said bags. Ware Disposal, Inc. will then provide said resident upwards of four (4) biodegradable bags for excess green waste collection four (4) times per year. Ware Disposal, Inc. will secure the biodegradable bags from the following companies:
 - i. Eco-Products, 3640 Walnut Street, Boulder, Colorado;
 - ii. BIOgroup USA Inc., 2708 Alt. HWY 19, Palm Harbor, Florida;
 - iii. Plastic Bags for You.com, 7335 Orangethorpe Avenue, Buena Park, California.
 - d. If a resident generates three (3) to forty (40) cubic yards of excess green waste on a consistent basis, the resident will be encouraged to contact Ware Disposal, Inc. for technical assistance and to secure a more appropriate container to properly handle the excess green waste accumulation and to ensure it remains available for diversion credit for the County of Los Angeles.
4. Use of Alternate Fueled Vehicles: All vehicles will be brand new as of 1 June 2008, the commencement date for new services in East Charter Oak (with the exception of spare vehicles).
5. Quarterly waste characterization study: The following represents Ware Disposal Inc.'s procedure as it relates to conducting the quarterly waste characterization study:

If Ware Disposal, Inc. utilizes other solid waste facilities, Ware Disposal, Inc. can conduct quarterly audits, when necessary, of the specified processing facilities for the purpose of establishing and updating the diversion allocation tonnages and percentages for the materials collected in the East Charter Oak Franchise Area. Ware Disposal, Inc.'s protocol is based on a comparison of positive sorts done at Madison Materials and then compared to the diversion allocations provided by the subject facility. Our protocol for Conducting Quarterly Diversion Allocation Audits is described below.

Every load brought to a MRF from a jurisdiction is recorded by the jurisdiction of origin at the scale house. Incoming loads from the County will be deposited on the tipping floor. These loads are not mixed with any other jurisdictions' until the point of processing as it is infeasible to separate and process each jurisdiction's loads separately. Madison Materials has employed a process for allocating tonnage to each city that receives diversion credit. This allocation system is quite similar to that found at other Orange County transfer stations. It has been formulated to be as transparent as it can be as it relates to mixed material recovery facility processing. This type of methodology has already been reviewed by the Orange County Integrated Waste Management Board (OCIWMD) and is consistent with existing policies regarding said issue of the California Integrated Waste Management Board (CIWMB).

The County's allocation percentage is established as follows. Ware Disposal, Inc. (through Madison Materials) will separate loads from the County and will characterize the loads in the following order of residential recyclables, commercial, and roll-off (construction and demolition). Each characterization is accomplished by hand sort, and weights are established for each of the three waste categories. A five-day sampling is conducted to account for changes in the waste stream over the course of a week. These daily samples are then averaged to produce a quarterly characterization that is used to establish the allocation percentage for the County. This characterization process is repeated every quarter to establish the next quarter's allocation to account for seasonal fluctuations. Madison Materials has run tests on the jurisdictions it currently services and the testing has proven to be successful and has resulted in diversion rates in excess of 50%.

The recyclable commodities from this process are recovered paper, cardboard, newsprint, plastics 1-7, scrap metal, non-ferrous metals, aluminum, wood, green waste, drywall, concrete, dirt, asphalt, roofing materials and other assorted recyclable materials. Madison Materials has a successful track record over the past five (5) years in marketing all of the aforementioned commodities. The results of this recovery process will be reported to the County as specified in the franchise agreement.

EXHIBIT 10 - RATES

A. Rates.

1. **Rate Schedule and Rate Adjustments.** FRANCHISEE shall charge Customer Service Charges in amounts less than or equal to the Rates set forth in the Rate Schedule. These Rates will be adjusted at FRANCHISEE'S request, submitted at least 60 days in advance, or at the Director's option, as the case may be, in any of the following events:
 - a. Annual changes in the CPI or DOE Diesel in accordance with the Rate adjustment protocol in subsection A2 and example in Attachment 1A of this Exhibit 10;
 - b. Change in FRANCHISEE'S costs of Disposal of Refuse at the Solid Waste Facility it has designated in Franchisee Documentation as provided in the Rate adjustment protocol in subsection A3 and example in Attachment 1B of this Exhibit 10; or
 - c. Change in FRANCHISEE'S Direct Costs of providing Franchise Services due to Changes in Law or changes in Franchise Services or Franchise Standards as agreed to between FRANCHISEE and the Director.

All calculations are rounded to the nearest 1/100th decimal place (for example, 101.96% or 0.0196). The decimal 5 is rounded down (for example, 101.965% to 101.96%).

Adjustments in Customer Service Charges are rounded to the nearest penny (for example, \$25.34).

If any adjustments are made to Net Rates, then the amount of the Franchise Fee in effect at the time of adjustment will be re-calculated and added to the adjusted Net Rates.

No adjustment will be effective until notice thereof has been provided to the Board of Supervisors. Net Rates will be adjusted only if there are no Breaches that have not been cured after Notice from the Director in accordance with Section 17A and no Franchisee Defaults.

FRANCHISEE shall provide all Customers a minimum of 30 days' advance written notice of the implementation of changes in any Customer Service Charges or other notices directed by COUNTY.

Rates will not otherwise be adjusted, including for actual changes in the price of fuel or increases in Disposal tipping fees other than as described in the preceding items a and b, respectively, of this subsection A1. If

FRANCHISEE and the Director fail to reach agreement to adjust the Rates as a result of Changes in Law or changes in Franchise Services or Franchise Standards as described in preceding item c of this subsection A1, COUNTY will have the option to terminate this AGREEMENT in accordance with Section 17D.

2. **Rate Adjustment for Annual Increase or Decrease in CPI or DOE Diesel.**

a. ***Adjustment Due to Change in CPI.*** Beginning on July 1 of the second calendar year of the Term and thereafter on each succeeding July 1, the Service Component will be adjusted by 75 percent of the average percent change, if any, in the CPI during the period commencing April 1 of the previous year to March 31 of the current year, no greater than 5 percent, as confirmed by COUNTY'S Auditor-Controller.

b. ***Adjustments Due to Change in DOE***

Only the percentage of vehicles in a fleet that uses CNG will receive the CNG rate adjustment. Only the percentage of vehicles in a fleet that uses Diesel will receive the Diesel rate adjustment. (Table 3 in Attachment 1 of Exhibit 10)

i. ***Adjustment Due to Change CNG.*** Beginning on July 1 of the second Calendar Year of the Term and thereafter on each succeeding July 1, the Fuel Component will be adjusted by the percent change, if any, between the DOE CNG for the previous Calendar Year and the DOE CNG for the Calendar Year prior to that year, as confirmed by COUNTY'S Auditor-Controller.

ii. ***Adjustment Due to Change in Diesel.*** Beginning on July 1 of the second Calendar Year of the Term and thereafter on each succeeding July 1, the Fuel Component will be adjusted by the percent change, if any, between the DOE Diesel for the previous Calendar Year and the DOE Diesel for the Calendar Year prior to that year, as confirmed by COUNTY'S Auditor-Controller.

c. ***Rate Adjustment Definitions.***

"CPI" means the Consumer Price Index for all Urban Consumers (Los Angeles-Riverside-Orange County) as published by the United States Department of Labor, Bureau of Labor Statistics.

Disposal Component means 30 percent of the Net Rate shown on the Rate Schedule.

Fuel Component means 5 percent of the Net Rate shown on the Rate Schedule.

Net Rate means Rate minus Franchise Fee.

DOE CNG means Compressed Natural Gas price published in Energy Efficiency and Renewable Energy from the United States Department of Energy website, http://www.eere.energy.gov/afdc/price_report.html.

DOE DIESEL means annual Diesel (On Highway) price published in the Official Energy Statistics from the United States Department of Energy website, http://tonto.eia.doe.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm.

Service Component means 65 percent of the Net Rate shown on the Rate Schedule.

Weighted Rate Adjustment Percentage means sum of the adjustments due to changes in the CPI and the PPI and disposal tipping fees calculated as provided in subsections A2a, A2b and 4A3, respectively.

- d. **Net Rate Adjustment Calculation.** The Weighted Rate Adjustment Percentage, times the prior Net Rate, is added to the prior Net Rate to yield the adjusted Net Rate. A sample calculation is included in Section D of Attachment 10A.

3. **Rate Adjustment for Changes in Disposal Facility Fees.** Beginning on July 1 in the second full calendar year of the Term and thereafter on each July 1, the Disposal Component of Net Rates will be adjusted for any change in Disposal tipping fees charged FRANCHISEE by the Solid Waste Facility designated by FRANCHISEE in Franchisee Documentation. FRANCHISEE must substantiate to the satisfaction of the Director that FRANCHISEE is experiencing that change in Disposal tipping fees. (For example, FRANCHISEE may have independently contracted for Disposal at a cost lower than posted tipping fees at the Solid Waste Facility designated by FRANCHISEE in Franchisee Documentation, or FRANCHISEE may own the Solid Waste Facility it designated for Disposal and consequently internalize Disposal costs lower than posted tipping fees at the Solid Waste Facility designated by FRANCHISEE in Franchisee Documentation. If FRANCHISEE does not substantiate to the satisfaction of the Director that FRANCHISEE is

experiencing that change in Disposal tipping fees, FRANCHISEE'S Net Rates will not be adjusted.)

A sample calculation is attached in Section B of Attachment 1.

ATTACHMENT 1 - RATE ADJUSTMENT EXAMPLES

A. Section A1/A2 of Exhibit 10: Annual increase or decrease in CPI or DOE Diesel.

Table 1- Adjustment Due to Change in CPI (Section A2a of Exhibit 10).

Calculate percent change in CPI (12-month average, not month-to-month)	April 1, 2003 - March 31, 2004	173.5
	April 1, 2004 - March 31, 2005	177.0
	Percent Change	2.0% (not more than 5%)
Relative weight of Net Rate	75% of percent change in CPI	1.5%

Table 2 - Adjustment Due to Change in PPI (Section A2b of Exhibit 10).

Calculate percent change in DOE Diesel (12-month average, not month-to-month)	April 1, 2003 - March 31, 2004	86.2
	April 1, 2004 - March 31, 2005	90.5
	Percent Change	5.0%
Relative weight of Net Rate	100% of percent change in DOE Diesel	5.0%

Table 3 – Adjustment Due to Change in DOE CNG and DOE Diesel (Section A2b of Exhibit 10).

Calculate percent change in DOE Diesel (12-month average, not month-to-month)	Relative weight of Net Rate	86.2
	Relative weight of Net Rate	90.5
	Relative weight of Net Rate	5.0%
Relative weight of Net Rate	100% of percent change in DOE Diesel	5.0%
Calculate percent change in DOE Diesel (12-month average, not month-to-month)	Relative weight of Net Rate	82.5
	Relative weight of Net Rate	85.8
	Relative weight of Net Rate	4.0%
Relative weight of Net Rate	100% of percent change in DOE CNG	4.0%

Example: If a company owns a total of 10 vehicles and 3 vehicles use DOE Diesel and 7 vehicles use DOE CNG, then the 3 vehicles using DOE Diesel will have a 5.0% rate adjustment and the 7 vehicles using the DOE CNG will have a rate adjustment of 4%.

ATTACHMENT 1 - RATE ADJUSTMENT EXAMPLES

A. Section A1/A2 of Exhibit 10: Annual increase or decrease in CPI or DOE Diesel.

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Relative weight of Net Rate	75% of percent change in CPI	1.5%

Table 2 - Adjustment Due to Change in PPI (Section A2b of Exhibit 10).

Calculate percent change in DOE Diesel (12-month average, not month-to-month)	April 1, 2003 - March 31, 2004	86.2
	April 1, 2004 - March 31, 2005	90.5
	Percent Change	5.0%
Relative weight of Net Rate	100% of percent change in DOE Diesel	5.0%

Table 3 – Adjustment Due to Change in DOE CNG and DOE Diesel (Section A2b of Exhibit 10).

Calculate percent change in DOE Diesel (12-month average, not month-to-month)	Relative weight of Net Rate	86.2
	Relative weight of Net Rate	90.5
	Relative weight of Net Rate	5.0%
Relative weight of Net Rate	100% of percent change in DOE Diesel	5.0%
Calculate percent change in DOE Diesel (12-month average, not month-to-month)	Relative weight of Net Rate	82.5
	Relative weight of Net Rate	85.8
	Relative weight of Net Rate	4.0%
Relative weight of Net Rate	100% of percent change in DOE CNG	4.0%

Example: If a company owns a total of 10 vehicles and 3 vehicles use DOE Diesel and 7 vehicles use DOE CNG, then the 3 vehicles using DOE Diesel will have a 5.0% rate adjustment and the 7 vehicles using the DOE CNG will have a rate adjustment of 4%.

ATTACHMENT 2 – RATE SCHEDULE (Customer Service Charges)

	RATE/NET RATE
MONTHLY RATE PER CUSTOMER FOR RESIDENTIAL PREMISES ¹ AND MULTIFAMILY PREMISES:	\$17.17/\$15.43
1. One 96 gallon Refuse Cart, and	
2. Up to two 96-gallon Recyclables Carts, and	
3. Up to two 96-gallon Green Waste Carts.	
4. Senior Basic Service (25 percent discount)	\$12.88/\$11.59
ADDITIONAL SERVICE:	
1. Additional 96-gallon Carts in excess of Basic Service \$5/Cart	\$5.00/\$4.50
SURCHARGES:	
1. Alternatives to fully automated Carts for difficult-to-serve Residential Premises (bh3 or Exhibit 3A): 25 percent of Customer's monthly Net Rate.	\$4.29/\$3.85
2. Each additional on-call pickup in excess of twice each year (F2c of Exhibit 3A): \$25.00	\$25.00
3. Manual Cart roll-out (other than elderly or disabled) (G of Exhibit 3A): 50 percent of Customer's monthly Net Rate.	\$8.58/\$7.71
4. CEDs on-call pickup in excess of twice annually	\$25.00

EXHIBIT 18D2 - LIQUIDATED DAMAGES

Reference to "failure" refers to each occurrence of specified Breach (such as for each Customer and each Customer's Collection site, Record entry, or complaint) and not for aggregate occurrences of those Breaches (such as for all Customers on a given route or day).

1	For each failure over five during any Contract Year (1) to clean up litter in accordance with Section 4A1 or (2) comply with Section 4A2 (spills) or A3 (liquid leaks), respectively.	\$150
2	For each occurrence over 12 occurrences during any Contract Year of excessive noise in contravention of Section 4A4.	\$300
3	Failure to maintain an emergency number or make staff available thereat in accordance with Section 4A5.	\$75/day
4	Failure to provide documentation for review or comment by COUNTY or obtain any approval, consent or other permission of COUNTY required under this AGREEMENT, including any failure to timely submit, <ul style="list-style-type: none"> • Customer correspondence under Section 4H • Publicity materials under section 4I1; • News releases and trade journal articles related to Franchise Services, under Section 4I2 • Customer outreach materials under Section 6E and Exhibit 3A, Section B2b. 	\$300 for each failure per occurrence or each day before retraction or correction of misinformation identified by COUNTY
5	Each failure over one during any calendar month to return COUNTY calls in accordance with Section 4J.	\$500
6	Each failure over one during any Contract Year to timely meet with COUNTY in accordance with Section 4J.	\$500
7	Commingling materials from outside the Service Area with Solid Waste that FRANCHISEE Collects inside the Service Area, in contravention of Section 4K.	\$400/ Vehicle- occurrence
8	For each failure to follow its Unpermitted Waste Screening Protocol in accordance with Section 6A.	\$500
9	For each failure to mark any Container with discard prohibitions in accordance with Section 6D.	\$50
10	Failure to maintain telephone service in accordance with Section 7B.	\$75/day
11	For each failure to timely address Customer complaints in accordance with Section 7D1.	\$100

12	For each failure over five occurrences during any Contract Year to timely Collect from missed Containers in accordance with Section 7D1.	\$300
13	For each failure to enter log of and maintain and supply Records of complaints in accordance with Section 7D2.	\$100
14	For each failure over 5 occurrences during any Contract Year to E-mail complaint information to COUNTY in accordance with Section 7D2.	\$100
15	For each occurrence of charging any Customer more than the Customer owes for Franchise Services (such as for the wrong level of Franchise Services) or charging any Customer in excess of scheduled Rates (such as the incorrect dollars/Container), in Breach of Section 10.	\$100
16	Failure to timely allow COUNTY to inspect, audit or copy Records in accordance with Section 11C.	\$150
17	Failure to timely submit AB 939 Records in format required by COUNTY in accordance with Section 12B.	\$150
18	For each occurrence over five occurrences during any Contract Year of damage to private property in contravention of Section 20C.	\$150
19	If FRANCHISEE violates the nondiscrimination provisions of this AGREEMENT, including Section 23E.	\$500
20	Failure of any Vehicle to deliver Solid Waste to the Solid Waste Facilities designated by FRANCHISEE in accordance with Exhibit 3A and Franchisee Documentation.	\$300/ Vehicle-day
21	For each occurrence over five occurrences during any Contract Year of Collecting any Solid Waste during unauthorized hours prohibited under Section B1 of Exhibit 3A.	\$250
22	For each failure over 5 occurrences during any Contract Year to timely respond to Container service requests (including delivery and exchanges, removal, repair and replacement) in accordance with Section B3a, b, and c of Exhibit 3A.	\$300
23	For each failure over 12 occurrences during any Contract Year to equip Carts with operable lids or return Carts upright in breach of Section B3c and e of Exhibit 3A.	\$150
24	For each failure to timely remove graffiti in accordance with Section B3g of Exhibit 3A.	\$150
25	For each failure to timely repair or replace carts in accordance with Section B3c of Exhibit 3A.	\$35
26	For each occurrence over 10 during any Contract Year of failing to return emptied Containers to their Set-Out Sites, or placing Containers in site that impedes pedestrian or vehicular traffic in contravention of Section B6 of Exhibit 3A.	\$150
27	For each failure over 3 during any Contract Year to provide Recyclables or Green Waste services to any Customer in accordance with Sections D and E of Exhibit 3A.	\$100

**EXHIBIT 20G - AUTHORIZED REPRESENTATIVE OF
COUNTY'S DIRECTOR OF PUBLIC WORKS**

Name: Virginia Maloles

Telephone Number: (626) 458-3562

Facsimile Number: (626) 458-3593

E-mail Address: vmaloles@dpw.lacounty.gov

Address for Notices by Mail:

County of Los Angeles Department of Public Works
Environmental Programs Division
900 South Fremont Avenue
Alhambra, California 91803
Facsimile Number: (626) 458-3593
E-mail:

County Office Hours: 7:00 a.m. to 5:30 p.m.

Established by Director:

Signature: Thomas W. Hoagland

Printed Name: Thomas W. Hoagland

Date: 5/22/08

Acknowledged by FRANCHISEE:

Signature: Judith Ware

Printed Name and Title: Judith Ware, President

Date: 5/19/08

EXHIBIT 20H - FRANCHISEE'S REPRESENTATIONS AND WARRANTIES

1. **Status.** FRANCHISEE is a California Corporation duly organized, validly existing and in good standing under the laws of and is qualified to do business in the State of California with full power and authority to execute and deliver this AGREEMENT and to perform the its Performance Obligations. This AGREEMENT has been duly executed and delivered by FRANCHISEE and constitutes a legal, valid and binding obligation of FRANCHISEE enforceable against FRANCHISEE in accordance with its terms.
2. **Statements and Information.** All information and documentation compiled, drafted, made or otherwise delivered to COUNTY by or on behalf of FRANCHISEE in connection with this AGREEMENT, including its procurement, is correct and complete in all material respects as of the Execution Date and at the time originally submitted by FRANCHISEE to COUNTY.
3. **No Conflicts.** Neither the execution or delivery by FRANCHISEE of this AGREEMENT, the performance by FRANCHISEE of Franchise Services, nor the fulfillment by FRANCHISEE of the terms and conditions of this AGREEMENT:
(1) conflicts with, violates or results in a breach of any Applicable Law;
(2) conflicts with, violates or results in a breach of any term or condition of any judgment, order or decree of any court, administrative agency or other governmental authority, or any agreement or instrument to which FRANCHISEE is a party or by which FRANCHISEE properties or assets are bound, or constitutes a default thereunder.
4. **No Approvals Required.** FRANCHISEE has obtained and maintains all Permits in full force and effect during the Term. No other approval, authorization, license, permit, order, or consent of, or declaration, registration, or filing with any governmental or administrative authority, commission, board, agency or instrumentality is required for the valid execution and delivery of this AGREEMENT by FRANCHISEE, except those as have been duly obtained from its governing body, FRANCHISEE shall immediately provide Notice to the Director of any notice of violation, revocation or suspension of any permit.
5. **No Litigation.** As of the Execution Date, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency or instrumentality pending or, to the best of FRANCHISEE'S knowledge, threatened, against FRANCHISEE wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely affect the performance by FRANCHISEE of its obligations under this AGREEMENT or in connection with the transactions contemplated by this AGREEMENT, or which, in any way, would adversely affect the validity or enforce ability of this AGREEMENT or any other agreement or instrument entered into by FRANCHISEE in connection with the transactions contemplated by this AGREEMENT.

6. **Due Diligence.** As of the Execution Date, FRANCHISEE has made an independent investigation, examination and research satisfactory to it of the conditions and circumstances surrounding this AGREEMENT and best and proper method of providing Franchise Services (including Franchise Services types) and labor, equipment, and materials for the volume of Franchise Services to be provided. FRANCHISEE agrees that it shall make no claim against COUNTY based on any estimates, statements or interpretations made by any officer, employee, agent, or consultant of COUNTY in connection with the procurement of this AGREEMENT, which proves to be in any respect erroneous.
7. **Compliance with Applicable Law.** As of the Execution Date, FRANCHISEE has fully complied with all Applicable Law, including law relating to conflicts of interest and County Lobbyist Ordinance, in the course of procuring this AGREEMENT.
8. **Ability to Perform.** FRANCHISEE possesses the business, professional and technical capabilities to provide Franchise Services; and possesses the equipment, facility and employee resources required to fully and timely perform Franchise Services.
9. **Contingent Fees.** No Person, including a selling agency, has been employed or retained to solicit or secure this AGREEMENT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by FRANCHISEE for the purpose of securing business.
10. **Opportunity to Comment.** FRANCHISEE had the opportunity to submit comments and recommended changes during the procurement process, during meetings convoked by COUNTY with the denominated "Working Group" whose members received copies of the drafts of the form of agreement or during the procurement of this AGREEMENT.
11. **Solid Waste Facilities.**
 - a. The Solid Waste Facility or Facilities that FRANCHISEE designates in Franchisee Documentation for Disposal is a disposal facility that is permitted to accept and process Refuse in accordance with Applicable Law.
 - b. The facility or facilities that FRANCHISEE designates in Franchisee Documentation for delivery of Recyclables is a materials recovery facility that is permitted to accept and process Recyclables in accordance with Applicable Law.
 - c. The facility or facilities that FRANCHISEE designates in Franchisee Documentation for delivery of Green Waste is a facility that is permitted to accept and process Green Waste in accordance with Applicable Law.

- 12. Franchisee Documentation.** As of the Execution Date, the Franchisee has submitted all Franchisee Documentation in accordance with Exhibit 3D.
- 13. Personnel.** FRANCHISEE fully complies with all federal and state statutes and regulations regarding employment of aliens and others, and all of its employees performing Franchise Services meet the citizenship or alien status requirements set forth in federal and state statutes and regulations.

EXHIBIT 21 - DEFINITIONS

AB 939 means the California Integrated Waste Management Act of 1989, California Public Resources Code § 40000 *et seq.*

Affiliate means a Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with FRANCHISEE. For the purpose of this definition, the meaning of the term "control" will be governed by Rule 144 of the Securities Act of 1993.

AGREEMENT means this agreement, including all exhibits and other attachments, which exhibits and other attachments are incorporated in this agreement by reference.

Annual Report is described in Section 13A3.

Applicable Law means all laws, statutes, rules, regulations, guidelines, Permits, actions, determinations, orders, or requirements of the United States, State of California, COUNTY (including its County Code together with rules and regulations promulgated thereunder and COUNTY'S Integrated Waste Management Plan), the Local Enforcement Agency, California Highway Patrol, South Coast Air Quality Management District, and other regional or local government authorities, agencies, boards, commissions, courts, or other bodies having applicable jurisdiction, that from time to time apply to or govern Franchise Services or the performance of the Parties' respective obligations under this AGREEMENT, including those that concern health, safety, fire, mitigation monitoring plans, building codes, and zoning, and further including the following:

1. **Vehicles:**

- a. California Health and Safety Code § 43000 *et seq.*, with respect to air emissions (smog checks);
- b. California Vehicle Code § 27456b, with respect to tires;
- c. California Vehicle Code § 34500 *et seq.*, with respect to documentation through its maintenance log or otherwise of a safety compliance report issued under Division 14.8 of the California Vehicle Code as applicable to each Vehicle, including bi-annual "BIT" inspections conducted by the California Highway Patrol;
- d. Rules and regulations promulgated under the California Vehicle Code with respect to Vehicle highway lighting, flashing and warning lights, clearance lights, and warning flags;
- e. Rules and regulations of the California Department of Motor Vehicles with respect to Vehicle registration;

- f. Vehicle weight limits;
- g. The appropriate class of drivers' licenses issued by the California Department of Motor Vehicles;
- h. Control Measure for Diesel Particulate Matter from On-road Heavy-Duty Residential and Commercial Solid Waste Collection Vehicles, 13 CCR 2020 *et seq.*; and
- i. 14 CCR 17341, 17342, 17343 and 17344, with respect to equipment construction, safety, and parking and identification of operating equipment;

2. Containers:

- a. 14 CCR 17314, with respect to maintenance and placement of containers; and
- b. 14 CCR 17317, with respect to placing identifying name and telephone number on containers;

3. Labor:

- a. Drug and alcohol testing;
- b. Occupational Safety and Health Act (29 U.S.C. § 651 *et seq.*), including the Solid Waste Disposal Facility Criteria promulgated by the U.S. EPA on October 9, 1991 (40 C.F.R., Parts 257 and 258); and California Occupational Safety and Health Act (California Labor Code, Division 5, Parts 1-10, § 6300 *et seq.*), and rules and regulations of California Division of Occupational Safety and Health; and
- c. Immigration Reform and Control Act of 1986 (PL.99-603);

4. Environmental Protection:

- a. CERCLA;
- b. RCRA;
- c. Clean Air Act (42 U.S.C. § 1351 *et seq.*, 42 U.S.C. §§ 7401-7642); and California Clean Air Act (California Health and Safety Code § 39000 *et seq.*);
- d. California Hazardous Waste Control Act (California Health & Safety Code § 25100 *et seq.*);

- e. California Hazardous Materials Release Response Plan and Inventory Act (California Health & Safety Code, Division 20, Chapter 6.95, § 25500 *et seq.*);
- f. Carpenter-Presley-Tanner Hazardous Substance Account Act (California Health & Safety Code § 25300 *et seq.*); and
- g. Emergency Planning and Community Right to Know Act (42 U.S.C. § 11001 *et seq.*); and

5. **Miscellaneous:**

- a. County Lobbyist Ordinance;
- b. Civil Rights Act of 1964 (Sub chapter VI of Chapter 21 of Title 42); and
- c. AB 939.

Reference to Applicable Law includes future amendments and supplements to or replacement, restatement or recodification thereof.

Assign or Assignment means any of the following:

1. Selling, exchanging, or otherwise transferring Ownership or control of FRANCHISEE (through sale, exchange, or other transfer of outstanding stock, equity interest, or otherwise);
2. Issuing new stock or selling, exchanging, or otherwise transferring 20 percent or more of the then outstanding common stock of or equity interest in FRANCHISEE;
3. Any dissolution, reorganization, consolidation, merger, recapitalization, stock issuance, or reissuance, voting trust, pooling agreement, escrow arrangement, liquidation, or other transaction, which results in a change of Ownership or control of FRANCHISEE;
4. Any assignment by operation of law, including insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment of an execution, or appointment of a receiver taking possession of any of FRANCHISEE'S tangible or intangible property;
5. Any sale or other transfer of 50 percent or more of the value of assets of FRANCHISEE except for sales or transfers to parents, grandparents, siblings, children, and grandchildren of individuals having a shareholder or other equity interest in Franchise as of the date of this AGREEMENT ("Immediate Family") or trust created primarily to benefit members of the Immediate Family;

6. Substitution by a surety company providing any performance bond in accordance with Section 15 of another Person for FRANCHISEE to perform Franchise Services; or
7. Any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any transfer or change of Ownership or control of FRANCHISEE or the assumption, assignment, delegation, takeover or performance of any of FRANCHISEE'S Performance Obligations, duties, or responsibilities by any Person other than FRANCHISEE, whether through assignment, subcontract (except as provided in Exhibit 3A), delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever.

Bin means any container capable of Collection with front end loading vehicles, such as those having a 3- to 8-yard capacity.

Board of Supervisors means the Board of Supervisors of the County of Los Angeles.

Breach means FRANCHISEE'S failure to fully and timely meet one or more Performance Obligations.

Bulky Item means any large item of Solid Waste that can be safely lifted by two individuals using a dolly, including the following:

1. Discarded furniture (such as chairs, sofas, mattresses, and rugs);
2. Appliances (such as refrigerators, ranges, washers, dryers, water heaters, dishwashers, plumbing, and other similar items commonly known as "white goods"); and
3. Up to two tires per Set-Out Site from passenger cars or pickup trucks.

Notwithstanding the foregoing, **Bulky Item** does not include tires from semi-trucks or Universal Waste.

Cart means any wheeled container capable of Collection by either semi or fully automated vehicles.

CED means any of the following:

1. Cathode ray tube (CRT) device (including television and computer monitor);
2. LCD desktop monitor;
3. Laptop computer with LCD display;
4. LCD television;
5. Plasma television;
6. Any other consumer electronic devices listed under Applicable law.

CERCLA means the Comprehensive Environmental Response, Compensation and Liability Act of 1982 (42 U.S.C. § 9601 et seq.).

Change in Law means the occurrence of any event or change in Applicable Law as follows:

1. The adoption, promulgation, modification, or change in Applicable Law or in judicial or administrative interpretation thereof occurring after the Execution Date other than laws with respect to taxes based on or measured by net income, or any unincorporated business, payroll, franchise taxes levied by any tax board (other than Franchise Fees levied by COUNTY) or employment taxes;
2. Any order or judgment of any federal, state, or local court or Regulatory Agency issued after the Execution Date hereof if:
 - a. That order or judgment is not also the result of the willful misconduct or negligent action or inaction of the Party relying thereon or of any third party for whom the Party relying thereon is directly responsible; and
 - b. The Party relying thereon, unless excused in writing from so doing by the other Party, will make or have made, or will cause or have caused to be made, Reasonable Business Efforts to contest that order or judgment (it being understood that the contesting in good faith of that an order or judgment will not constitute or be construed as a willful misconduct or negligent action of that Party);
3. The imposition by a Regulatory Agency of any new or different material conditions in connection with the issuance, renewal, or modification of any Permit after the Execution Date; or
4. The failure of a Regulatory Agency to issue or renew, or delay in the issuance or renewal of, or the suspension, interruption or termination of, any Permit after the Execution Date; provided that the failure to issue or the suspension or termination of any Permit is not the result of the willful misconduct or negligent action or inaction of the Party relying thereon or any third party for whom the Party relying thereon is directly responsible.

Collect, Collection, or Collecting means Solid Waste pickup(s) made by FRANCHISEE required by and in accordance with this AGREEMENT.

Commercial means Person or thing that is not Residential or Multifamily.

Commercial Customer means Customer who owns or occupies Commercial Premises.

Commercial Premises means Premises that are not Residential Premises or Multifamily Premises, including stores; offices; industrial plants; private schools;

restaurants; rooming houses; hotels; motels; manufacturing, processing, or assembly shops or plants; and hospitals, clinics, convalescent centers and nursing homes (with respect to nonmedical waste only).

Container means any Bin, Cart, compactor or other receptacle used to provide Collection.

Contract Year means each year or portion of a year during the Term commencing July 1 and ending June 30.

Conversion means an array of emerging technologies capable of converting the organic or carbon-containing materials portion of post-recycling residual solid waste and turning it into useful products, including renewable and environmentally benign fuels, chemicals, and other sources of clean energy.

COUNTY means the County of Los Angeles.

County Business Day means any day on which COUNTY'S Department of Public Works is open to do business with the public.

County Code means the Los Angeles County Code.

County Lobbyist Ordinance means County Code Chapter 2.160.

County Office Hours means hours that COUNTY is open to do business as indicated in Exhibit 20G.

County's Reimbursement Costs means Direct Costs of COUNTY plus 35 percent thereof.

County's Related Parties means political subdivisions, agencies, entities, or organizations for which the Board of Supervisors is the governing body, their agents, officers, and employees, elected officials, assigns, volunteers, and special districts (including Garbage Disposal Districts) and each and every one of them. County's Related Parties are third party beneficiaries of provisions in this AGREEMENT that reference them.

Criminal Activity means any of the following:

1. Fraud or criminal felony offenses in connection with obtaining, attempting to obtain, procuring, or performing a public or private agreement related to recyclables, green waste or MSW Management Services of any kind (including collection, hauling, transfer, processing, composting, or disposal), including this AGREEMENT;
2. Bribery or attempting to bribe a public officer or employee of a local, state, or federal agency;

3. Embezzlement, extortion, racketeering, false claims, false statements, forgery, falsification or destruction of records, obstruction of justice, knowingly receiving stolen property, theft, or misprision (failure to disclose) of a felony;
4. Unlawful disposal of hazardous, designated or other waste; or
5. Violation of securities laws or antitrust laws, including laws relating to price-fixing, bid rigging and sales and market allocation, and of unfair and anticompetitive trade practice laws, including with respect to inflation of waste collection, hauling or disposal fees.

Customer means a Person who subscribes for Collection from FRANCHISEE.

Customer Service Charge means the rates, fees, charges, and other compensation that FRANCHISEE bills a Customer for providing Collection.

day means calendar day.

Debarment or **Debar** has the meaning assigned in County Code § 2.202.020.

Direct Costs means the sum of the following:

1. Payroll costs directly related to the performance, management or supervision of any obligation under this AGREEMENT, comprised of compensation and fringe benefits, including vacation, sick leave, holidays, retirement, workers compensation insurance, federal and state unemployment taxes and all medical and health insurance benefits, plus;
2. The costs of materials, services, direct rental costs and supplies, plus;
3. Travel and subsistence costs, plus;
4. The reasonable costs of any payments to Subcontractors (with respect to FRANCHISEE) or contractors (with respect to COUNTY) or third parties necessary to and in connection with Performance Obligations, plus;
5. Any other cost or expense which is directly or normally associated with the task performed; which Direct Costs are substantiated by (i) a certificate signed by the principal financial officer of FRANCHISEE or the authorized representative of COUNTY, as the case may be, setting forth the amount of that cost and the reason why that cost is properly chargeable to COUNTY or FRANCHISEE, as the case may be, and stating that the cost is a competitive price, if there are competitive prices, secured in an arm's length transaction for the service or materials supplied; and (ii) if COUNTY or FRANCHISEE, as the case may be, requests that additional backup documentation as may be available to reasonably substantiate any Direct Costs, including invoices from suppliers, Subcontractors and contractors.

Direct Costs excludes profit or return on investment.

Director means the County of Los Angeles Director of Public Works or his or her authorized representative, including the authorized representative named in Exhibit 20G.

disposal or **dispose** means disposal, as defined in California Public Resources Code § 40192, of refuse at a solid waste facility.

Disposal or **Dispose** means disposal, as defined in California Public Resources Code § 40192, at a Solid Waste Facility of Refuse that FRANCHISEE has collected.

diversion or **divert** means activities that reduce or eliminate the amount of solid waste from disposal for the purposes of Division 13 of the California Public Resources Code, including Article 1 (commencing with § 41780).

Diversions or **Divert** means activities that reduce or eliminate the amount of Solid Waste from Disposal for the purposes of Division 13 of the California Public Resources Code, including Article 1 (commencing with § 41780).

E-waste means waste that is powered by batteries or electricity, such as computers, telephones, answering machines, radios, stereo equipment, tape players/recorders, phonographs, videocassette players/recorders, compact disc players/recorders, and calculators.

Execution Date means the date this AGREEMENT is signed by FRANCHISEE.

Franchise means the right and privilege granted by this AGREEMENT in Section 1.

FRANCHISEE means the Person executing this AGREEMENT and any assignee of FRANCHISEE consented to by COUNTY in accordance with Section 19. **FRANCHISEE** includes FRANCHISEE'S Subcontractors unless explicitly provided otherwise. References to all FRANCHISEE'S actions and Performance Obligations under this AGREEMENT include reference to Subcontractors' actions under this AGREEMENT, as applicable, without specifying in each instance that FRANCHISEE shall directly take those actions itself, or cause its Subcontractors to take those actions on FRANCHISEE'S behalf.

Franchisee Default is described in Section 17.

Franchisee Documentation means Exhibit 3D.

Franchisee Manager means any of the following:

1. FRANCHISEE'S officers and directors;

2. The officers and directors of FRANCHISEE'S parent corporation and of each successive parent corporation's parent corporation;
3. The authorized representative of FRANCHISEE named in Franchisee Documentation; and
4. Any other Persons, including Affiliates and FRANCHISEE'S or Affiliates' employees, officers or directors, in a Position of Influence.

Franchisee Office Hours means 8:00 a.m. to 5:00 p.m. Monday through Friday, and 8:00 a.m. to 12:00 noon on Saturdays, Holidays excepted.

Franchise Fee means the fee described in Section 1D.

Franchise Services means all Performance Obligations prescribed in Exhibit 3A, Section 4D, E, and F, and Section 7.

Franchisee's Related Parties means FRANCHISEE'S partners, officers, directors, agents, employees, Subcontractors, consultants, licensees, invitees, and Affiliates.

Garbage Disposal District means a district created under County Code Chapter 20.90.

Goods or Services means goods or services used in providing Franchise Services, including labor; leases; subleases; equipment; supplies; capital; insurance, bonds or other performance security if the insurer, surety or other provider is an Affiliate or a captive of FRANCHISEE or any Affiliate; and legal, risk management, general, and administrative services.

green waste means solid waste comprised of leaves, grass clippings, brush, branches, and other forms of organic matter generated from landscapes and gardens and separated from other forms of solid waste.

Green Waste means Solid Waste comprised of leaves, grass clippings, brush, branches, and other forms of organic matter generated from landscapes and gardens and separated from other forms of Solid Waste, including holiday trees and bushes, but excluding:

1. Stumps or branches exceeding 4 inches in diameter or 4 feet in length; and
2. Yucca or palm fronds, unless FRANCHISEE is able to Divert those excluded materials that may not be suitable for composting.
3. Other items listed in Section B16 of Exhibit 3D, Franchisee Documentation.

Gross Receipts means fees, charges, and other compensation that FRANCHISEE or Franchisee's Related Parties receive directly or indirectly from Customers in connection with Franchise Services before any deduction for costs or expenses such as the

Franchise Fee. **Gross Receipts** does not mean fees, charges, and other compensation that FRANCHISEE or Franchisee's Related Parties receive in connection with the sale of Recyclables.

Holidays means January 1, Memorial Day, 4th of July, Labor Day, Thanksgiving, and December 25 and any other holidays designated by COUNTY in Notice to FRANCHISEE.

including or **include** or variations thereof, when used in this AGREEMENT, means "including without limitation", "including, but not limited to," and "including, at a minimum."

Indemnities or **Indemnification** means all defenses, indemnities, and releases under this AGREEMENT, including under Section 14A (generally, and with respect to the Immigration Reform and Control Act and Cal/OSHA).

Liabilities means any of the following:

1. Liabilities;
2. Lawsuits;
3. Claims;
4. Complaints;
5. Cause of actions;
6. Citations;
7. Investigations;
8. Judgments;
9. Demands;
10. Cleanup orders;
11. Damages (whether in contract or tort, including:
 - a. Personal injury to or death of, at any time, FRANCHISEE'S employees, Subcontractors, COUNTY employees or third parties; and
 - b. Property damage of FRANCHISEE, Subcontractors, COUNTY employees or third parties);
12. Costs and expenses, (including all costs and expenses of litigation, mediation or arbitration, attorneys fees, whether COUNTY'S or FRANCHISEE'S staff attorneys or outside attorneys, and court costs);
13. Losses;
14. Fines;
15. Penalties; and
16. Other detriments of every nature and description whatsoever, whether under State of California or federal law.

Local Enforcement Agency means the enforcement agency defined in County Code § 20.56.030.

Monthly Report is described in Section 13A1.

MSW Management Services means any of the following:

1. Collection, transportation, storage, transfer, or processing of:
 - a. solid waste; or
 - b. Unpermitted Waste that is handled in accordance with Applicable Law (such as tires in excess of load limits certain E-waste or CEDs collected as part of a Collection program for Bulky Items described in Exhibit 3A); or
2. Arranging for disposal of that solid waste or Unpermitted Waste.

Multifamily means related to dwellings with three or more dwelling units (such as apartments, condominiums, and town homes), each with separate cooking and bathing facilities.

Multifamily Customer means Customer who owns or occupies Multifamily Premises.

Multifamily Premises means Premises containing a Multifamily building.

Non-Collection notice means the notice in the form included in Franchisee Documentation in accordance with Section 4C.

Notice means notice given in accordance with Section 20F.

Office means FRANCHISEE'S offices required by Section 7A to be identified in Franchisee Documentation.

Ownership has the meaning provided in the constructive ownership provisions of the Internal Revenue Code of 1986 § 318(a) as in effect on the Execution Date, except that (1) 10 percent is substituted for 50 percent in § 318(a)(2)(C) and in § 318(a)(3)(C) thereof; (2) § 318(a)(5)(C) is disregarded, and (3) ownership interest of less than 10 percent is disregarded and percentage interests is determined on the basis of the percentage of voting interest or value which the ownership interest represents, whichever is greater.

Party or Parties means COUNTY and FRANCHISEE, individually and together, respectively.

Performance Obligations means each and every obligation and liability of FRANCHISEE under this AGREEMENT.

Permit means any federal, state, county, other local, and any other governmental unit permit, order, license, approval, authorization, consent, or entitlement of whatever kind and however described that Applicable Law requires to be obtained or maintained with respect to the satisfaction of Performance Obligations, as renewed or amended from

time to time, including the waste collector permit issued by the Los Angeles County Department of Health Services.

Person means any individual, firm, association, organization, partnership, corporation, trust, joint venture, state, county, municipality, special purpose district, the United States or any other entity.

Position of Influence means a position of authority or responsibility to directly or indirectly administer, manage, direct, supervise or oversee the Franchise Services or this AGREEMENT, including the following: (1) serving as director of the board of directors of FRANCHISEE or an Affiliate, (2) serving as an officer of FRANCHISEE or an Affiliate, (3) reviewing or negotiating FRANCHISEE'S contracts (including this AGREEMENT), (4) providing in-house legal services, and (5) providing insurance or other performance security if the provider is an Affiliate or is a captive of FRANCHISEE or an Affiliate; but excluding the following: (1) monitoring FRANCHISEE'S performance, (2) supervising FRANCHISEE'S finance and capital budget decisions, and (3) articulating general policies and procedures not related to a Criminal Activity.

Premises means a tract of land with habitable buildings located in the Service Area and which is safely accessible by Vehicles.

processing means the reduction, separation, recovery, conversion or Recycling of Solid waste, including creating "compost" as defined in California Public Resources Code § 40116.

Processing means the reduction, separation, recovery, conversion or Recycling of Solid Waste, including creating "compost" as defined in California Public Resources Code § 40116.

prompt or promptly means as soon as practicable, but in no event more than two days.

Quarterly Report is described in Section 13A2.

Rates means the amounts listed on the Rate Schedule.

Rate Schedule means Attachment 2 to Exhibit 10.

RCRA means the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.).

Reasonable Business Efforts means those good faith efforts a reasonably prudent business Person would expend under the same or similar circumstances in the exercise of that Person's business judgment, intending to take steps calculated to satisfy the obligation, which that Person has undertaken to satisfy.

Records means documentation relating to Franchise Services and other Performance Obligations, including ledgers, books of account, invoices, vouchers, canceled checks,

logs, correspondence, computations, files, plans, correspondence, reports, drawings, designs (other than those respecting facilities or facility operations not involving Collection), data and photographs prepared by or possessed by FRANCHISEE, including the following:

1. Customer Subscription Order and Franchise Services information (including Customers' names and addresses), billing records, complaint logs, route maps, schedules, and correspondence with Customers;
2. Weight tickets, invoices, bills of lading, and receipts from Solid Waste Facilities for types and amounts of Solid Waste that FRANCHISEE Collects, transports and delivers to those Solid Waste Facilities;
3. AB 939 records, including documentation from Recyclables and Green Waste transporters, shippers, brokers, beneficiators, remanufacturers, and purchasers or other users of Recyclables and Green Waste; any reports on Processing of Recyclables or Green Waste residual that Solid Waste Facilities may make to the California Integrated Waste Management Board;
4. Vehicle maintenance, driver Permits and driver testing records;
5. Gross revenues and receipts, including Gross Receipts;
6. Franchise Fees paid to COUNTY; and
7. Records that may be relevant in the event of an action under CERCLA or similar claims.

recyclables means Solid Waste that may potentially be diverted for disposal.

Recyclables means any of the following materials:

1. Aluminum and metal cans;
2. Newspaper;
3. Glass jars and bottles;
4. Tin cans;
5. Plastic soda bottles;
6. Plastic milk and water jugs;
7. Plastic bags (e.g., bread, frozen food, grocery bags);
8. Type No. 1 plastic containers (PET-polyethylene terephthalate);

9. Type No. 2 plastic containers (HDPE-high density polyethylene);
10. All types of paper (e.g., office paper, junk mail, magazines, telephone books);
11. Corrugated cardboard;
12. White goods (such as those listed in the definition of **Bulky Items**); or
13. Additional (or deleted) items that COUNTY directs after Notice to FRANCHISEE, without adjustment of Rates unless the modification requires Franchise Services at the Set-Out Sites separate and distinct from previously Collected Recyclables.

recycle or recycling means the process of collecting, sorting, cleansing, treating, and reconstituting materials (including recyclables and green waste) that would otherwise become solid waste and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products that meet the quality standards necessary to be used in the market place. **Recycling** does not include transformation, as defined in California Public Resources Code § 40201.

Recycle or Recycling means the process of collecting, sorting, cleansing, treating, and reconstituting materials (including Recyclables and Green Waste) that would otherwise become Solid Waste and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products that meet the quality standards necessary to be used in the market place. **Recycling** does not include transformation, as defined in California Public Resources Code § 40201.

refuse means solid waste that is not diverted.

Refuse means Solid Waste that FRANCHISEE does not Divert.

Regulatory Agency means any federal, state or local governmental agency that regulates Collection and transportation of Solid Waste (including California Department of Transportation, California Department of Motor Vehicles, EDD, U.S. Immigration and Naturalization Services, or other health and safety department thereof; COUNTY; and Local Enforcement Agency applicable to Franchise Services).

Report means Monthly Report, Quarterly Report, Annual Report and any AB 939 or other report FRANCHISEE is required to submit in accordance with this AGREEMENT.

Residential means related to detached, single family homes or duplexes.

Residential Customer means Customer who owns or occupies a detached, single family home or a unit in a duplex.

Residential Premises means Premises containing a Residential building.

Service Area means the area described on Attachment 1 of Exhibit 3A.

Service Assets means all property of FRANCHISEE used directly or indirectly in performing Franchise Services, including Vehicles, Containers, maintenance equipment and facilities, and administrative equipment and software, both tangible and intangible (such as facility leases or equipment installment purchase agreements).

Service Day means any day Monday through Saturday, Holidays excepted.

Service Specifications means Performance Obligations prescribed in Exhibit 3A.

Service Standards means each and every obligation of FRANCHISEE prescribed in Section 4.

Set-Out Site means the place designated in the Subscription Order in accordance with Section 4D and County Code § 20.72.100, where Customers must place their Solid Waste for Collection.

solid waste means solid waste as defined in California Public Resources Code § 40191, including green waste, recyclables and refuse, but excluding Unpermitted Waste.

Solid Waste means solid waste as defined in California Public Resources Code § 40191 that is Collected in the Service Area, including Green Waste, Recyclables and Refuse, but excluding Unpermitted Waste.

solid waste facility means solid waste facility as defined in California Public Resources Code § 40194 (and any other types of facilities named by COUNTY).

Solid Waste Facility means solid waste facility as defined in California Public Resources Code § 40194 (and any other types of facilities named by COUNTY) and designated by FRANCHISEE in Franchisee Documentation.

Subscription Order is described in Section 4D.

Subcontractor means any Person that provides Goods or Services related to Collection, transportation or storage of Solid Waste or related to Service Assets, including their operation, maintenance and repair, to or on behalf of FRANCHISEE whether pursuant to any arrangement, formal or informal, written or merely in practice. **Subcontractor** does not include a Person that provides Goods or Services related to Processing, Diversion or Disposal.

Term means the period determined under Section 2 of this AGREEMENT.

Termination Date means the date this AGREEMENT expires as provided in Exhibit 3A in accordance with Section 2A or as earlier terminated in accordance with Section 17D.

Ton or Tonnage means a short ton of 2,000 pounds avoirdupois.

Transfer means Assign, transfer, convey, sublet, license, hypothecate, encumber, or otherwise transfer or dispose of.

Transfer Costs means County's Reimbursement Costs of considering and reviewing FRANCHISEE'S request for Transfer, investigating the suitability of the transferee, and determining whether or not to give consent to the Transfer, including fees of consultants and attorneys necessary to analyze the application and to prepare documents to effectuate the Transfer as well as COUNTY staff costs.

Transfer Deposit means the amount equal to COUNTY'S anticipated Transfer Costs.

Uncontrollable Circumstances means any of the following events:

1. Riots, war, or emergency affecting the Country declared by the President of the United States or Congress of the United States, the Governor of California, or the Board of Supervisors;
2. Sabotage, civil disturbance, insurrection, explosion;
3. Natural disasters such as floods, earthquakes, landslides and fires;
4. Strikes, lockouts and other labor disturbances; or
5. Other catastrophic events that are beyond the reasonable control of FRANCHISEE despite FRANCHISEE'S exercise of due diligence, excluding (i) the financial inability of FRANCHISEE to satisfy its Performance Obligations, or (ii) failure of FRANCHISEE to obtain any necessary Permits or the right to use the facilities of any public entity.

Universal Waste means hazardous waste that the California Department of Toxic Substances Control considers universal waste, including materials listed in 22 CCR 66261.9, such as batteries, thermostats, lamps, cathode ray tubes, computers, telephones, answering machines, radios, stereo equipment, tape players/recorders, phonographs, video cassette players/recorders, compact disc players/recorders, calculators, some appliances, aerosol cans and certain mercury-containing devices.

Unpermitted Waste means:

1. Materials that are not Solid Waste, including Universal Waste, household hazardous waste and other hazardous waste, medical waste, radioactive waste;
2. Waste tires in excess of the limitations prescribed in 14 CCR 17355(b) or reduced in volume as required in 14 CCR 17355(A);
3. Any other materials that cannot be Disposed of in class II sanitary landfills described in 27 CCR 20250.

Unpermitted Waste Screening Protocol means the protocol prescribed in Section 6 and included in Franchisee Documentation.

Vehicle means any truck used by FRANCHISEE to provide Franchise Services.

Violation of Applicable Law means any noncompliance with Applicable Law as evidenced by notice, assessment or determination of any Regulatory Agency to FRANCHISEE, whether or not a fine or penalty is included, assessed, levied or attached.

Waste Diversion Program means that program required by Section B2 of Exhibit 3A and included in Franchisee Documentation.

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