

RESOLUTION R22-47

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA, APPROVING AMENDMENT NO. 4 TO THE CITY OF PALOS VERDES ESTATES AGREEMENT WITH ARAKELIAN ENTERPRISES INC. DBA ATHENS SERVICES FOR REFUSE AND RECYCLING COLLECTION, STREET SWEEPING, TRANSPORTATION, PROCESSING, AND DISPOSAL SERVICES

WHEREAS, in 2016, Governor Brown signed into law Senate Bill (SB) 1383 (Lara, Chapter 395, Statutes of 2016), establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants in various sectors of California's economy.

WHEREAS, in order to meet the statutory requirements, SB 1383 mandates cities and counties to:

1. Provide organic waste collection services to all residents and businesses;
2. Develop and adopt an enforcement mechanism or ordinance by March 1, 2022;
3. Establish an edible food recovery program;
4. Update the City's procurement policy to purchase recycled content paper and recycled organic waste products (e.g., compost, mulch, and renewable natural gas) at a volume of 0.08 tons/resident;
5. Provide outreach and education for generators, haulers, facilities, edible food recovery organizations, and municipal departments;
6. Plan and secure access for recycling and edible food recovery capacity;
7. Monitor compliance and conduct enforcement; and
8. Maintain accurate compliance records; and

WHEREAS, in order to meet the requirements of SB 1383 and the City's solid waste collection goals, the City of Palos Verdes Estates engaged in negotiations with its current solid waste franchise holder, Arakelian Enterprises, Inc. DBA Athens Services ("Athens") to amend the current franchise agreement and ensure that Athens will assist the City in meeting all of its SB 1383 obligations in a cost-effective way; and

WHEREAS, at the conclusion of the negotiation process and after reviewing the Fourth Amendment to the Agreement for Refuse and Recycling Collection, Transportation, Processing, and Disposal Services Between the City and Athens ("Fourth Amendment"), the City wishes to approve said Fourth Amendment to the Agreement with Athens; and

WHEREAS, the Fourth Amendment allows Athens to provide solid waste collection and related services within the City through December 31, 2032, subject to certain automatic extensions; and

WHEREAS, Public Resources Code section 40059 authorizes cities to award exclusive franchises for the collection of solid waste, and to determine the procedure by which such franchises will be awarded.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES RESOLVES AS FOLLOWS:

SECTION 1. The recitals above are hereby declared to be true, accurate, and correct.


SECTION 2. The Fourth Amendment attached to this Resolution as Exhibit “A,” and incorporated herein by this reference, is hereby approved, and the Mayor is hereby authorized to execute the Fourth Amendment on behalf of the City.

SECTION 3. This Resolution is not subject to the requirements of California Environmental Quality Act (“CEQA”). This Resolution is not a “project” within the meaning of Section 15378 of Title 14 of the California Code of Regulations (“State CEQA Guidelines”) because it has no potential for resulting in direct or indirect physical change in the environment. The approval of the franchise agreement is exempt from CEQA review because it does not constitute a project under CEQA pursuant to Section 15378(b)(5) of the State CEQA Guidelines, which provides that organizational and administrative activities of governments that will not result in physical changes in the environment are not considered projects for CEQA purposes. If the actions were considered a project, they would be exempt under CEQA Guidelines Sections 15307 and 15308, as an action by a regulatory agency taken to protect the environment and natural resources, and 15061(b)(3), as these existing services are continuing with additional services provided to implement requirements of state law. The documents and materials that constitute the record of proceedings on which these findings have been based are located at 340 Palos Verdes Dr. W, Palos Verdes Estates, CA 90274. The custodian for these records is the City Clerk of the City.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

SECTION 5. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Palos Verdes Estates, California this 22nd day of November, 2022.



Victoria A. Lozzi, MAYOR

ATTEST:



Kylynn Chaney, CITY CLERK

APPROVED AS TO FORM:



Trevor Rusin, CITY ATTORNEY

EXHIBIT "A"

AMENDMENT NO. 4 TO THE AGREEMENT FOR REFUSE AND RECYCLING
COLLECTION, TRANSPORTATION, PROCESSING, AND DISPOSAL SERVICES
BETWEEN THE CITY OF PALOS VERDES ESTATES AND ARAKELIAN ENTERPRISES,
INC. DBA ATHENS SERVICES

THIS FOURTH AMENDMENT (“Amendment”) is dated this 22 day of November, 2022, by and between the CITY OF PALOS VERDES ESTATES, a general law city and municipal corporation (“CITY”), and Arakelian Enterprises, Inc. DBA Athens Service (“CONTRACTOR” or “Athens”). CITY and CONTRACTOR may hereinafter be individually referred to as “Party” or collectively as the “Parties.”

RECITALS

A. CITY and CONTRACTOR are parties that certain Agreement for Refuse and Recycling Collection, Transportation, Processing, and Disposal Services dated April 24, 2012, as amended by those certain amendments dated January 26, 2016, October 9, 2022, and June 28, 2022, respectively (collectively, “Agreement”);

B. Public Resources Code § 40000 et seq., declares it is within the public interest to authorize and require local agencies to make adequate provision for solid waste handling within their jurisdictions;

C. The Legislature enacted certain new laws pertaining or relating to solid waste handling with which CITY must comply, including Assembly Bill Nos. 341, 901, 1594, 1826, and Senate Bill Nos. 341 and 1383, creating the need for the City to improve efforts to divert solid waste from landfills, including recyclable materials and organic waste;

D. The foregoing necessitates modified or additional services in order to bring CITY into compliance with applicable law, including but not limited to conferring to CONTRACTOR the exclusive right to collect solid waste from multifamily dwellings and commercial establishments to ensure integrated, citywide waste management programs and the implementation of an organic waste collection program citywide;

E. The City Council has determined that it is in the best interest of the CITY for CONTRACTOR to implement the changes pertaining to the provision of services specified in this Amendment to meet the aims of the CITY’s compliance and environmental objectives; and

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

TERMS

1. **Definitions.** Section 1 is hereby amended to add or replace the following definitions:

“Agreement Year” shall mean each twelve (12) month period from January 1 to December 31 during the term of the Agreement.

“Backyard Service” shall mean the collection of (i) Mixed Waste and (ii) source separated Organic Waste generated by a Customer stored in, and returned to, that Customer’s backyard, or substitute location mutually and reasonably agreed to among CONTRACTOR and Customer. Containers for Backyard Service will not exceed 35-gallons per Container. CONTRACTOR will utilize BYS trucks to provide Backyard Service.

“BYS Truck” shall mean a pick-up truck used in connection with Backyard Service, fueled by unleaded gasoline, with a dual body to collect (i) Mixed Waste and (ii) Organic Waste.

“Bin” shall mean a metal or plastic waste container designed or intended to be mechanically serviced by a commercial front-end loader vehicle. It shall be designed to hold from one (1) to four (4) cubic yards of material with the lid properly closed.

“Cart” shall mean a heavy plastic receptacle with a rated capacity of at least twenty (20) and not more than one-hundred (100) gallons, having a hinged tight-fitting lid and wheels and used by Customers for collection, accumulation, and removal of solid waste in connection with Services.

“Commercial” or “Commercial Service Unit” shall mean a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, industrial facility, or as otherwise defined in 14 CCR Section 18982(a)(6). Multifamily Dwellings shall be included in this definition except to the extent specifically referred to in any provision of this Agreement.

“Container” shall mean a Bin, Cart, or Roll-Off Container that is approved by CITY for use by CONTRACTOR for Services.

“Customer” shall mean any individual, firm, association, organization, partnership, consortium, corporation, trust, joint venture, commercial, governmental entity, public entity, or any other legal person whom CONTRACTOR submits its billing invoice to and collects payment from for Services. For purposes of Services, “Customer” shall mean an Residential Service Unit or Commercial Service Unit.

“Food Recovery” shall mean actions to collect and distribute Edible Food for human consumption which otherwise would be disposed, or as otherwise defined in 14 CCR Section 18982(a)(24).

“Food Recovery Organization” shall mean an entity that primarily engages in the collection or receipt of Edible Food from commercial edible food generators and distributes that Edible Food to the public for Food Recovery either directly or through other entities, including: (i) a food bank as defined in Section 113783 of the Health and Safety Code; (ii) a nonprofit charitable organization; and (iii) a nonprofit charitable temporary food facility as defined in Section 113842 of the

Health and Safety Code. If the definition in 14 CCR Section 18982(a)(25) for Food Recovery Organization differs from this definition, the definition in 14 CCR Section 18982(a)(25) shall apply.

“Food Recovery Service” shall mean a person or entity that collects and transports Edible Food from a commercial edible food generator to a Food Recovery Organization or other entities for Food Recovery, or is as otherwise defined in 14 CCR Section 18982(a)(26).

“Food Waste” shall mean all putrescible solid, semisolid, and liquid food, such as, fruit, vegetables, cheese, meat, bones, poultry, seafood, bread, rice, pasta, and oils; coffee grounds and filters and tea bags; and any putrescible matter produced from human or animal food production, preparation, and consumption activities.

“Kitchen Pail” shall mean a container that is a minimum of 1.5 gallons in size provided by CONTRACTOR to Single Family Dwellings for the collection of Organic Waste.

“Mixed Waste” shall mean Refuse and Recyclable Materials that are not designated for collection in a Container for source separated Organic Waste.

“Multifamily Dwelling” or “MFD Unit” shall mean a building, or a portion thereof, containing five (5) or more dwelling units.

“Organic Waste” shall mean material originated from living organisms and their metabolic waste products, including but not limited to Food Waste, Green Waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with Food Waste. The term “Green Waste” shall mean “Organic Waste.”

“Organic Waste Processing Facility” shall mean a facility which accepts and processes Organic Waste in compliance with applicable law, including SB 1383.

“Prohibited Container Contaminants” shall mean any of the following: (i) discarded materials placed in any Container intended for Recyclables that are not identified as acceptable Recyclables for such container; (ii) discarded materials placed in any Container intended for Organic Waste that are not identified as acceptable for Organic Waste for such Container; (iii) discarded materials placed any Container intended for Refuse are not identified as acceptable for Refuse; (iv) iii) discarded materials placed any Container intended for Mixed Waste are not identified as acceptable for Mixed Waste; and (v) any other items or substances that are not Refuse, Recyclables, or Organic Waste placed in any Container not designated for such use, or as otherwise defined in 14 CCR Section 18982(a)(55). The presence of Prohibited Container Contaminants shall be determined by CONTRACTOR’s visual or digital inspection and/or similar supporting documentation.

“Recyclable Materials” or “Recyclables” shall mean those commodities which can be source separated from Refuse and Organic Waste prior to collection, collected

by CONTRACTOR and resold pursuant to the terms and conditions of this Agreement.

“Refuse” shall mean all putrescible and non-putrescible solid, semi-solid and associated liquid waste, as defined in California Public Resources Code Section 40191. Refuse does not include Recyclable Materials, Construction and Demolition Waste, Hazardous Waste, Biohazardous Waste, sludge, automobiles, automobile parts, boats, boat parts, boat trailers, internal combustion engines, lead-acid batteries, dead animals, those wastes under the control of the Nuclear Regulatory Commission, designated waste, infectious waste, sewage, or as otherwise defined in Public Resources Code Section 40141. Organic Waste, Refuse and Special Refuse shall be included in this definition of Refuse except to the extent specifically referred to in any provision of this Agreement.

“Residential Service Unit” shall mean of, from, or pertaining to any residential premises with fewer than five (5) units, including Single Family Dwellings.

“Roll-Off Container” shall mean a metal container in quality working order and appearance with a capacity of ten (10) or more cubic yards that is normally loaded onto a specialized collection vehicle and transported to an appropriate facility.

2. **Term of Agreement.** Section 2 is hereby deleted in its entirety and replaced with the following:

A. **Term**

The term of this Agreement shall commence on July 1, 2012 and continue to December 31, 2032; provided, that commencing January 1, 2033, and on January 1 of each subsequent year thereafter, the term shall be ten (10) years and automatic one-year extensions shall be applied such that the term after January 1, 2033 remains at a constant ten (10) years, subject to early termination, as specified in Section 2.B, or wind-down, as specified in Section 2.C.

B. **Early Termination**

Notwithstanding any provision in this Agreement to the contrary, any time prior to December 31, 2029, CITY may exercise a right to terminate the Agreement if deemed by CITY to be in its best interests, upon the occurrence of each of the following: (i) CITY is a member of and participates in a joint powers authority, solid waste management district, or other government consortium or agency with the cities of Rolling Hills, Rolling Hills Estates, and/or Rancho Palos Verdes or covering all or substantially all of these cities (“Consortium”) to solicit competitive bids or proposals for solid waste collection and processing services that would be provided to, among other potential service recipients, all Residential and Commercial Service Units in CITY (“Consortium Procurement”); (ii) CITY, as part of the Consortium, awards one or more contracts in connection with a Consortium Procurement (“Consortium Contract”) affecting all services CONTRACTOR provides under this Agreement; (iii) if a Consortium Contract

includes Backyard Service for Single Family Dwellings in the City with the same or greater number of Customers served by CONTRACTOR in the City under this Agreement at the time of contract award and the rates for such services are lower than those chargeable by CONTRACTOR under this Agreement; and (iii) CITY provides written notice of its intent to terminate the Agreement, no later than thirty (30) days after any awardee and the Consortium executes the Consortium Contract (“Notice of Early Termination”). Nothing herein shall be construed as a restriction on CONTRACTOR to submit a proposal in connection with a Consortium Procurement.

Any termination action shall not be effective prior to January 1, 2030. Thereafter, CONTRACTOR shall continue to perform for a period not to exceed one hundred eighty (180) days thereafter to assist with the transition of services in CITY to the awardee of the Consortium Contract.

In lieu of a Consortium Contract, CITY also reserves the right to meet and confer with CONTRACTOR to discuss and negotiate an amendment to this Agreement in the event the cities of Rolling Hills, Rolling Hills Estates, and/or Rancho Palos Verdes are willing and able to become parties of this Agreement.

C. Wind-Down

A party seeking to cancel automatic one-year extensions provided in Section 2.A (“Rolling Extension”) must first meet and confer with the non-terminating Party at least one (1) time on a mutually agreed upon date in an Agreement Year any time after January 1, 2033. The purpose of this session shall be to discuss, in good faith, modifications to the Agreement to avoid the cancellation of the Rolling Extension. No later than thirty (30) days after the last meet and confer session hereunder, or the unreasonable refusal of a non-terminating party to participate in the same, if the terminating Party elects to cancel the Rolling Extension, the terminating Party must deliver written notice to the non-terminating Party that it has concluded efforts to meet and confer in good faith and the Rolling Extension is cancelled (“Notice of Wind-Down”). Upon Notice of Wind-Down, the Agreement will remain in full force and effect for ten (10) years beginning January 1 of the Agreement Year after the notice is issued to the non-terminating Party.

3. **Franchise Scope.** Effective January 1, 2023, the first paragraph of Section 3 is hereby deleted in its entirety and replaced with the following:

Except as explicitly set forth in this Agreement and to the extent permitted by applicable law, CITY grants to CONTRACTOR the exclusive right, authority, and privilege to collect, transport, process, and dispose of (1) Refuse, Recyclable Materials, and Organic Waste produced, kept, or accumulated at every Residential Service Unit, Multifamily Dwelling, and Commercial Service Unit located within the corporate limits of the City of Palos Verdes Estates (the “City Limits”), and (2) Construction and Demolition Waste generated by the construction or alteration of a Residential Service Unit, Multifamily Dwelling, and Commercial Service Unit

within the City Limits. Such exclusive grant shall be subject to any continuation or similar rights provided by Public Resources Code section 49520 et seq. or other applicable law.

4. **Condition, Type of Equipment.** The first paragraph of Section 5.D.1 is hereby deleted in its entirety and replaced with the following:

All CONTRACTOR-owned trucks, trailers, Carts, Bins, and Containers, and other conveyances or equipment used to collect Refuse, Recyclables, or Mixed Waste as applicable, and Organic Waste shall at all times be kept clean, in good repair and well painted, to the satisfaction of the City Manager. CONTRACTOR shall provide at least one Refuse Container, one Recyclable Materials Container, and one Organic Waste Container to Customers (i) at Residential Service Units of two or more dwellings and Multifamily Dwellings that do not receive Backyard Service and (ii) at Commercial Service Units. CONTRACTOR's name together with CONTRACTOR's telephone number shall be printed in legible letters not less than three (3) inches in height, on both sides of all trucks and conveyances, and on the front of all CONTRACTOR-owned Carts, Bins, and Containers. All CONTRACTOR-owned equipment shall be free of graffiti, and CONTRACTOR shall remove any graffiti on its equipment within twenty-four (24) hours after being notified by the CITY or any Customer.

5. **Vehicles.** The last paragraph of Section 5.D.1 is hereby deleted in its entirety and replaced with the following:

All route vehicles, except BYS Trucks, shall be powered by liquefied natural gas (LNG) or compressed natural gas. BYS Trucks shall be powered by unleaded or diesel fuel. CONTRACTOR shall be in compliance with all rules and regulations currently in force or passed during the contract term, including SCAQMD and the Air Resource Board's regulations. No rate adjustments shall be made for such changes in law. All vehicles used by the CONTRACTOR in providing Solid Waste Collection services shall be registered with the California Department of Motor Vehicles. No vehicle shall be older than fifteen (15) years of age. Upon request of CITY, CONTRACTOR will participate in an electric vehicle pilot program in the City or comparable jurisdiction in which Contractor will utilize a fully electric-powered BYS Truck for a period of three (3) months, gather data in connection with the usage of such vehicle, and thereafter meet and confer with CITY to determine the viability of a transition to a fully-electric BYS fleet in the City and any rate adjustment in connection with the same.

6. **Refuse, Recyclable Materials, and Organic Waste Collection.** Article 6, inclusive of Sections 6.A, 6.B, and 6.C, is hereby deleted in its entirety and replaced with the following and Attachment B of this Amendment:

A. **Collection Frequency**

Refuse, Recyclable Materials, or Mixed Waste as applicable, and Organic Waste collection service shall be provided to Residential Service Units, Multifamily Dwellings, and Commercial Service Units weekly, or as more frequently (i) upon Customer request or (ii) as determined by CONTRACTOR, subject to the disapproval of CITY, in order to maintain clean, safe, and sanitary conditions within City Limits.

B. Facilities

No later than January 1, 2023, and anytime thereafter upon any changes or as requested by CITY, CONTRACTOR shall submit a list of all facilities it intends to utilize in connection with the disposal and/or processing of Mixed Waste, Refuse, Recyclable Materials, and Organic Waste. All facilities selected by CONTRACTOR will be operated in accordance with applicable law. Notwithstanding the foregoing, to the extent a facility is not owned or operated by CONTRACTOR, CONTRACTOR shall be in compliance with this Section 6.B if, as directed by CITY, CONTRACTOR requests a statement from the owner or operator of a facility that it is operated in accordance with applicable law. In the event CONTRACTOR discovers any facility used in connection with this Agreement is not permitted or operated in compliance with applicable law, CONTRACTOR shall designate an alternative facility that is permitted and in compliance with applicable law ("Alternative Facility"). CONTRACTOR shall immediately inform CITY in writing in the event of any noncompliance, and CITY, in its sole discretion, shall have the right to require the use of an Alternative Facility. If an Alternative Facility is not available within a radius of twenty-five (25) miles of the facility previously used by CONTRACTOR, the Parties shall meet and confer to discuss costs due to use of such an Alternative Facility.

C. Organic Waste Services; SB 1383 Program

No later than July 1, 2023, CONTRACTOR shall conduct collection, transportation, and processing for source separated Organic Waste generated at all Residential Service Units, Multifamily Dwellings, and Commercial Service Units within CITY. Such service shall be conducted in accordance with CONTRACTOR's SB 1383 program specified in Exhibit E attached hereto and incorporated herein by reference.

D. Backyard Service

1. Availability of Service. Upon Customer request, CONTRACTOR will provide Backyard Service at Residential Service Units and Multifamily Dwellings. Customers will be charged for Backyard Service on a per dwelling unit basis, as specified in Exhibit A. Nothing contained herein shall be construed as requiring any Customer to request Backyard Service if such service was provided to the Customer prior to January 1, 2023.

2. BYS Trucks; Driveways. Backyard Service shall be provided using BYs Trucks, which will travel from the Customer's property line to end of the Customer's driveway ("Backyard Driveway Service"); provided, however, that up to fifty (50) Customers may request to opt-out of Backyard Driveway Service at any given time ("Opt-out Limit"), in which case CONTRACTOR will provide Backyard Service by traversing a Customer's property line to end of the Customer's driveway by foot.

3. Opt-out of Backyard Driveway Service. If a Customer requests to opt-out of Backyard Driveway Service, CITY and CONTRACTOR first must conduct a site visit to determine whether the premises are safe for CONTRACTOR to collect solid waste by foot. If site conditions are deemed unsafe by CONTRACTOR or CITY, Customer may not opt-out of Backyard Driveway Service. If site conditions are deemed safe by CONTRACTOR and CITY, CONTRACTOR will traverse Customer driveways by foot and Customers will be subject to an additional fee of Twenty Five Dollars (\$25.00) per month, adjusted annually in accordance with Section 11 of the Agreement.

4. Operational Discretion. CONTRACTOR may use Backyard Driveway Service at its discretion, provided that if CONTRACTOR does not utilize Backyard Driveway Service, affected Customers will not be counted for determining the Opt-out Limit.

5. Responsibility for Property Damage. CONTRACTOR will correct or repair, or reimburse Customers for the reasonable costs to correct or repair property damage, which shall include spills or other cosmetic damage, arising from the misuse of BYs Trucks or rough handling of Containers by CONTRACTOR in connection with Backyard Service. Any claim for such damage must be presented to CONTRACTOR by Customer within one (1) year of such alleged damage. Contractor shall make a decision concerning settlement of any claim within five (5) business days after receipt of such claim.

7. Recyclables Collection. Section 7.A is hereby deleted in its entirety and replaced with the following:

No later than July 1, 2023, CONTRACTOR shall conduct Recyclable Materials collection, transportation, and processing for all Residential Service Units, Multifamily Dwellings, and Commercial Service Units within City Limits.

8. Recyclable Materials to be Collected. Section 7.C is hereby deleted in its entirety and replaced with the following:

The Recyclable Materials that are to be accepted for collection by CONTRACTOR are set forth in Exhibit E.2. CITY and CONTRACTOR agree that the list of acceptable Recyclable Materials may be modified from time to time with the written approval of City.

9. **Organic Waste Containers.** Section 7.E is hereby deleted in its entirety and replaced with the following:

Single Family Dwellings are presently provided with Containers for Mixed Waste and Organic Waste. CONTRACTOR shall replace Organic Waste Containers when notified by the owner or occupant of the Single Family Dwelling that such replacement is needed due to loss or damage. CONTRACTOR shall be solely responsible for the cost of replacing missing or damaged Organic Waste Containers. Each Single Family Dwelling shall be provided with up to four Containers upon request, with CONTRACTOR to offer monthly rental of additional Containers in accordance with Exhibit A.

CONTRACTOR shall maintain an adequate stock of Organic Waste Containers to replace missing or damaged Organic Waste Containers. Upon expiration of this Agreement, ownership of the non-rented Containers shall remain with the owner of the Single Family Dwelling.

10. **City Hall Collection.** Section 8.A is hereby deleted in its entirety and replaced with the following:

CONTRACTOR agrees to provide Mixed Waste and Organic Waste collection program for City Hall at no cost to CITY. CONTRACTOR shall provide Containers and large "cart" collectors for City Hall Organic Waste, as well as adequate Bins for collecting Mixed Waste.

11. **City Service.** Section 8.D is hereby deleted in its entirety and replaced with the following:

CONTRACTOR agrees to service Containers and dumpsters owned by CITY at no cost to CITY pursuant to the schedule set forth in Subsection D. CONTRACTOR shall provide and use plastic liners in all City-owned Containers (except three (3) and eight (8) yard dumpsters). CONTRACTOR shall be responsible for maintaining the exterior of the Containers in a neat and clean condition to the satisfaction of the CITY.

CITY-owned Containers placed at the following locations shall be serviced before 11:00 AM on every Monday, Tuesday, Wednesday, Thursday and Friday:

1. Malaga Cove Plaza area (11 Containers)
2. Lunada Bay Commercial area (7 Containers)

CITY-owned Containers placed at the following locations shall be serviced before 11:00 AM on every Monday, Wednesday, and Friday:

1. Palos Verdes Estates Memorial Garden (+2 Containers)
2. From Malaga Cove School area to 800 block of Paseo Del Mar (21 Containers)

3. From Bluff Cove Parking Lot to 3000 block of Paseo Del Mar (10 Containers) and Bluff Cove Open Space Area (8 Containers)
4. Punta Place (1 Container)
5. George Allen Ball field (2 Containers)
6. City Hall Parking Garage (Two 3-yard dumpster for mixed materials, one 3- yard dumpster for metal waste, one Cart no greater than 64-gallons),
7. City entrance at Via Rosa (2 Containers)
8. Torrance boundary strip - Via Alamdea, Via Colusa, Via Ardilla, and Via Verderol (4 Containers)
9. Via Tejon Cul De Sac (1 Container)
10. Tejon Place Cul De Sac (1 Container)
11. Adjacent to Palos Verdes High School (3 Containers)
12. Palos Verdes Drive West at Via Coronel (1 Container)
13. Lunada Bay Park (2 Containers), Via Carrillo Park (2 Containers), and Farnham Martin's Park (2 Containers). Additional Containers or Bins to be provided to support special events (e.g. Summer Concerts) in Farnham Martin's Park.
14. Paseo La Cresta Median (3 Containers)
15. Palos Verdes Drive West and Palos Verdes Drive North Medians (6 Containers)
16. Paseo Lunada at Via Rivera (1)
17. Palos Verdes Intermediate School at Via Olivera (1 Container)
18. Via Campesina at Bridge (1 Container)
19. Paseo Del Sol at 2900 Block (1 Container)
20. Beginning January 1, 2023, those additional Containers as set forth in Exhibit F.
21. An additional 5 Containers at locations to be determined.

Notwithstanding any provision hereunder, Contractor will endeavor, but not be required, to collect City-owned Containers between 9:00 a.m. and 11:00 a.m. on Mondays.

12. **Schedule of Rates.** Section 10.A is hereby deleted in its entirety and replaced with the following:

Except as otherwise specified in this Agreement, CONTRACTOR shall be paid for all Services under this Agreement by Customers. The rates CONTRACTOR may charge are set forth in Exhibit A attached hereto and incorporated herein by reference. Thereafter, rates shall be adjusted as set forth in Section 11 of this Agreement. The CITY may adopt or increase any fee, including a franchise fee, with written notice to CONTRACTOR provided that the rates shall be increased to account for such fee.

13. **Adjustment of Rates.** Effective January 1, 2023, Section 11 is hereby deleted in its entirety and replaced with the following:

On January 1, 2024 and January 1, 2025, in addition to any other rate adjustment permitted under this Agreement, the rates for services provided in Exhibit A, shall be increased seventeen and one-half percent (17.5%) each Agreement Year, respectively. On October 1, 2025 and prior to October 1 of each Agreement Year thereafter, CONTRACTOR may submit a written request to CITY for a change in the rates paid by Customers to CONTRACTOR to be effective January 1, 2026 and January 1 of each year thereafter. The rate change request, which will not be unreasonably denied by CITY, shall be made in accordance with the following procedure: One-hundred percent (100%) of the Agreement Year's net rate paid by Customers to CONTRACTOR, excluding any surcharges or fees paid to CITY, shall be adjusted based on the percentage increase in Consumer Price Index for Trash and Garbage Collection (CUUR0000SEHG02), U.S. CITY Average (not seasonally adjusted) from August of the previous calendar year through August of the then-current calendar year ("Trash CPI Adjustment"). In no event shall Trash CPI Adjustment exceed more than five percent (5%) for any year, provided that if Trash CPI Adjustment exceeds five percent (5%), such percentage excess shall be carried forward and applied to the next Agreement Year to which the rate adjustment does not exceed five percent (5%).

In addition to the above, CONTRACTOR may petition CITY at any time for rate and price adjustments on the basis of unusual changes in the cost of operations, such as revised laws, ordinances, or regulations, new or modified taxes, fees or charges imposed by a governmental entity (excluding federal income taxes), changes in location of disposal sites or changes in disposal charges, or for other reasons. All proposed rate increases may be subject to compliance with Articles XIIC and XIID of the California Constitution (Proposition 218) as deemed necessary or advisable by CITY.

14. **Diversion.** The first paragraph of Section 17.C is hereby deleted in its entirety and replaced with the following:

CONTRACTOR shall achieve fifty percent (50%) citywide diversion in accordance with the mandated minimum annual CalRecycle diversion required of CITY under Public Resources Code Section 41780. In the event CONTRACTOR does not achieve such diversion rate, CONTRACTOR shall pay to CITY the sum of Twenty Five Thousand Dollars (\$25,000) as liquidated damages for violation of CONTRACTOR's obligation to obtain such diversion rate. The Parties agree that the damages incurred by CITY in said circumstance include the potential for CITY ultimately to be found in violation of AB 939 to an unknown extent and are therefore uncertain and impracticable or extremely difficult to fix and that said sum represents the amount the Parties have agreed is the result of their reasonable endeavor to estimate the compensation due CITY in such circumstances.

15. **Maximum Service Rates.** Effective January 1, 2023, Exhibit A, Schedule of Rates, is hereby deleted and replaced in its entirety with Attachment A of this Amendment, which shall be incorporated as a new Exhibit A of the Agreement.

16. **Household Hazardous Waste.** Exhibit C, Section M is hereby deleted in its entirety and replaced with the following:

Each Agreement Year, Athens will support an annual HHW drop-off event for collection and disposal of light bulbs, oil, paint (including water based) and antifreeze in the spring or fall of every year for a fee of \$35 per Residential Service Unit. A four-week notice is to be distributed to residential Customers to advertise the date, allowable items, drop-off fee, and location of the HHW event. The date and location of the HHW drop-event will be agreed upon between the Parties.

17. **Amendment Effective Date.** This Amendment shall be effective as of October 1, 2022 with the same force and effect as if this Amendment had been executed on that date.

18. **Due Execution.** The person(s) executing this Amendment on behalf of a Party hereto warrant(s) that (i) such Party is duly organized and existing; (ii) such person(s) are duly authorized to execute and deliver this Amendment on behalf of said Party; (iii) by so executing this Amendment, such Party is formally bound to the provisions of this Amendment; and (iv) entering into this Amendment does not violate any provision of any other agreement to which said Party is bound.

19. **Entire Amendment.** This Amendment contains the entire agreement and understanding between the Parties with respect to the subject matter of this Amendment and supersedes any and all prior or contemporaneous oral and written representations, warranties, agreements, and understandings between the Parties concerning the subject matter of this Amendment.

20. **Full Force and Effect.** Other than as set forth in this Amendment, the terms of the Agreement shall remain unchanged and in full force and effect. In the event of any conflict between the Agreement and this Amendment, this Amendment shall apply.

21. **Counterparts.** This Amendment may be executed in counterparts, each of which shall be considered an original.

[Signature page follows]


IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first set forth below.

CITY OF PALOS VERDES ESTATES

ARAKELIAN ENTERPRISES, INC., a California corporation



Victoria A. Lozzi
Mayor

DocuSigned by:


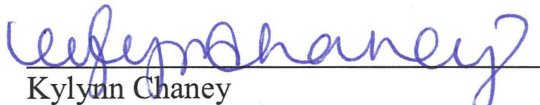
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Ron Arakelian III
Executive Officer

Date

12/2/2022

Date

ATTEST:



Kylvn Chaney
City Clerk

12/16/2022

Date

APPROVED AS TO FORM:



Trevor Rusin
Interim City Attorney

Date

[Amendment Attachment A]

Palos Verdes Estates Solid Waste Collection Rates Effective January 1, 2023

Exhibit A

Residential & Commercial Services

Refuse, Recyclable & Organic Services Mandatory For All Accounts

Hauler Rates - Net of City Fees

Residential Services						
Service Description	Current Net	Current Gross	Proposed Net	Proposed Gross		
Residential	\$ 47.38	\$ 47.89	\$ 55.07	\$ 56.18		
Roll-Off - 30 CY	\$ 545.16	\$ 545.16	\$ 583.32	\$ 583.32		
Lowboy - 10 CY	\$ 403.19	\$ 403.19	\$ 431.41	\$ 431.41		
Temporary Bin - 1, 2, 3, or 4 Cubic Yards	\$ 106.49	\$ 106.49	\$ 113.94	\$ 113.94		
Commercial Services						
Monthly Rate - Net						
Service Description	Number of Collections Per Week					
	1	2	3	4	5	6
32 gallon solid waste bundle*	\$ 103.33	\$ 180.82	\$ 271.24	\$ 360.74	\$ 450.94	\$ 541.12
64 gallon solid waste bundle*	\$ 106.16	\$ 185.80	\$ 278.69	\$ 370.66	\$ 463.32	\$ 555.98
96 gallon solid waste bundle*	\$ 118.94	\$ 208.16	\$ 312.25	\$ 415.30	\$ 519.11	\$ 622.93
1 cubic yard solid waste bundle*	\$ 146.46	\$ 256.32	\$ 384.49	\$ 511.37	\$ 639.20	\$ 767.04
2 cubic yard solid waste bundle*	\$ 246.42	\$ 431.25	\$ 646.87	\$ 860.33	\$ 1,075.42	\$ 1,290.49
3 cubic yard solid waste bundle*	\$ 303.59	\$ 531.30	\$ 796.93	\$ 1,059.92	\$ 1,324.90	\$ 1,589.87
4 cubic yard solid waste bundle*	\$ 452.72	\$ 792.28	\$ 1,188.41	\$ 1,580.58	\$ 1,975.72	\$ 2,370.87
32 gal waste & organics extra cart	\$ 39.06	\$ 68.35	\$ 102.53	\$ 136.36	\$ 170.46	\$ 204.55
64 gal waste & organics extra cart	\$ 40.83	\$ 71.46	\$ 107.19	\$ 142.56	\$ 178.20	\$ 213.84
96 gal waste & organics extra cart	\$ 48.82	\$ 85.44	\$ 128.16	\$ 170.46	\$ 213.07	\$ 255.68
1 yard waste & organics extra bin	\$ 76.34	\$ 133.60	\$ 200.40	\$ 266.53	\$ 333.16	\$ 399.79
2 yard waste & organics extra bin	\$ 159.79	\$ 279.63	\$ 419.44	\$ 557.85	\$ 697.32	\$ 836.78
3 yard waste & organics extra bin	\$ 177.54	\$ 310.70	\$ 466.04	\$ 619.84	\$ 774.80	\$ 929.75
4 yard waste & organics extra bin	\$ 275.19	\$ 481.58	\$ 722.37	\$ 960.75	\$ 1,200.93	\$ 1,441.12
32 gallon recyclables extra cart	\$ 23.44	\$ 41.01	\$ 61.52	\$ 81.82	\$ 102.28	\$ 122.73
64 gallon recyclables extra cart	\$ 24.50	\$ 42.88	\$ 64.31	\$ 85.54	\$ 106.92	\$ 128.30
96 gallon recyclables extra cart	\$ 29.29	\$ 51.26	\$ 76.90	\$ 102.28	\$ 127.84	\$ 153.41
1 cubic yard recyclables extra bin	\$ 45.80	\$ 80.16	\$ 120.24	\$ 159.92	\$ 199.90	\$ 239.87
2 cubic yard recyclables extra bin	\$ 95.87	\$ 167.78	\$ 251.66	\$ 334.71	\$ 418.39	\$ 502.07
3 cubic yard recyclables extra bin	\$ 106.52	\$ 186.42	\$ 279.62	\$ 371.90	\$ 464.88	\$ 557.85
4 cubic yard recyclables extra bin	\$ 165.11	\$ 289.95	\$ 433.42	\$ 576.45	\$ 720.56	\$ 864.67
* Costs are based on the refuse container size. All cart service includes a refuse container + equivalent size recycling cart + 64 gallon organics Container. All bin refuse rates include a recyclable materials volume at 50% of refuse and the equivalent of one 64-gallon organic waste cart per 3 cubic yards of refuse plus recyclable materials. All three service types are mandatory.						
Temporary Bin Services Description						
Service Description	Net Rate					
Temporary bin delivery and first collection	\$ 113.94					
Additional bin collection or dead-run:						
1 cubic yard solid waste, recyclables, or organics bin	\$ 45.00					
2 cubic yard solid waste, recyclables, or organics bin	\$ 50.00					
3 cubic yard solid waste, recyclables, or organics bin	\$ 55.00					
4 cubic yard solid waste, recyclables, or organics bin	\$ 60.00					
Temporary bin demurrage (per day charge if there is no dump after 7 days)	\$ 7.50					

City of Palos Verdes Estates Solid Waste Collection Rates Effective January 2023
Additional Service Charges All Sectors
Hauler Rates - Excluding City Fees

Fee Type	Description	Commercial/Multi-family/Roll-Off	Residential Rate
Account Cancellation Fee	Cancelling account for non-payment.	\$ 35.00	\$ 35.00
Account Reactivation Fee	Restart service after inactivation.	\$ 35.00	\$ 35.00
Container Redelivery Fee	Redelivering and setting up a container previously repossessed due to non-payment.	\$ 75.00	\$ 25.00
Driveway Opt Out Surcharge	For accounts that request to opt out of having collection vehicles on their driveway	Not Applicable	\$ 25.00
Late Payment	Applies to unpaid balances at thirty (30) days past due; payment is due upon request. Minimum \$5.00.	5.00%	5.00%
Declined Payment/Returned Check Charge (Any Reason)	Payment does not clear.	\$ 30.00	\$ 30.00
Exchange Fee	Exchange or replacement of container more than once per year; does not apply to replacements caused by damage.	\$ 75.00	\$ 25.00
Exchange for Bins with Metal Lids	Exchange for bins with metal lids - per bin, per exchange.	\$ 175.00	Not Applicable
Relocation Fee	Movement of container upon customer request to different collection location.	\$ 75.00	Not Applicable
Cleaning Fee	Clean, deodorize, or remove graffiti more than once per year.	\$ 75.00	\$ 25.00
Damage Fee	Replace customer damaged containers (includes lost carts)	\$ 995.00	\$ 95.00
Overflow Fee	If materials project above the lid/rim of cart/container in a manner that impedes the closure of a lid (lid does not close completely) and/or when materials are placed outside the container or cart and/or allowed to accumulate making access to the container or cart unsafe for collection; Photo documentation shall be provided to City and a fee shall only be assessed for each overflow incident following written notice to customer after the customer's first overflow event. City may review this fee annually.	\$ 50.00	Not Applicable
Overweight Fee	Materials overweight or materials that cannot be collected with typical truck equipment; fee shall only be assessed for each incident following written notice to customer after the customer's first overweight event.	\$ 50.00	\$ 25.00

City of Palos Verdes Estates Solid Waste Collection Rates Effective January 2023
Additional Service Charges All Sectors
Hauler Rates - Excluding City Fees

Fee Type	Description	Commercial/Multi-family/Roll-Off	Residential Rate
Contamination Fee	Container or cart shall be considered contaminated if it contains (i) discarded materials placed in any Container intended for Recyclable Materials that are not identified as acceptable Recyclable Materials for such Container; (ii) discarded materials placed in any Container intended for Green Waste or Organic Waste that are not identified as acceptable Green Waste or Organic Waste for such Container; (iii) discarded materials placed in any Container intended for Garbage that are acceptable Recyclable Materials and/or Organic Waste; and (iv) any other items or substances that are not Refuse, Recyclable Materials, or Organic Waste placed in any Container.	\$ 175.00	\$ 50.00
Demurrage Fee	Cost of keeping roll-off or temporary bin containers after 7 days.	\$ 7.50	\$ 7.50
Lock Installation Fee	Installation of customer-requested lock(s) within five (5) business days of a customer request for a container lid lock for one or more detachable containers; the locking mechanism may be a gravity lock or lock bar mechanism.	\$ 95.00	Not Applicable
Lock Service Fee	Servicing of locked bins, per lock, per month.	\$ 20.00	Not Applicable
Replace Lock or Key	Replace lost or stolen bin lock or key. Per occurrence.	\$ 35.00	Not Applicable
Push-Out Fee: 0-25 Feet (Per Container, Per Frequency)	Moving bins manually, mechanically or by a specialized "scout" truck, from their storage location to the collection location, and returning them to their storage location.	\$ 5.00	Not Applicable
Push-Out Fee: 26 - 50 Feet (Per Container, Per Frequency)	Moving bins manually, mechanically or by a specialized "scout" truck, from their storage location to the collection location, and returning them to their storage location.	\$ 10.00	Not Applicable
Push-Out Fee: 51 - 75 Feet (Per Container, Per Frequency)	Moving bins manually, mechanically or by a specialized "scout" truck, from their storage location to the collection location, and returning them to their storage location.	\$ 15.00	Not Applicable
Push-Out Fee: 75 - 100 Feet (Per Container, Per Frequency)	Moving bins manually, mechanically or by a specialized "scout" truck, from their storage location to the collection location, and returning them to their storage location.	\$ 20.00	Not Applicable
Push-Out Fee: 100+ Feet (Per Container, Per Frequency)	Moving bins manually, mechanically or by a specialized "scout" truck, from their storage location to the collection location, and returning them to their storage location.	\$ 25.00	Not Applicable
Bulky Item Collection - First Two Items per Year	Collection of the first two bulky items per year. If bulky items are not set-out on the agreed-upon date and time, then dead-run charges will apply.	\$ 40.00	No Charge

City of Palos Verdes Estates Solid Waste Collection Rates Effective January 2023
Additional Service Charges All Sectors
Hauler Rates - Excluding City Fees

Fee Type	Description	Commercial/Multi-family/Roll-Off	Residential Rate
Bulky Item Collection - Each Additional Item after First Two Items per Year	Collection of additional bulky items after the first two per year. If bulky items are not set-out on the agreed-upon date and time, then dead-run charges will apply.	\$ 15.00	\$ 15.00
Enclosure Fee	Services to address impeded collection of bin(s), including but not limited entering secured building by unlocking and locking gates; accessing bin(s) for collection via intercom or security office; etc.	\$ 20.00	Not Applicable
Extra Collection Fees	Returning to collection location when bins are not available during scheduled collection date or number of times needed to collect waste exceeds the agreed-upon number of collections per week.	\$ 50.00	\$ 25.00
Dead-Run or "Go-Back"	Returning to customer location after scheduled service time.	\$ 50.00	\$ 25.00
Stand-By or Delay Time	Charge for each 15 minutes the driver is delayed.	\$ 37.50	Not Applicable
Bin Enclosure Clean up	Clean up of the area surrounding the bins in the trash enclosure (per bin).	\$ 35.00	Not Applicable
Custom Bin Fabrication Charge (Per Cubic Yard)	Customer requires a specialized bin.	\$ 400.00	Not Applicable
Certificate of Destruction	Provide customer with certificate of destruction.	\$ 167.50	\$ 167.50

[Amendment Attachment B]

Exhibit E

SB 1383 Program

1. **General.** As provided herein, CONTRACTOR shall (i) provide account site visits and reviews, and the tracking thereof; (ii) support CITY public education and outreach efforts; (iii) meet with CalRecycle staff; (iv) provide Organic Waste tonnage data to both CITY and CalRecycle; and (v) provide Organic Waste collection services.

2. **Default Organic Waste Service.**

A. **Residential.** CONTRACTOR shall collect source separated Organic Waste from all Containers provided by or provided to Customers at Residential Service Units.

B. **Commercial.** For Multifamily Dwellings and Commercial Service Units, CONTRACTOR shall collect one (1) 35-gallon Cart for source separated Organic Waste once per week. Based on a waste assessment performed by CONTRACTOR, CONTRACTOR may adjust the foregoing default level of service to any one of the following container types: (i) 64-gallon Cart; (ii) 1.5 to 2 cubic yard Bin; and (iii) Roll-Off Container with a capacity of 10 or more cubic yards.

C. **Kitchen Pails.** CONTRACTOR will provide one (1) Kitchen Pail to be used by Customers at Single Family Dwellings. Upon implementation of the Organic Waste collection services provided herein, CONTRACTOR anticipates pails will be deployed to all qualifying Customers by or around July 1, 2023. CONTRACTOR will provide notice to City when all qualifying Customers have received Kitchen Pails hereunder. Thereafter, Kitchen Pails will be provided by CONTRACTOR upon Customer request in accordance with Exhibit A.

D. **Acceptable Materials.** Notwithstanding any provision in this Agreement to the contrary, the Organic Waste materials that are to be accepted for collection by CONTRACTOR are set forth in Exhibit E.1. CITY and CONTRACTOR agree that the list of acceptable Organic Waste may be modified from time to time with the written approval of City.

E. **Collection Routes.** To the extent permitted by applicable law, CONTRACTOR may collect source separated Organic Waste from multiple cities within one Organic Waste route and, if so, will report to City source-separated Organic Waste tonnage among the cities by volume or other metric required by applicable law.

F. **Service Changes.** CONTRACTOR may reduce or increase any Organic Waste service level, including service frequency and Container types, based on inspection, audit, or review at any time, subject to CITY review and disapproval. CONTRACTOR may assess additional charges for Organic Waste services above the default service level and/or above the minimum collection frequency for a given Customer. CITY may grant waivers to customers as

permitted by SB 1383 and its implementing regulations. CONTRACTOR shall reasonably assist with CITY's review of such waivers.

3. **Education and Outreach.** CONTRACTOR shall provide, and CITY must approve, education and outreach activities and to create and disseminate educational materials to Customers in compliance with 14 CCR Section 18985.1. In accordance with the foregoing, CONTRACTOR will provide the education information required in 14 CCR Section 18985.1 by providing regularly scheduled notices, education materials, billing inserts, or other information disseminated to Customers. CONTRACTOR shall maintain records of its education and outreach activities and provide this information upon request to CITY. As outlined in this section, CITY has a shared responsibility to cooperate with CONTRACTOR with respect to the education and outreach activities and creation and dissemination of educational materials hereunder.

4. **Reporting.** CONTRACTOR shall prepare and maintain the records identified in 14 CCR Section 18995.2(f), arising from the Organic Waste services performed by CONTRACTOR and assist CITY in reporting such information. As part of its obligations with respect to the foregoing and under Section 21(B), CONTRACTOR will provide an annual report of the following: (i) the tons of Organic Waste collected by route, with map of routes; (ii) the total number of generators that receive each type of Organic Waste collection service provided by CONTRACTOR; (iii) the number of Organic Waste collection containers distributed by size and Customer type; and (iv) annual totals of Organic Waste processed including facility name and location. CONTRACTOR shall provide other records to CITY within ten (10) business days of a request. CONTRACTOR shall provide CITY with business hours access to and any necessary training for use of a CONTRACTOR-hosted records systems in order to validate CONTRACTOR performance in accordance with the Organic Waste program specified in this Exhibit.

5. **Provision of Recovered Organic Waste Products.** To assist with ensuring that the CITY satisfies annual procurement requirements specified in SB 1383, CONTRACTOR shall, at levels commensurate with those required of CITY under SB 1383 and in a mixture as reasonably agreed by CITY and CONTRACTOR, (i) procure California-derived Renewable Natural Gas (CRNG) for collection vehicles used by CONTRACTOR and credited to CITY for SB 1383 purposes, and/or (ii) provide compost or mulch, delivered to location(s) selected by CITY and agreed upon by CONTRACTOR.

6. **Container Color and Labeling.**

A. **Container Color.** Notwithstanding any provision in this Agreement to the contrary, all Containers provided by CONTRACTOR to Customers must comply with the color requirements specified in 14 CCR Section 18984.7 under the timelines and requirements of such section. Containers shall be colorfast and resistant to fading as a result of weathering or ultraviolet degradation, and the lids and bodies shall be uniform for each container type, as follows: (i) Refuse Container bodies and/or lids shall be black or gray; (ii) Recyclable Materials Container bodies and/or lids shall be blue; and (iii) Organic Waste Container bodies and/or lids shall be green. Hardware such as hinges and wheels on the containers may be a different color

than specified herein. To the extent required by SB 1383, Contractor shall, at its cost and expense, provide Containers to Customers to ensure compliance with 14 CCR Section 18984.7.

B. Container Labeling. No later than July 1, 2023, CONTRACTOR shall, in accordance with 14 CCR Section 18984.8, imprint or place a label on the body or lid of each new Container that has been provided by CONTRACTOR to a Customer that includes language or graphic images, or both, indicating the primary materials accepted and the primary materials prohibited in that Container. Imprints or labels shall clearly indicate items that are Prohibited Container Contaminants for each container.

7. Route Reviews. CONTRACTOR shall on a quarterly basis, commencing January 1, 2023, conduct CONTRACTOR route reviews for Prohibited Container Contaminants consistent with and as defined in 14 CCR Section 18984.5(b) in a manner deemed safe by CONTRACTOR. Containers may be randomly selected along hauler routes. CONTRACTOR shall develop a hauler review methodology in compliance with 14 CCR Section 18984.5(b) and submit it to CITY not more than annually upon the request of CITY.

8. Facilities Waste Evaluations. CONTRACTOR shall at least twice per year but no more than quarterly, commencing January 1, 2023, conduct waste evaluations that meet the requirements of 14 CCR Section 17409.5.1 with respect to waste delivered to an CONTRACTOR-owned or -controlled facility or with respect to information otherwise accessible to CONTRACTOR that permits it to perform characterization studies. CITY maintains the right to observe, or hire a third party to observe, the waste evaluations.

9. Contamination Protocols. In order to prevent Prohibited Container Contaminants, Contractor shall implement the protocols, as specified herein.

A. First and Second Events. Upon the first and second discoveries of Prohibited Container Contaminants within a given calendar year starting January 1, CONTRACTOR will collect the contaminated waste if safe to do so, treat the waste as Refuse for handling and billing purposes, and affix a "Contamination Violation Notice" to any Container with contaminated waste. CONTRACTOR shall also report issuance of any such notices to CITY. The Contamination Violation Notice must comply with Section 5.C of the Agreement, as applicable, and will contain instructions on the proper procedures for sorting waste. CONTRACTOR must also notify the Customer by phone, by U.S. mail, by email, in person, or by tag of the following: (i) for the third and subsequent discovery of Prohibited Container Contaminants, the Customer may be charged a contamination fee for each contaminated container, and (ii) for the fifth and subsequent discoveries of Prohibited Container Contaminants, the Customer may be charged a contamination fee for each contaminated container, and CONTRACTOR may increase the size of the Customer's container or require an additional container(s). CONTRACTOR must also contact the Customer by phone, by U.S. mail, by email, in person, or by tag to ensure that the Customer has the appropriate level of service for proper collection of Refuse, Recyclable Materials, and Organic Waste.

B. Third and Fourth Events. Upon the third and fourth discoveries of Prohibited Container Contaminants within a given calendar year starting January 1, CONTRACTOR will collect the contaminated waste in the contaminated Container(s) if safe to do

so, treat the waste as Refuse for handling and billing purposes, and affix a Contamination Violation Notice to the contaminated Container. CONTRACTOR may also elect to charge the then-maximum contamination fee for the discovery of Prohibited Container Contaminants. For any assessed contamination fee, CONTRACTOR must provide digital/visual documentation of CONTRACTOR's discovery of Prohibited Container Contaminants to the Customer and CITY.

C. Five or More Events. Upon each of the fifth and any subsequent discoveries of Prohibited Container Contaminants within a given calendar year starting January 1, Contractor will collect the contaminated waste in the contaminated Container(s) if safe to do so, treat the waste as Refuse for handling and billing purposes, and charge a contamination fee for each event. For any assessed contamination fee, CONTRACTOR must provide to the Customer and CITY digital/visual documentation of CONTRACTOR's discovery of Prohibited Container Contaminants. Upon five (5) business days' notice to CITY and the Customer, CONTRACTOR may (i) increase the size of the Customer's Container, require additional Containers to accommodate excessive Prohibited Container Contaminants, or increase collection frequency; (ii) impose contamination fees for a period of six (6) months or until the Customer has demonstrated Prohibited Container Contaminants are not in Containers for a period of three (3) consecutive months; and/or (iii) provide notice that CONTRACTOR has recommended that City commence any applicable code enforcement action against the Customer. City will consult with Contractor and consider, and pursue as applicable, appropriate legal remedies against offending Customers in order to secure discontinuance of the Prohibited Container Contaminants. All CITY costs of such action shall be recovered from the offending Customers.

D. Disputes. If a Customer disputes, in writing, an assessment of a contamination fee within 30 days of the assessment, CONTRACTOR will temporarily halt any such assessment and CONTRACTOR may request a ruling by the City Manager to resolve the dispute. A request by CONTRACTOR to the City Manager to render a decision on any such dispute must be filed within ten (10) business days of receipt of a Customer's written dispute, and CONTRACTOR must include written documentation and digital/visual evidence of ongoing overall problems. Upon receipt of such documentation, the City Manager will rule on the dispute within ten (10) business days, and the City Manager's decision resolving the dispute between the Customer and CONTRACTOR will be final.

10. Waivers. Upon CONTRACTOR's request, CITY may provide CONTRACTOR waivers as follows: (a) in the event of a disaster, CITY may grant CONTRACTOR a waiver of some or all discarded materials collection requirements under this Agreement and 14 CCR, Division 7, Chapter 12, Article 3 in the disaster-affected areas for the duration of the waiver, provided that such waiver has been approved by CalRecycle; (b) CONTRACTOR may, but is not required to, separate or recover Organic Waste that CITY removes from homeless encampments and illegal disposal sites as part of an abatement activity to protect public health and safety; and/or (c) CONTRACTOR may dispose of rather than process specific types of Organic Waste and/or Recyclable Materials that are subject to quarantine and meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by CITY or until CITY provides notice that the quarantine has been removed and directs CONTRACTOR to transport the materials to facilities designated by Contractor for such material.

11. **Organic Waste Ordinance; Enforcement.** CITY will implement and enforce an Organic Waste ordinance that complies with SB 1383 and its implementing regulations, as applicable. CITY's enforcement of the City's Organic Waste ordinance includes, but is not limited to: sending cease and desist letters at Contractor's request and third parties engaged in violating the City's ordinance; taking code enforcement action against who continue to violate the City's ordinance; and initiating any legal actions against violators of the City's Organic Waste ordinance. CONTRACTOR's obligations under this Exhibit shall not extend to (i) the failure of Customers to accept Organic Waste services through no fault of Contractor, or (ii) the suspension or termination of services upon nonpayment in whole or in part by Customers, provided CONTRACTOR reports such instances of noncompliance or nonpayment to CITY for code enforcement.

12. **SB 1383 Guarantee.** Upon notice from City, Contractor shall be deemed in material breach of the Agreement subject to at least thirty (30) days to cure, in the event CalRecycle determines that the requirements of SB 1383 have not been satisfied: (i) due to the CONTRACTOR's failure to meet its obligations under this Agreement; or, (ii) due to CONTRACTOR's delay in providing information required under this Agreement that prevents CITY from submitting reports to CalRecycle in a timely manner (alternatively, a "Noncompliance Event"). Upon any Noncompliance Event, City shall be entitled to the reimbursement of penalties and/or fines assessed by CalRecycle against City to the extent the penalties and/or fines arise from the Noncompliance Event. Notwithstanding other provisions of this Agreement, Contractor's obligations hereunder shall be limited by Public Resources Code Section 40059.1.

EXHIBIT E.1
LIST OF ACCEPTABLE ORGANIC WASTE MATERIALS

GREEN WASTE

- Flower and hedge trimmings
- Grass clippings
- Leaves and branches
- Weeds
- Lumber*
- Scrap wood*
- Plywood*

**Not painted or treated*

FOOD SCRAPS

- Bread, rice, and pasta
- Cheese and dairy
- Coffee grounds and filters
- Fruits and vegetables
- Flowers and herbs
- Meat, bones, and poultry
- Seafood and soft shells
- Pet food (nonmedicated)

FOOD-SOILED PAPER*

- Food-stained paper
- Paper egg cartons
- Paper napkins
- kitchen paper towels
- Pizza boxes
- Plates
- To-go boxes (no coating)
- Wood and fiber-based utensils

**Must be 100% fiber-based. No materials with plastic, wax, or bioplastic coating, liner, or lam*

UNACCEPTED ITEMS

- All plastics
- Cacti, succulents, and yucca
- Compostable plastics (bioplastics)
- Coffee cups and pods
- Fats, oils, and grease
- Food stickers (please remove from items)
- Gloves
- Hard shells (clams, mussels, oysters)
- Medication
- Palm fronds
- Paper napkins with cleaning chemicals
- Paper towels with cleaning chemicals
- Parchment and wax paper
- Pet waste
- Rocks and soil
- Rubber bands and twist ties
- Tea bags
- Textiles
- Tissues and wet wipes

EXHIBIT E.2
LIST OF ACCEPTABLE RECYCLABLE MATERIALS

PLASTICS

- Plastics number 1 as bottle or clamshell
- Plastics numbers 2, 4, 5, and 7
- Soda, juice, and water bottles
- Beverage and detergent jugs

METALS

- Aluminum foil and pie tins (clean)
- Scrap metal
- Steel cans, dishware, etc.
- Tin and aluminum cans

PAPER

- Paper (clean and dry, white and mixed color)
- Envelopes
- File folders (paper only)
- Junk mail and magazines
- Newspaper
- Paper grocery bags
- Telephone books

Acceptable (but may not be recycled):

- Cereal boxes (no plastic insert)
- Egg cartons (paper only and clean)
- Frozen food boxes
- Soup, milk, and juice cartons

CARDBOARD (or similar)

- Cardboard and corrugated boxes

GLASS

- Amber, green, and mixed-color glass
- Clear food glass jars
- Soda, tea, and liquor bottles

No window glass, porcelain, or non-food-related glass.

[Amendment Attachment C]

Exhibit F

City Container Locations

List of City Maintained Trash Cans

Across From 833 Via Del Monte - Lookout Point (Queens Necklace Overlook)

City Hall - Front Door

Dead End of Paseo Del Sol - Malaga Cove Little League Area

Across From 912 Via Panorama - 2 Cans

Via Tejon - Dead End Before Trail (1- Athens Can Already There)

1100 blk. PVDW - Bluff cove - 3 Cans

PVDW Center Median -Across From 2105 PVDW

City Lot - Next to 2101 PVDW

Lunada Bay Plaza - Has a Doggie Pot

Across from 561 Paseo Lunado - (Another Can on other side of County Drain) - 2

Plaza Andres - Has a Doggie Pot

Park Area Across From 1959 Via Visa la

Dead End of Punta Place - (1-Athens Can Already There)

Montemalaga Plaza

Coronel Plaza

Trash Cans That May be Difficult to Maintain

East of 2035 Paseo Del Sol - (On Del Sol Fire Road)

Southeast of 1348 PVDW - (Apsley Trail)

Palomino Trail-4 Cans

On Walking Trail Behind 2428 Via Anita

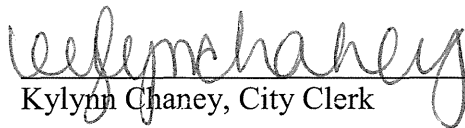
In Parkland Across From 991 Paseo La Cresta

Via Campesina - Del Sol Fire Road

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF PALOS VERDES ESTATES)

I, Kylynn Chaney, City Clerk for the City of Palos Verdes Estates, California, do hereby certify that the foregoing Resolution **R22-47** was duly and regularly approved and adopted by the City Council of the City of Palos Verdes Estates at its regular meeting of the City Council on the 22nd day of November 2022, by the following vote:

AYES:	COUNCILMEMBERS:	Lozzi, Murdock, McGowan, Kems
NOES:	COUNCILMEMBERS:	None
ABSENT:	COUNCILMEMBERS:	Roos
ABSTAIN:	COUNCILMEMBER:	None


Kylynn Chaney, City Clerk