

**CONTRACT FOR COLLECTION AND TRANSPORTATION OF SOLID
WASTE FOR LANDFILL DISPOSAL, RECYCLABLE MATERIALS FOR
RECYCLING, AND OTHER SPECIAL WASTES FOR HANDLING AS
APPROPRIATE IN THE CITY OF BLUE LAKE**

This agreement entered into by and between the City of Blue Lake (hereinafter referred to as "City"), and Blue Lake Garbage LLC, a California limited liability company (hereinafter referred to as "Contractor") as successor to Blue Lake Garbage Company, a California corporation, *Contract For The Collection, Transportation and Disposal of Solid Waste For Landfill Disposal And Certain Special Wastes in the City of Blue Lake* , and has as its effective date Sept 1, 2021 ("Effective Date").

WITNESSETH:

WHEREAS, under the provisions of California Public Resources Code Section 49300 City may contract for the collection and disposal of Solid Waste and special wastes under such terms as are prescribed by ordinance or resolution; and,

WHEREAS, Contractor represents that it has the experience and expertise necessary to institute a program for the collection. and proper handling of Solid Waste and Recyclable Materials; and,

WHEREAS, City retains the absolute right to direct all Solid Waste regulated under this Contract to the transfer station or disposal site under its obligation to the Humboldt Waste Management Authority; and,

WHEREAS, Contractor is the successor in interest to Blue Lake Garbage Company, which has served as the City's exclusive solid waste collector pursuant to that Contract For The Collection, Transportation and Disposal of Solid Waste For Landfill Disposal And Certain Special Wastes in the City of Blue Lake dated January 1, 2006 ("Prior Contract"); and,

WHEREAS, Contractor and the City desire to replace the Prior Agreement as set forth below; and,

WHEREAS, City has determined it has sufficient information to authorize entering into a contract for collection and transportation of Solid Waste for landfill disposal, Recyclable Materials for recycling, and other special wastes for handling as appropriate in the City of Blue Lake in accordance with Chapter 13.04 of the City of Blue Lake Municipal Code; and

NOW, THEREFORE, in consideration of the promises, covenants and conditions recited herein and made a material part hereof, the parties mutually agree as

follows:

TERMS

1. DEFINITIONS

Terms used herein shall have the same definitions as set forth in Ordinance No. 421. In addition, the following definitions are for the purpose of clarifying statements made in this Contract. They do not extend beyond the scope of this Contract.

Authorized Recycling Collection Contractor: Any person or entity that the City has authorized to collect recyclable material in the City pursuant to franchise, contract or permit granted in accordance with the provisions of this Ordinance.

Authorized Solid Waste Collection Contractor: Any person or entity that the City has authorized to collect solid waste for landfill disposal in the City pursuant to franchise, contract or permit granted in accordance with the provisions of this Ordinance.

Curbside: Within 5 feet of the edge of the front yard or back alleyway.

Curbside Recycling: The system in which Recyclable Materials are properly placed by Customers for collection and transportation by Contractor.

Customer: A person, residence or business that has requested, paid for, and is receiving Regular Service.

Designated Disposal Facility: The facility or facilities appropriately permitted by the State of California and designated by the City as the facility to which Contractor is obligated by the Contract to transport Solid Waste for Landfill Disposal.

Designated Recycling Facility: The facility or facilities appropriately permitted by the State of California and designated by the City as the facility to which Contractor is obligated by the Contract to transport Recyclable Materials; such Facility need not be permitted by City.

Generate: To create or render. An entity is not considered to be the generator of a Solid Waste if the material has merely been transported or moved to the site.

Hazardous Waste: A waste defined as a "hazardous waste" in accordance with Section 25117 of the Health and Safety Code, or a combination of wastes, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may do either of the following:

- A. Cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness.

- B. Pose a substantial present or potential hazard to human health or environment when improperly treated, stored, transported, disposed of, or otherwise managed.

Unless expressly provided otherwise, "hazardous waste" includes extremely hazardous waste and acutely hazardous waste.

Household Hazardous Waste: Hazardous Waste commonly occurring in households, including but not limited to motor oils, latex paints, solvents or oil-based paints, batteries, pesticides and cleansers.

Landfill Disposal: The permanent placing of Solid Waste, garbage, and/or refuse in a facility properly permitted to receive it.

Missed Service: Service is considered missed by Contractor if the container and/or material was at its designated pick up location when Contractor serviced that portion of the route. It is not considered Missed Service if the Customer failed to put the material out, put the material out later than the starting time on collection day, or place material out improperly for collection.

Pass Through Fees: Fees that are assessed to Contractor for the acceptance of Solid Waste and/or Recyclable Materials which may be passed through to Customers.

Recyclable Materials: Solid Waste materials which are of some potential economic value and are capable of being recycled by being set aside, handled, packaged, or offered for collection in a manner different from Solid Waste. The term "Solid Waste" includes Recyclable Materials unless otherwise specified.

Regular Service: The Solid Waste collection service provided by Contractor to Customers with regular collection times.

White Goods: Large appliances, included but not limited to refrigerators, ovens, dishwashers, washing machines and dryers.

Solid Waste:

1. Except as provided in subdivisions 2, 3, and 4, Solid Waste includes, but is not limited to, all residential and commercial garbage, trash and rubbish, as those terms are commonly defined, and Recyclable Materials, but excluding hazardous, low-level radioactive (as defined in subdivision 2, below), electronic waste, medical waste (as defined in subdivision 3, below), demolition and construction wastes, abandoned vehicles and parts thereof, white goods and other bulky waste, dewatered, treated or chemically fixed sewage sludge which is not hazardous waste, manure or animal solid and semisolid wastes, household hazardous waste (as defined in subdivision 4, below), and other materials that by their nature cannot be legally transported to or disposed of in a class III landfill.

2. Solid Waste does not include low-level radioactive waste regulated under Chapter 7.6 of Division 20 of the Health and Safety Code.

3. Solid Waste does not include medical waste, which is regulated pursuant to the Medical Waste Management Act, Division 20 of the Health and Safety Code, provided that the medical waste, whether treated or untreated, is not disposed of at a solid waste facility. Medical waste which has been treated and which is deemed to be Solid Waste shall be regulated pursuant to this Ordinance.

4. Solid Waste does not include Hazardous Waste (defined above) or Household Hazardous Waste as defined by Section 25218.1(e) of the Health and Safety Code and 14 Cal. Code Reg. § 18720(27).

Solid Waste For Landfill Disposal: Solid Waste material intended by the Generator for landfill disposal.

2. **CITY AUTHORITY**

Whenever the context of this Contract requires City to perform an act, and said act is to be performed by an individual, "City" shall be interpreted as meaning the City Manager or his or her authorized appointee.

3. **GRANT OF CONTRACT**

There is hereby awarded to Contractor upon the terms and conditions hereinafter specified:

A. An exclusive contract for the collection at curbside, transportation, and delivery to a designated landfill disposal facility or transfer station of Solid Waste for landfill disposal in accordance with the provisions of Blue Lake Ordinance No. 421;

B. An exclusive contract for the collection at Curbside, transportation, and delivery to a designated disposal facility or transfer station of such industrial ash and other special wastes as may be designated in writing from time to time by City;

C. An exclusive contract for the collection, transportation, and delivery of Recyclable Materials to a Recycling Facility in accordance with the provisions of Blue Lake Ordinance No. 421; and

D. A contract to perform special services as may from time to time be agreed upon by City and Contractor in furtherance of this Contract.

4. SCOPE OF WORK

A. Solid Waste

1. Contractor will provide all personnel, equipment, material, and facilities reasonably necessary to provide for the collection of Solid Waste within the City of Blue Lake that is intended for landfill disposal as the authorized Solid Waste collection contractor except as set forth in this section of this Contract.

2. Contractor shall have no duty to provide bins or containers smaller than 1.5 cubic yards for the collection of Solid Waste, nor to collect, transport, or dispose of abandoned vehicles or parts thereof or discarded home or industrial appliances excepted as separately contracted services.

3. Shut Containers; Locked Container; Weight Limits: Contractor shall not be required to collect Solid Waste or recyclables that have not been placed in properly shut container (i.e. with the container lid fully closed). Contractor shall not be required to collect containers that have been improperly locked, such that they cannot be opened by the Contractor. Contractor shall not be required to collect containers which exceed a laden weight of over 1.5 pounds per gallon.

4. It is the intention of the Contractor to move towards automated collection service for solid waste. If the Contractor implements such automated solid waste services, Contractor shall provide all affected customers with solid waste toter containers suitable for automated machine handling, as approved by the City Manager, at Contractor's sole cost and expense. All such containers will be the property of the Contractor. Upon collection services becoming fully automated, bag service shall no longer be required by provider. Customer rates may be adjusted if necessary to cover additional costs of purchasing equipment to implement automated service, subject to prior approval by the City.

B. Recyclable Materials

Contractor, as the Authorized Recycling Collection Contractor, shall provide all personnel, equipment, material, and facilities reasonably necessary to provide for the Curbside collection and transportation of Recyclable Materials as noted below. The Customer shall be responsible for separating Recyclable Materials from Solid Waste and placing it in the appropriate container as set forth below prior to Curbside collection. Contractor shall, at Contractor's sole cost and expense, provide all affected customers with 95 gallon recycle toter containers suitable for automated machine handling as approved by the City Manager. All such containers will be the property of the Contractor. Recyclable Materials identified below are subject to change by the City Manager.

1. 95 gallon recycling carts for these materials:
 - Bi-metal cans;
 - Bottles;
 - Jars/glass containers; and

- Plastic containers (type 1-7)
- Junk mail/envelopes and cardboard;
- Newspaper;
- Office paper; and
- Shredded paper in paper bags

5. TERM OF CONTRACT

This contract shall be for a period of ten (10) years, commencing on the Effective Date, and terminating at midnight on June 30, 2031; provided, however, that the City shall have the right to terminate this Contract on December 31, 2026, in the event Contractor has not transitioned to automated collection within the City of Blue Lake utilizing new collection truck(s) by June 30, 2026. If the City desires to exercise its right to terminate the Contract as of December 31, 2026, the City shall provide written notice to Contractor on or before July 31, 2026. If agreeable to both parties in a signed writing, this Contract may be continued for a period of five (5) years upon the same terms and conditions set forth herein. If either party wishes to continue the Contract for an additional period of five (5) years, notice shall be given to the other ninety (90) before the expiration of the current term, and if the other party likewise wishes to continue the Contract for an additional period of five (5) years, it shall so notify the first on or before sixty (60) days before the expiration of the current term.

6. COLLECTION FROM CITY FACILITIES

A. Solid Waste

Contractor shall provide and collect, at no charge to City, and not less frequently than once per week, two (2) two-yard bins at the Blue Lake City Park and one (1) two-yard bin at the Blue Lake Corporation Yard and shall collect and remove and dispose of all garbage placed in said hoppers. Any additional garbage collection service requested or required by City shall be billed by Contractor to City at Contractor's customer collection rates.

Contractor shall also annually deliver to the Blue Lake Corporation Yard, at a mutually- agreed upon date, a dumpster suitable for collection of corporation yard waste, and shall on a one-time basis collect and remove and dispose of all materials placed therein.

B. Recyclable Materials

Contractor shall provide and collect, at no charge to City, twice per month, one 2-yard bin or four 95-gallon recycling carts, at the Blue Lake Corporation Yard intended for the collection and transportation of City-generated Recyclable Materials.

7. PERFORMANCE BOND

Contractor shall post a five thousand dollars (\$5,000) bond or financial instrument acceptable to City Manager of City as guarantee for the performance of all the terms and conditions of this Contract. The bond must be renewed and in full force for every day of this Contract and for the full sum herein specified. Upon Contractor's failure to pay the City an amount owing under this Contract, the Performance Bond may be assessed by the City. In the event the City is successful in drawing on the Performance Bond, all of City's costs of collection and enforcement of the provisions relating to the Performance Bond called for by this section, including reasonable attorney's fees and costs, shall be paid by Contractor. When a withdrawal is made from the bond, Contractor shall restore the bond to the full amount within thirty (30) calendar days after receiving written notice from City of a withdrawal. If the performance bond takes the form of an interest-bearing account, the interest shall accrue to the Contractor.

8. FRANCHISE FEE

A. Contractor shall during the life of the Contract pay to City the following amount as and for a Franchise Fee:

1. Five percent (5%) of the total gross receipts for all Residential Container Service as defined in Exhibit A and computed on a quarterly basis arising from Contractor's operations under this Contract; and

2. Five percent (5%) of only the "Base Rate"¹ receipts portion for all Commercial Containers as defined in Exhibit A and computed on a quarterly basis, arising from Contractor's operations under this Contract.

3. Five percent (5%) of the total gross receipts received from all Recycling Customers.

4. City, in its sole discretion, may increase or decrease the Franchise Fee percentage by giving sixty (60) day's written notice to Contractor; provided, however, that in the event of an increase, the Contractor may, and in the event of a decrease, the Contractor shall, adjust Contractor's Garbage Service Rates accordingly so that the Franchise Fee change becomes a pass-through for the Contractor.

B. In the event said payment is not made, this Contract shall at the election of City terminate.

Contractor shall file with the City Manager within three months after the expiration of the fiscal year or fractional fiscal year following the effective date of the execution of this Contract and, within three months after the expiration of each and every

¹ The "Tipping Fee" portion is excluded from the franchise fee calculation for Large Containers. The "Base Rate" and "Tipping Fee" are defined in Paragraph 23 of this Contract.

fiscal year thereafter, a verified statement showing in detail the total gross receipts of Contractor on a quarterly basis during the preceding fiscal year or such fractional fiscal year arising from its operations under this Contract within the City of Blue Lake.

Contractor shall pay to City in lawful money of the United States within thirty (30) days following the end of each calendar quarter the aforesaid Franchise Fee for that quarter.

Contractor's books of account and other records pertaining to its operations under this Contract shall be available to the City or its agent for inspection, audit, or other lawful purpose.

Any neglect, omission, or refusal of said Contractor to file said verified statement or to pay said Franchise Fee at the time or in the manner herein above provided, which neglect, omission, or refusal shall continue for more than fifteen days following notice thereof to the Contractor from City shall be grounds for the termination of this Contract and of all rights of the Contractor hereunder. Such notice shall be deemed to have been given ten (10) business days following deposit in the United States mail, postage prepaid, to Contractor's address specified in Paragraph 26 of this Contract.

9. DISPOSAL MANDATES

A. Flow Control

The City is a member of the Humboldt Waste Management Authority, a Joint Powers Authority. As a consequence of its membership in this Authority, the City is obligated to ensure flow control of Solid Waste generated or accumulated within the jurisdiction of the City, regardless of whether such Solid Waste are subject to collection under this Contract. In addition, State law independently confers on the City authority to provide for Solid Waste handling services including the imposition of flow control measures. Contractor expressly agrees that it will not transport any Solid Waste or Recyclable Material collected from within the boundaries of the City, whether subject to this Contract or not, to any facility other than the designated Landfill Disposal Facility or Recycling Facility, respectively, or other appropriately designated facility without the express written permission of City. Any such permission may include conditions as specified by City in order to implement its obligations as a member of the Humboldt Waste Management Authority.

B. Solid Waste Disposal at Designated Facility

All Solid Waste for Landfill Disposal collected by Contractor shall be delivered to the Designated Disposal Facility, as may be changed from time to time. As of the Effective Date, the designated location is the Humboldt Recycling Transfer Facility located at 2585 Central Ave. McKinleyville, California.

C. Recyclable Materials Delivery to Designated Facility

All Recyclable Materials collected by Contractor shall be delivered to the

Designated Recycling Facility, as may be changed from time to time. As of the Effective Date, the designated location is the Humboldt Recycling Transfer Facility located at 2585 Central Ave. McKinleyville, California.

D. Intermingling of Solid Waste & Recycling

Contractor may intermingle solid waste & recycling collected under this Contract with like material from other jurisdictions, provided that Contractor utilizes a methodology to provide accurate tonnage data for each jurisdiction. Contractor's methodology to determine accurate tonnage data shall be provided to the City Manager for approval.

E. Compliance With All Laws

All solid and special waste shall be disposed of in such manner as may be prescribed by State law. In addition, the City and Contractor note that Federal and State legislation in the future may dictate the delivery of collected wastes to special facilities at specific discharge fees or payments, with which Contractor shall comply.

10. COLLECTION EQUIPMENT

Contractor shall provide the equipment and workforce reasonably necessary to properly and safely accomplish the waste collection and processing. Equipment shall be in a clean, sanitary condition. Collection vehicles shall have the Contractor's name painted on the side so as to be clearly visible. The following provisions shall apply to the equipment used in the performance of the franchise:

- a. Enclosed steel packer-type bodies shall be used on trucks;
- b. The container bed shall be water-tight on the lower portion thereof to insure against liquid drippings and spillage; and
- c. For servicing large, bulky dry loads, an open steel truck bed may be used, provided adequate canvas or other covers are applied to restrict any loss of debris.

11. PERFORMANCE REQUIREMENTS

Contractor shall:

- A. Exercise competent supervision over the operation, and perform service in a courteous, professional, and high-quality manner;
- B. Be exceptionally careful to minimize litter in collecting and transporting waste materials;
- C. Maintain a 24-hour a day telephone number and answering device for contact outside normal business hours;
- D. Adhere to a collection frequency schedule and shall have specific routes and collection days for adhering to that schedule;

E. Furnish City with Residential Collection Day Schedule, and shall not make changes to same without informing City;

F. Attempt to promptly correct any complaints relative to service or missed service. In the event that complaints are registered with the City rather than the Contractor, the City shall promptly inform the Contractor of the complaint. Contractor shall promptly and properly respond the complaints and notify City when response is completed; and

12. LIQUIDATED DAMAGES

The City and Contractor recognize that it is impractical, if not impossible, to reasonably ascertain the extent of damages which will be incurred by the City as a result of a material breach by Contractor of its obligations under this Contract. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that:

1. Substantial damage results to members of the public who are denied quality, reliable services;
2. Such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of this Contract to individual members of the general public in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms;
3. The monetary loss resulting from the denial of quality, reliable services is impossible to calculate in precise monetary terms; and
4. The termination of this Contract for such breaches, and other remedies, are a means of future correction and not remedies which make the public whole for past breaches.

Accordingly, the City may, upon notification to the contractor as outlined in paragraph 21, assess liquidation damages not exceed the sum of one hundred dollars (\$100.00) per day, for each calendar day that Contractor is in material breach of this Contract. The City finds, and Contractor acknowledges and agrees, that the above-described liquidated damages provisions represent a reasonable sum in light of all of the circumstances. Contractor shall pay any liquidated damages assessed by the City within ten (10) days after they are assessed. If they are not paid within the ten (10) working days period, the City may withdraw them from the Performance Bond required by Paragraph 6, and in addition to any other remedies, order the termination of the franchise granted by this Contract.

13. INDEMNIFICATION OF CITY

Contractor shall appear and defend all actions against the City, its officers, officials, employees, and volunteers arising out of the exercise of this Contract, or the

failure of performance of any of the terms or obligations imposed hereunder, and shall indemnify and save City, its officers, officials, employees, and volunteers, free and harmless of and from all claims, actions, or causes, including attorney's fees, of action arising from negligence connected with the exercise of this Contract or the failure of performance of any of the terms or obligations imposed hereafter. This provision shall survive the expiration period during which collection services are to be provided under

14. HAZARDOUS SUBSTANCE INDEMNIFICATION

The Contractor shall indemnify, defend with counsel selected by City, protect and hold harmless the City, its, officers, officials, employees, and volunteers and any successor or successors to City's interest, from and against all claims, actual damages (including but not limited to special and consequential damages), natural resources damage, punitive damages, injuries, costs, response, remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties and expenses (including, but not limited to attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by or asserted against, the City, its officers, officials, employees, and volunteers arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to government action) concerning any hazardous substance or hazardous waste at any place where Contractor stores or disposes of municipal Solid Waste pursuant to this Contract.

The foregoing indemnity is intended to operate as a Contract pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, (CERCLA), 42 U.S.C. Section 9607(e), and California Health and Safety Code Section 25364, to defend, protect, hold harmless and indemnify City from liability under CERCLA, other statutes or common law for any and all matters addressed in the section. This provision shall survive the expiration period during which collection services are to be provided under this Contract.

15. INSURANCE

Contractor shall comply with the Insurance Requirements set forth in Exhibit B attached hereto and incorporated herein by this reference.

16. SERVICE OPERATIONS AND PERFORMANCE

Contractor shall provide, as called upon by City and by individual Customers, collection and hauling service of such wastes as are generated in or occur within the City of Blue Lake.

The basic service components to be performed by Contractor are as follows:

A. Can Collection Service

This consists of containerized, Curbside, Garbage collection at least on a once

per week basis, provided that all refuse collected must fit into container or be contained in specific bags sold by Contractor.

B. Large Bin Collection Service

Contractor shall offer large bin Garbage collection service, at least once a week, as described by Exhibit A.

C. Drop Box Waste Collection Service

Contractor shall offer drop box waste collection service, on a schedule or on call, with Contractor furnishing or offering to furnish said drop boxes, or offering to haul boxes owned by a Customer. Bins or boxes supplied by a Customer must be compatible with Contractor's equipment.

D. Recycling Collection Service

This consists of containerized, curbside, Recyclable Material collection every other week and where the Producer has separated the Recyclable Materials into specified containers prior to Curbside collection.

E. Reports

Contractor shall submit to City the following reports in a format approved by City, with data specific to Blue Lake, during the term of the Contract:

1. Quarterly Reports

Within fifteen (15) days after the last day of each calendar quarter, Contractor shall submit a quarterly Report to include all of the following:

- a. Quarterly summary of the tonnage of Solid Waste for Landfill Disposal and Recyclable Materials collected specifically within the City limits; and
- b. Quarterly estimate of the percentage rate of participation by Customers and number of Customers on a form provided by City.

2. Annual Reports

On or before March 1 of each year, Contractor shall submit a year-end report for the previous year, to include suggestions for improving public awareness, percentage of participation, and amount of material diverted from the waste stream significant highlights, noteworthy experiences, and problems from the previous year, list of customers and their addresses. This list shall be confidential to third parties.

All reports are to be submitted to:
City Manager, City of Blue Lake
Post Office 458, Blue Lake, CA 95525

E. If Contractor observes any substances that it or its employees reasonably believe or suspect to contain hazardous wastes unlawfully disposed of or released on City property, including streets, storm drains, or public rights of way, Contractor also shall

immediately notify the City.

F. Any refuse spilled during the pick up process shall be the responsibility of the Contractor and shall be cleaned up promptly. Contractor's equipment shall be watertight on lower portion so as to assure against liquid spillage. Refuse scattered from containers by animals is not the responsibility of the Contractor.

G. Contractor shall immediately after loading garbage replace lids or covers on containers when covers are present and usable and shall return containers to their original location.

H. Contractor shall not be required to travel upon private residential driveways or other passageways not suitable for heavy equipment. It shall be expected of the residential Customers to place their containers at curbside.

I. The basic service components can be altered by City with corresponding adjustments in compensation to be negotiated by both parties. This alteration could include at some future time, yard clippings collection or additional recycling services.

J. **Green Waste & Organics Program:** If the City determines to implement a Green Waste or Organics Collection program, the City shall notify the Contractor of its intention in writing and the specifications of such program and Contractor shall have the right to submit to the City a proposal to provide such services. Contractor and the City shall negotiate Contractor's provision of such Green Waste and/or Organics program in good faith. If the parties fail to reach agreement, as determined in the City's reasonable discretion, then the City shall have the right to consider proposals from third parties to provide such service.

17. AVAILABILITY OF SERVICE AND SPECIAL SERVICE

Contractor shall provide service on a subscription basis to any residence or business that requests service and pays for service in a timely manner. No such business or residence that generates and discards waste legally shall be denied the opportunity for service. Contractor may offer special services, in accordance with Contractor's license, to residents or businesses and receive fees as agreed upon for those services.

18. TIME LIMITS OF COLLECTION

Contractor's hours of operation shall be approved by City. The City further reserves the right to regulate hours during the term of this Contract should the City deem that traffic, noise, or hours of operation are a nuisance.

19. RECORDS AND CONFIDENTIALITY

Contractor's operation and financial records shall be open and accessible for inspection by City at all times, but shall remain confidential with respect to third parties. However, City Council of City may discuss a summary of Contractor's

financial data as part of any public meeting for the purposes of reviewing rates. Contractor shall maintain all documents, ledgers, invoices, canceled checks, and records that demonstrate performance under this Contract for a minimum period of five (5) years or any longer period required by law. All audit costs and financial reporting are to be considered normal operating costs of Contractor.

20. BREACH BY CONTRACTOR

In the event Contractor should default in the performance of any material provisions of the Contract or fail to comply with the provisions of Ordinance No. 421 as the same now exists or may hereafter be amended, and the default is not cured within 30 days after receipt of written notice of default from City, then City may, at its option, hold a hearing at a City Council meeting to determine whether this Contract should be terminated.

If the City determines that public health or safety is at risk, remedies may be required within 7 days of written notice to Contractor without prior hearing with City Council. In the event City exercises its option to terminate this Contract, City may, at its option, either directly undertake performance of the services or arrange with other persons to perform the service with or without a written Contract.

In either event, Contractor shall be liable to City for any expense City incurs in performing the services. In the event City exercises its option under this section to terminate this Contract, the City has no further liability to Contractor. In the event that Contractor fails to provide or maintain in full force and effect the required insurances, becomes insolvent, is adjudged bankrupt, files any bankruptcy petition, or makes an assignment for the benefit of creditors, this contract may be immediately terminated by City.

Upon breach and termination of this Contract, any performance that Contractor has failed to render may be performed by the City, either directly or by contracting therefor at the expense of the Contractor and its surety; if any. Any net costs incurred by City in carrying out this Contract after it has been terminated may be charged against the Contractor and any surety for its performance. A waiver by either party of performance of any provision of this contract shall not amount to a future waiver of the strict performance of such provisions or any other provision of this Contract.

21. REMEDIES FOR FAULTY PERFORMANCE

A. Following receipt by Contractor of written notice of breach as described in section 20 of this Contract, Contractor shall correct the default within the time frame specified; or in the case of a default that is not capable of being corrected within thirty (30) days, Contractor shall commence correcting the default within thirty(30) days of City's notification thereof, and thereafter correct the default with reasonable diligence.

B. If the City determines that the Contractor has failed to correct a default within a reasonable period of time, City, upon ten (10) days prior written notice, shall have any of the following rights and remedies:

1. The right to give notice of termination of the Contract in accordance with the terms and procedures set forth herein.
2. The right to license others to perform the services otherwise to be performed by Contractor hereunder, or to perform such services itself.
3. The right to obtain damages and/or injunctive relief as both parties recognize that in the event of default under the terms of this Contract by Contractor, City may suffer irreparable injury and incalculable damages sufficient to support injunctive relief to enforce the provisions of this Contract and enjoin the breach thereof.
4. City's costs in performing these remedies may be drawn from Contractor's Performance Bond.

22. FORCE MAJEURE

Neither the Contractor nor the City shall be liable for the failure to perform their duties nor any resultant damage, loss, etc., if such failure is caused by a catastrophe, riot, war, earthquake, governmental order, accident, act of God, or other similar or different contingency beyond the reasonable control of the Contractor or City. When hazardous road conditions are present due to snow, ice, slides or other reasons, the Contractor may, with approval from the City, suspend collection in affected areas.

23. COMPENSATION TO CONTRACTOR

A. Base Rate and Tipping Fee

Contractor shall perform the responsibilities and duties described in this Contract in accordance with and in consideration of service rates. The customer service rates are set forth in Exhibit "A" and are composed of two parts, referred as "Base Rate" and "Tipping Fee."

Contractor shall pass through to the Customers increases or decreases in the Tipping Fee component of customer collection rates when such costs become effective, subject to advance approval and authorization by the City Manager, which approval shall not be unreasonably withheld.

The Base Rate component of Contractor's rates shall be adjusted each year to become effective on July 1 of each year commencing July 1, 2021. The percentage increase or decrease shall be computed on the basis of the Consumer Price Index - United States City Average - All Items (1982-84 base) (CPI-U) as determined by the Bureau of Labor Statistics of the U.S. Department of Labor. The month of May shall be used as the month of comparison. Any such adjustment shall be expressed as a

percentage increase or decrease in the Base Rate only.

The Total Rate composed of both the Base Rate and the Tipping Fee will rounded off to the nearest five cents (\$0.05). In the event that the City directs Contractor to a landfill and/or transfer station different from that contemplated on the effective date of this Contract, Contractor shall be entitled to increase or decrease the Base Rate component of customer collection rates in accordance with the change in mileage costs.

B. Fees for Special Services

Such refuse that is in excess of the capacity of containers shall be collected by Contractor, who will be permitted to charge a fee for special services. Such fee shall be in accordance with Contractor's normal fee schedule for special services.

The collection of bulky items, such as discarded furniture, mattresses, carpet, appliances, packaging crates and large containers shall be performed as a special service and may be charged for by Contractor in accordance with Contractor's normal fee schedule for special services. Contractor shall receive fees from Customers for large bin service based on the size of bin, number of bins, and frequency of pick up, as described in Exhibit A.

C. Special Wastes

Compensation to Contractor for collection, transportation, and delivery of industrial ash and other special wastes shall be in accordance with a rate schedule to be approved by City.

D. Recyclable Materials Pass-Through Fees

In the event Contractor is assessed fees by a Recycling Facility for Recyclable Materials, Contractor shall be allowed to pass such fees through to Customers, subject to advance approval and authorization by the City Manager, which approval shall not be unreasonably withheld.

E. Mandatory Collection Reopener

If City by ordinance or resolution requires City-wide mandatory garbage collection, the Rate Schedule set forth in Exhibit "A" shall be reopened for negotiation between the parties to become effective upon the commencement of mandatory garbage collection. If the parties cannot reach agreement on a rate schedule, City may terminate this Contract.

F. Consumer Price Index Adjustment

In consideration of a CPI rate adjustment, Contractor must submit a written report to City describing the calculation used to implement the rate change. Calculation of any CPI service rate adjustment must have approval of the City Manager as to accuracy prior to any service rate change taking effect. Such approval shall not be unreasonably withheld.

G. Senior Discount

There shall be a senior citizens' discount of ten percent (10%) for persons 65 years of age and older, which shall be applied to the total amount billed for the container.

24. LOADING

The Contractor shall be responsible for the cleaning of all earth, garbage, waste, offal or debris placed, spilled or tracked on any road, street, alley or public place by any of his equipment, and if the Contractor fails to clean the same within two hours after written notice is served by the City Manager, the City Manager may cause such roads, streets, alleys or public places to be cleaned and Contractor shall promptly repay City the cost thereof. The Contractor shall, immediate after loading garbage, waste, offal or debris, replace all covers on containers when covers are present and useable. The Contractor shall exercise care during the loading, unloading, or operation of equipment such that the noise level will not exceed 65dBA at 50 feet.

25. EMERGENCY COLLECTIONS

Adequate provisions shall be made by the Contractor to take care of collections when garbage, waste, offal or debris have not been collected during the regularly scheduled trip. Special pickups for missed collections shall be made by the Contractor when ordered by the City Manager. The Contractor shall not be entitled to any additional compensation except in those cases where the missed collection is due solely to the part of the Customer.

26. NOTICES

All notices shall be in writing and delivered in person or transmitted by U.S. mail, postage prepaid, as follows:

To City: **City Manager, City of Blue Lake
P. O. Box 458, Blue Lake, CA 95525**

To Contractor: **Blue Lake Garbage LLC
P.O. Box 2812 McKinleyville, CA 95519**

27. COMPLIANCE WITH REGULATIONS

A. Contractor shall comply with all laws, ordinances and requirements (both present and future) of the United States, the State of California, the City of Blue Lake, the Humboldt Waste Management Authority, and the County of Humboldt. In the event of material change in any such rules, the parties shall review this contract and renegotiate terms as needed for compliance. If the parties cannot reach agreement on new terms, City may terminate this Contract.

B. Any "household hazardous wastes" placed for collection which are discovered prior to loading shall be left on the premises where found. Contractor shall notify the City Department of Public Works concerning the location of such substances.

28. MISCELLANEOUS PROVISIONS

A. Contractor may not assign this Contract or any interest or portion of this Contract without prior written approval of City. Any purported assignment without such approval shall be void.

B. This written Contract contains the sole and entire contractual agreement between the parties. It supersedes any and all other contracts between the parties. The parties acknowledge and agree that neither of them has made any representation with respect to the subject matter of this Contract or any representations inducing the execution and delivery hereof except such representations as are specifically set forth herein. Each party further acknowledges that any statements or representations that may have been made by either of them are void and of no effect and that neither of them has relied on such statements in connection with its dealings with the other.

C. No waiver or modification of this Contract or of any covenant, condition or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. Furthermore, no evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration or litigation between the parties arising out of or affecting this Contract, or the rights or obligations of any party hereunder, unless such waiver or modification is in writing and duly executed. The provisions of this paragraph may not be waived except as herein set forth.

D. City intends that Contractor, in performing services herein specified, shall act as an independent contractor and shall have control of its work and the manner in which it is to be performed. Contractor shall be free to contract for similar services to be performed for others while it is under contract with City. Contractor is not to be considered an agent or employee of City and is not entitled to participate in any pension plans, workers' compensation insurance or similar benefits that City provides for its employees.

E. Should any litigation be commenced between the parties hereto concerning this Contract, or the rights and duties of any party in relation thereto, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for attorney's fees in such litigation or in a separate action brought for that purpose.

F. If any term, covenant, condition, section or provision of this Contract is held by a court of competent jurisdiction to be invalid or unenforceable, such determination shall affect only such term, covenant, condition, section or provision and all remaining terms, covenants, conditions, sections and provisions of this Contract shall

remain fully effective and enforceable between City and Contractor.

G. This Contract is the result of negotiations between City and Contractor in which each was represented by legal counsel chosen by each and shall be interpreted and construed reasonably, not giving effect to any rule of interpretation or construction based on its drafting by one party or the other.

H. Contractor shall cooperate with City and those designated by City in connection with City's implementation of its Integrated Solid Waste Management Plan educational functions and shall make available to City such nonproprietary information as City requests to enable City to discharge its responsibilities under its Integrated Solid Waste Management Plan. Contractor shall also cooperate with City in connection with the performance by City of compliance audits and inspections of those receiving services provided under this Contract. Contractor shall provide City with quarterly reports including the following information: total tonnages disposed, separately listing residential (truck), bin, and special waste totals, and types of service provided to all weekly and monthly Customers.

I. Contractor states that at the time of signing this Contract, Blue Lake Garbage LLC. is owned by Kenneth Eisner, Tasha Eisner, Tavis Cain & Jessica Cain. Contractor shall inform City, in writing, at least 30 days prior to and shall not sell or transfer ownership of the company without approval of City. If City does not respond within 30 days, City's approval shall be considered granted. City shall not unreasonably withhold consent.

IN WITNESS WHEREOF, the parties hereto have executed this Contract in duplicate on the date first here and above set forth.

THE CITY OF BLUE LAKE

By: 
Name: Amanda Mager
Its: City Manager

BLUE LAKE GARBAGE LLC

By: 
Name: Tasha Eisner
Its: Authorized Member

EXHIBIT A

Monly Rate Frequency Extra Can

Residential

Per PU

20 Gallon Can	Base Rate	\$	13.86	Weekly	\$6.00
	Tip Fee	\$	7.64		
	Total	\$	21.50		

30 Gallon Can	Base Rate	\$	15.56	Weekly	\$7.50
	Tip Fee	\$	11.44		
	Total	\$	27.00		

45 Gallon Can	Base Rate	\$	16.83	Weekly	\$9.50
	Tip Fee	\$	17.17		
	Total	\$	34.00		

95 Gallon Can	Base Rate	\$	23.51	Weekly	\$16.00
	Tip Fee	\$	36.24		
	Total	\$	59.75		

"Blue Bag"	Base Rate	\$	2.14	Per Pickup
	Tip Fee	\$	6.36	
	Total	\$	8.50	

Buly Items		\$	25.00	Per Item
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Recycle Only Cart	Base Rate	\$	4.07	Bi-Weekly
	Tip Fee	\$	6.43	
	Total	\$	10.50	

Recycle Bin Weekly (1yd)	Base Rate	\$	23.91	Weekly
	Tip Fee	\$	27.34	
	Total	\$	51.25	

Hourly Charge (man + truck)		\$	120.00	Per hour
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Go Back Fee after improper set out		\$	25.00	Per trip
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Weekly Commerical Bins

1.0 CY	Base Rate	\$	122.90	Weekly
	Tip Fee	\$	56.60	
	Total	\$	179.50	

1.5 CY	Base Rate	\$	120.12	Weekly
	Tip Fee	\$	115.58	
	Total	\$	235.70	

2.0 CY	Base Rate	\$	170.64	Weekly
	Tip Fee	\$	154.11	
	Total	\$	324.75	

3.0 CY	Base Rate	\$	234.24	Weekly
	Tip Fee	\$	231.16	
	Total	\$	465.40	

4 YD	Base Rate	\$	332.28	Weekly
	Tip Fee	\$	308.22	
	Total	\$	640.50	

Large Bins (3 Day Rental)

Per Container

5 YD	Base Rate	\$	205.34	Per Pickup	Up to 1000 lbs
	Tip Fee	\$	64.66		
	Total	\$	270.00		

14 YD	Base Rate	\$	313.30	Per Pickup	Up to 2800 lbs
	Tip Fee	\$	181.05		
	Total	\$	494.35		

18 YD	Base Rate	\$	362.97	Per Pickup	Up to 3600 lbs
	Tip Fee	\$	232.78		
	Total	\$	595.75		

20 YD	Base Rate	\$	341.96	Per Pickup	Up to 4000 lbs
	Tip Fee	\$	258.64		
	Total	\$	600.60		

40 YD	Base Rate	\$	461.36	Per Pickup	Up to 4000 lbs
	Tip Fee	\$	258.64		
	Total	\$	720.00		

Extra Day		\$	25.00
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9/1/2021

New Rates

Residential

20 Gallon Can + Recycle	\$ 26.00
20 Gallon Can Senior + Recycle	\$ 23.40
20 Gallon Can NO RECYCLE	\$ 21.50
20 Gallon Can Senior No Recycle	\$ 19.35
30 Gallon Can + Recycle	\$ 31.50
30 Gallon Can Senior + RECYCLE	\$ 28.35
30 Gallon Can NO RECYCLE	\$ 27.00
30 Gallon Can Senior NO RECYCLE	\$ 24.30
45 Gallon Can + Recycle	\$ 39.00
45 Gallon Can Senior +Recycle	\$ 35.10
45 Gallon Can NO Recycle	\$ 34.00
45 Gallon Can Senior NO Recycle	\$ 30.60
95 Gallon Can + Recycle	\$ 64.00
95 Gallon Can Senior + Recycle	\$ 57.60
95 Gallon Can NO Recycle	\$ 59.75
95 Gallon Can Senior NO Recycle	\$ 53.80
"Blue Bag"	\$ 8.50
Buly Items	\$ 25.00
Recycle Only Cart	\$ 10.50
Recycle Bin Weekly (1yd)	\$ 51.25
Hourly Charge (man + truck)	\$ 120.00
Go Back Fee after improprer set out	\$ 25.00
Weekly Commerical Bins	
1.0 CY	\$ 179.50
Extra PU	\$ 41.40
1.5 CY	\$ 235.70
Extra PU	\$ 54.40
2.0 CY	\$ 324.75
Extra PU	\$ 74.90
3.0 CY	\$ 465.40
Extra PU	\$ 107.40
4 YD	\$ 640.50
Extra PU	\$ 147.80
Large Bins (3 Day Rental)	
5 YD (includes 0.5 tons)	\$ 270.00
14 YD (includes 1.4 tons)	\$ 494.35
18 YD (includes 1.8 tons)	\$ 595.75
20 YD (includes 2 tons)	\$ 600.60

40 YD (includes 2 tons)

\$	720.00
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Extra Day

\$	25.00
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EXHIBIT B

EXHIBIT B

Insurance Requirements

Contractor shall procure and maintain for the duration of the contract, and for 2 years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: Insurance Services Office Form CA 0001 covering Code 1 (any auto), with limits no less than \$2,000,000 per accident for bodily injury and property damage.

3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.

4. Contractors' Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than \$5,000,000 per occurrence or claim, and \$10,000,000 policy aggregate. If the services involve lead-based paint or asbestos identification/remediation, the Contractors Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

If the contractor maintains broader coverage and/or higher limits than the minimums shown above for all policies, the City requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City. At the option of the City, either: the contractor shall cause the insurer shall to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers;

or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

Other Insurance Provisions:

Additional Insured

The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

Primary Insurance

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Notice of Cancellation

Contractor shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Contractor shall forthwith obtain and submit proof of substitute insurance.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

Waiver of Subrogation

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer. However, the Workers' Compensation policy

shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

Verification of Coverage

Contractor shall furnish the City with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.