

CONTRACT NO. _____
**TRASH, RECYCLING MATERIALS AND GREEN WASTE
COLLECTION, PROCESSING AND DISPOSAL AGREEMENT**

THIS AGREEMENT (this "**Agreement**") is effective as of February 1, 2021, between Bell Canyon Community Services District, a public entity ("**District**") and GI Industries, a Utah corporation ("**Contractor**").

RECITALS

A. Pursuant to California Government Code section 61100(c), District may provide for the collection or disposal of garbage or refuse matter. District's Ordinance Nos. 88-001 as amended by Ordinance 91-002, as amended and restated by Ordinance No 96-003, as amended and restated by Ordinance No 99-01, and as amended and restated by Ordinance No. 99-04 (hereinafter "**Ordinance**") governs the collection, removal and disposal of garbage and refuse within the District. Sections 20 and 21 of the Ordinance provide that the District may enter into a contract with any person to provide standard weekly trash removal and disposal services for residents of the District.

B. In accordance with California Public Resources Code Section 40059(a) (2), the Board of Directors of the District has determined that the public health, safety, and welfare require that an exclusive franchise be awarded to a qualified solid waste enterprise for the collection, transportation, recycling, processing, and disposal of solid waste, and for other related services.

C. In addition to weekly trash removal and disposal services, District desires and Contractor shall provide curbside and green waste recycling services and other optional services as specified on Exhibit A (the "**Optional Services**"), to District residents on the terms and conditions outlined herein.

D. The parties desire to enter into this Agreement for the provision of these services.

E. District and Contractor previously entered into five (5) year agreements effective February 1, 2006, February 1, 2011 and February 1, 2016, for these services. This Agreement replaces and supersedes the previous Agreements.

NOW, THEREFORE, pursuant to the mutual terms, conditions and covenants contained in this Agreement, the parties agree as follows:

Section 1. Agreement. District contracts with Contractor and Contractor agrees to provide curbside trash, recycling materials and green waste collection, processing, and disposal services, as well as the Optional Services, for residents of the District pursuant to the terms and conditions herein, District's Ordinance, and the District rules and regulations promulgated thereunder.

Section 2. Incorporation of District Ordinance by Reference. The terms of the District's Ordinance are incorporated by reference as though fully set forth herein. Contractor agrees to comply with all provisions of the Ordinance regulating or affecting Contractor's operations. If the provisions of the Ordinance conflict with the terms of this Agreement, the provisions of the Ordinance shall supersede the terms of this Agreement.

Section 3. Term of Agreement. The term of this Agreement shall commence February 1, 2021, and shall terminate January 31, 2026, unless earlier terminated in accordance with the provisions of this Agreement.

Section 4. Services to be Performed by Contractor.

- a. Weekly Trash Collection. Contractor at its expense shall provide all labor, materials and equipment necessary to perform weekly trash collection and disposal services for all eligible District residents. Contractor acknowledges and agrees to comply with all contract conditions contained in Section 23 of the District's Ordinance. Contractor at its expense shall supply an approximately ninety-six (96) gallon container, emptied weekly, to each eligible residence, and shall supply District with regular quarterly reports, in a format acceptable to District, which District may utilize for AB 939 reporting purposes. The cost for each residential property per month, regardless of its location within the District, shall be included in the Base Rate, to be paid by District in accordance with the provisions of Section 5.
- b. Prohibited Materials. Contractor shall not be required to remove or collect from any residential property "Prohibited Materials" as defined by Section 1.J. of the Ordinance. Contractor may independently agree with District residents to remove for disposal Prohibited Materials for such compensation as independently agreed upon between Contractor and the resident. Contractor hereby releases District from any liability for payment of any such sums which may become due as a result of independent agreement between Contractor and District residents.
- c. Collection and Disposal. Contractor shall collect and dispose of trash using those methods prescribed by the District. Contractor shall dispose of the trash at a legal landfill site selected by the Contractor outside of the District's boundary.
- d. Curbside Recycling. In addition to weekly trash collection and disposal services, Contractor shall also provide curbside recycling service on a weekly basis to District residents. Contractor at its expense shall supply an approximately ninety-six (96) gallon container, emptied weekly, to each eligible residence, and shall supply District with regular quarterly reports, in a format acceptable to District, which District may utilize for AB 939 reporting purposes. The cost for each residential property per month, regardless of its location within the District, shall be included in the Base Rate, to be paid by District in accordance with the provisions of Section 5.
- e. Green Waste Recycling. In addition to weekly trash collection and disposal services and curbside recycling services, Contractor shall also provide weekly green waste recycling service to District residents. Contractor at its expense shall supply an approximately ninety-six (96) gallon container, emptied weekly, to each eligible residence, and shall supply District with regular quarterly reports, in a format acceptable to District, which District may utilize for AB 939 reporting purposes. The cost for each residential property per month, regardless of its location within the District, shall be included in the Base Rate, to be paid by

District in accordance with the provisions of Section 5.

f. Community Cleanups. On two (2) dates per year, in the spring and fall seasons, to be mutually agreed upon by District and Contractor, Contractor, at its expense, shall provide for unlimited bulky item collection and disposal for eligible residents, without additional charge to the District or residents; provided that District, at its election and at no cost to District may add a third collection date, at a time mutually acceptable to District and Contractor in EITHER 2021 or 2022, but not both years.

g. Optional Residential Services. Contractor shall make Optional Services available to residents, upon residents' request, at the rates as specified in Exhibit A, as may be adjusted under this Agreement, which is incorporated as though fully set forth herein by this reference. Such special collection arrangements must meet reasonable safety criteria as established by Contractor at its discretion. Payments for these special collection arrangements are made pursuant to agreement between Contractor and the resident; District is not responsible for such costs or charges.

h. Manure Recycling Service. If any District residents elect manure recycling service as provided by Exhibit A and subsection g above, the Contractor shall use all reasonable efforts to cause horse manure generated within the District to be diverted from the waste stream and be recycled. Customers shall place manure into the green waste container. Contractor shall supply District with regular quarterly reports, in a format acceptable to District, which the District may utilize for AB 939 reporting purposes.

i. Information to District Residents. Contractor at its expense shall provide all written educational/outreach materials and service notices to District residents for Services provided under this Agreement. Any materials and notices must be approved by the District Manager before distribution to District residents.

j. District Facilities. Contractor shall provide weekly trash collection and disposal services, curbside recycling, and green waste recycling to District facilities, at no cost to District. These facilities are 29 Baymare Road, 30 Hackamore Lane and, if requested by District, the District bus stop and Bell Canyon Park locations on Bell Canyon Road.

Section 5. Compensation to Contractor.

a. District shall provide Contractor with a property eligibility list delineating those residential properties eligible for service. This eligibility list shall be updated by District from time to time at District's election or upon request by Contractor (provided such request shall not be more often than quarterly) and the updated list shall be provided to Contractor. If the updated list removes any residences due to fire or other destruction of that residence, the charge for that residence shall be suspended until such residence is replaced and again added to the roll of the property eligibility list.

b. Contractor shall submit monthly billing statements to District, in a format acceptable to District, for the trash collection, curbside recycling and green waste services provided to District residential properties for the preceding month. Contractor's monthly statement shall be submitted to the District on or before the 2nd day of the following month. The monthly cost for weekly trash collection, weekly curbside recycling and weekly green waste recycling shall be Fifty-three Dollars and Sixty-five cents (\$53.65) per residence ("**Base Rate**").

c. The District shall pay Contractor's billing statement within thirty (30) days of receipt. In the event of a dispute over any portion of the billing statement, District may without interest or penalty withhold payment to Contractor of the disputed portion, until such dispute is resolved between Contractor and the District Manager. If any such dispute cannot be successfully resolved between Contractor and the District Manager, Contractor may bring the dispute to the District's Board of Directors, whose decision shall be final except that Contractor may pursue any other legal remedies available at law if it is not satisfied with the District's Board of Directors' decision.

d. The Base Rate shall remain unchanged between February 1, 2021 through December 31, 2021. Beginning on January 1, 2022, and on January 1 of each year during the term of this Agreement, the Base Rate paid to the Contractor is subject to modification as follows:

(1) Service Fee Increase: On January 1, 2022 and annually thereafter on January 1 of subsequent years, two thirds of then-current Base Rate and Optional Services Rates for each residential property shall be modified by the percentage increase/decrease of the Consumer Price Index, CUSROOOSEHG02 CPI-U Garbage and Trash Collection, US City Average, not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics, or the most similar successor index if this index is no longer published, ("CPI"), by calculating the average of the changes in the CPI between each month during the December to November period immediately preceding the date of the rate adjustment and the same month in the prior year. The amount of each modification shall not exceed five percent (5%) of the then-current Base Rate. Contractor waives any Consumer Price Index modification to the Base Rate until January 1, 2022.

(2) Tipping Fee Increase: Upon receipt of any notice of a landfill or processing rate change, the Contractor shall notify the District promptly. Upon the effective date of a landfill or processing rate change, one third of the then-current Base Rate and Optional Services Rates for each residential property shall be modified by the percentage increase/decrease in the landfill or processing rate.

e. Contractor may request an adjustment to the Base Rate or Optional Services Rates at other times to provide for the reimbursement of unusual increased costs of providing service under this Agreement, but not more than once in any twelve (12) month period. Unusual increased costs

may include changes in service mandated by the District, changes to the Ordinance affecting Contractor's operations, changes in state or local government solid waste fees and charges, changes in the law, loss of markets for recyclables, declines in market value of recyclables, material increases in processing costs, embargoes or other export restrictions, but shall not include circumstances within the control of Contractor, such as changes in the purchase price of new equipment, amounts reimbursed by insurance companies, or rebates of any type. For each request, Contractor must prepare a schedule documenting the extraordinary costs. The request shall be prepared in a form acceptable to the District with support for all assumptions made by Contractor in preparing the estimate. The District Board of Directors shall review Contractor's request and, in its reasonable judgment, make the final determination on the appropriate amount of the adjustment, if any, within thirty (30) calendar days of receipt of Contractor's request.

Section 6. Compliance with Laws. Contractor shall bear sole responsibility for and shall comply with all local, state and federal laws, ordinances, regulations, standards and orders relating to the collection, transportation and disposal of trash, the recycling of solid waste, and the nature and conduct of Contractor's work, including not limited to all occupational, safety and health (OSHA) laws and regulations, whether currently in effect or hereafter enacted, related to Contractor's services under this Agreement.

Contractor at its sole expense shall pay all applicable fees imposed by any other public agencies (e.g. the County of Ventura) with oversight responsibility for solid waste collection and disposal, including but not limited to the "Waste Management Fee", the "Collector Fee" and the "CIWMP Fee" as defined in Ventura County Ordinance Code Sections 4770-3, 4750-7 and 4790 et seq., respectively.

Section 7. Contractor's Name. Contractor shall not use the words "Bell Canyon" or "Community Services District" or like words in its corporate name or on its equipment.

Section 8. Performance Bond.

a. Upon execution of this Agreement, Contractor shall file with the District and shall thereafter during the entire term of this Agreement maintain in full force and effect a surety bond or other adequate surety in a form, satisfactory to the District in the amount of Ten Thousand Dollars (\$10,000.00) for Contractor's faithful performance of this Agreement.

b. Contractor's performance bond shall be so conditioned that if Contractor fails to comply with any one or more of the provisions of this Agreement, then there shall be recoverable jointly and severally from the Contractor or surety any damage or loss or costs suffered or incurred by the District as a result thereof, including reasonable attorneys' fees and costs of any action or proceeding, and including the full amount of any compensation, indemnification, cost of removal or abandonment of any property or other costs which may be in default up to the full principal amount of such bond.

c. Such bond shall not be canceled, altered or allowed to lapse without at least thirty (30) days prior written notice to the District Manager by the surety.

d. Failure to file or maintain such performance bond shall be deemed a breach of this Agreement and shall be grounds to terminate this Agreement by the District.

Section 9. Insurance. Insurance shall be maintained by Contractor in accordance with the terms attached hereto as Exhibit B.

Section 10. Workers' Compensation Insurance. Contractor shall at all times keep fully insured, at Contractor's own expense, all persons employed by Contractor in connection with performance of this Agreement as required by the provisions of the California Labor Code relating to Workers' Compensation and Insurance. Contractor shall indemnify, defend and hold District free and harmless from all liability arising by reason of injuries of any employee of Contractor incurred in the course of employment hereunder except to the extent caused by District's gross negligence or willful misconduct. Contractor shall file and maintain certificates with the District showing said insurance to be in full force and effect at all times during the term of this Agreement. No work shall be done by Contractor during any period when Contractor is not covered by insurance as required herein.

Section 11. Indemnify and Hold Harmless.

a. Contractor shall indemnify, defend and hold harmless District and its officers, directors, agents and employees from all liability of whatever kind or character, including but not limited to damages for injury or death or damage to persons or property, and regardless of the merit of the same and against all liability to others and against any loss, cost and expense, including any reasonable attorneys' fees, accountant's fees, expert witness or consultant fees, court costs or other costs or expenses to the extent caused by or arising out of or pertaining to Contractor's performance of this Agreement, whether such performance be by Contractor or anyone directly or indirectly employed by Contractor. Such indemnity shall survive the expiration or termination of this Agreement with respect to any claims arising during the term of this Agreement.

b. The existence of liability insurance provided by Contractor to District pursuant to Section 9 shall not release Contractor in any manner from liability under this indemnification section. The obligations of this indemnification section shall apply regardless of whether such insurance policy/policies has/have been determined to apply to any of such liability, damages, loss, cost or expense as set forth above.

c. To the extent that the provisions of Public Resources Code § 40059.1 may be applicable to the District, Contractor shall indemnify District to the extent permitted in § 40059.1.

Section 12. Default and Termination.

a. In addition to any other remedy herein provided or provided by law, the District may terminate this Agreement if Contractor is in default of any term or provision hereof including the

requirements that performance shall be in a workmanlike manner and otherwise satisfactory to the District; provided, however, that before such right of termination may be exercised by the District, District shall give the Contractor written notice of such default, specifying the particulars in which the Contractor is in default and if such default is cured and satisfactory service is rendered by Contractor within fifteen (15) days after such written notice, this Agreement shall not be terminated by the District. During the fifteen (15)-day period, Contractor may submit to District evidence of excuse pursuant to subsection b or any information showing that no default has occurred. The District shall consider this information before its final determination as to termination.

b. Acts of God, floods, fires, earthquakes, terrorism, strikes, riots or other civil unrest, governmental laws, orders, restrictions, embargoes, actions and regulations, and shortages of power, infrastructure or transportation, pandemics, epidemics which are not within the control of Contractor or acts of other persons or combinations thereof over which the Contractor does not have control are not subject to complaint as matters of unsatisfactory, or failure of, performance by the Contractor.

c. In the event Contractor shall for any reason become unable to or fails in any way to collect or remove trash as provided herein, District may declare the amount of the performance bond described herein forfeited to the District.

d. In the event of termination of this Agreement due to Contractor's breach, Contractor shall be liable to the District for all loss, damage or expense for which the District may become liable or indebted to provide replacement service to its residents.

e. If the State of California ceases providing, or materially reduces allocation of, ad valorem property tax revenues to the District, the District may terminate this Agreement, without penalty, upon ninety (90) days' notice to Contractor.

Section 13. Non-Assignability.

a. None of Contractor's rights, privileges or obligations herein granted or authorized shall be leased, assigned, sold or transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest or property therein pass to or vest in any person through the sale of stock or otherwise, either by act of Contractor or by operation of Law, without the prior written consent of the District, which shall not be unreasonably withheld or delayed in the event of a transfer by merger or acquisition of Contractor by a third party solid waste disposal provider. The granting of such consent shall not render unnecessary any subsequent consent. Subject only to the District's rights as set forth in the following subsections of Section 13, this subsection a shall not apply to an assignment or transfer by Contractor to an affiliate under common ownership with Contractor.

b. Contractor shall promptly notify District of any proposed change in control and/or ownership of Contractor with respect to which the consent of the District is required. Such change in control or ownership or other assignment or transfer shall make this Agreement null

and void unless and until District shall have consented in writing thereto. For purposes of determining whether it will consent to such change, transfer or acquisition of control or ownership, District may inquire into the qualifications of the prospective acquiring party and Contractor shall assist District in any such inquiry. District may condition approval of such transfer upon terms and conditions it deems appropriate. For purposes of this section, a presumptive change in control and/or ownership will exist upon sale or transfer of fifty percent (50%) or more of Contractor's ownership stock, interest or other control.

c. At least sixty (60) days prior to any transfer as heretofore described, Contractor shall file with the District a copy of the deed, agreement, mortgage, lease or other written instrument evidencing such sale, transfer or lease, certified and sworn to as correct by Contractor.

d. Every such transfer as heretofore described, whether voluntary or involuntary, shall be deemed void and of no effect unless Contractor shall have filed such certified copy as is required and District has given its approval.

e. Failure to obtain the approval of District as provided herein shall entitle District to terminate this Agreement effective thirty (30) days from the date District provides Contractor with written notice of disapproval.

Section 14. Rights and Powers Reserved to District.

a. At all reasonable times, Contractor shall permit the District Manager to examine all property of Contractor, and to examine and transcribe any and all records kept or maintained by Contractor under Contractor's control which pertain to this Agreement, including but not limited to all financial records and accounts.

b. Neither this Agreement nor any provision hereof shall constitute a waiver or bar to the exercise of any governmental rights or powers of the District. Contractor expressly acknowledges and agrees to the provisions of Section 21 and 27 of District's Ordinance.

c. The District's Board of Directors may do all things which are necessary and convenient in the exercise of the District's jurisdiction under this Agreement and may determine any question of fact which may arise during the existence of this Agreement.

d. The District Manager is hereby authorized and empowered to adjust, settle or compromise any controversy or charge arising from the operations of Contractor under this Agreement, either on behalf of the District, Contractor or any resident, in the best interests of the public. Either the Contractor, or any resident of the District, who may be dissatisfied with any decision of the District Manager may appeal the matter to the Board of Directors for hearing and determination. The Board of Directors may accept, reject or modify the decision of the District Manager, and the Board of Directors may adjust, settle or compromise any controversy or cancel any charge arising from the operations of the Contractor.

Section 15. Notices. All notices or correspondence required to be given under this Agreement or otherwise shall be given by personal delivery, delivered by same-day or overnight courier; or placing such notices in the United States mail, by first class mail postage pre-paid, addressed to the parties at their respective addresses:

If to Contractor: GI Industries
Attn: Michael E. Smith
195 W. Los Angeles Avenue
Simi Valley, CA 93065

With copy to: GI Industries
Attn: Senior Legal Counsel
9081 Tujunga Avenue
Sun Valley, CA 91352

If to District: Bell Canyon Community Services District
Attn: General Manager
30 Hackamore Lane
Bell Canyon, CA 91307-1015

All such notices shall be deemed given on the day deposited in the United States mail in the manner specified above.

Section 16. Severability. If any term, covenant, condition, section or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

Section 17. Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, executor, representatives, assigns and successors in interest of the parties hereto, subject to the provisions of Section 13 above.

Section 18. Entire Agreement. This Agreement constitutes the entire agreement between District and Contractor and this Agreement may be modified or altered only by an instrument in writing signed by both District and Contractor. No prior or contemporaneous oral understandings or agreements between the parties not incorporated within this Agreement shall be binding upon the parties. Without limitation, this Agreement supersedes in its entirety any other agreements between the parties related to the Services.

Section 19. California Law. This Agreement shall be interpreted and construed pursuant to the laws of the State of California, without reference to its conflicts of laws principles. Any litigation arising from this Agreement shall be commenced in a court of competent jurisdiction in the County of Ventura.

Section 20. Effective Date. This Agreement shall become effective and operative as of

the date first set forth above.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first set forth above.

G.I. INDUSTRIES

By: Larry Metter

Name: Larry Metter

Its: President

ATTEST:

BELL CANYON COMMUNITY SERVICES DISTRICT

Name: _____

Title: _____

By: Dennis Roy

Name: Dennis Roy

Its: President

EXHIBIT A

BASIC SERVICES AND OPTIONAL SERVICES RATES

The following prices are effective from January 1, 2021 through December 31, 2021. The fee modifications under Section 5(d) are fully applicable to the following Base Rates and Optional Services as set forth in the Agreement:

Service	Service Description	Rate
Basic Service	One 96 Trash Cart/Week One 96 RCY Cart/Week One 96 Green Cart/Week	\$53.65/Month/Unit
Optional Services	Cut-off and Restart Fee Walk-up Service Fee EXTRA CARTS: Each additional 96 Trash Cart One additional (after Basic) 96 RCY Cart Each additional (more than 2) 96 RCY Cart Each additional 96 Green Cart Each 64 Manure Cart EXTRA PICK-UP Extra pick up on service day Extra pick up on service day Extra pick up not on service day Extra pick up not on service day BULKY ITEMS: Bulky Item Pick-up Additional Bulky Items	\$30.76 \$30.76/Month \$11.48/Month/Unit N/C \$3.96/Month/Unit \$9.78/Month/Unit \$9.78/Month/Unit \$7.37/Cart \$4.92/Bag \$30.76 For three (3) Carts \$30.76 For six (6) Bags \$55.79/two Items \$19.33/Item

EXHIBIT B
INSURANCE REQUIREMENTS

Contractor shall procure and maintain for the duration of this Agreement 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 of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001).
2. Insurance Services Office form number CA 0001 covering Automobile liability, Code 1 (any auto) or Code 8, 9 if no owned autos.
3. Workers' Compensation insurance as required by the State of California and Employer's Liability insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

1. General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$2,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$2,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

All deductibles or self-insured retentions are for the account of Contractor and are payable solely by Contractor. At the option of the District, the Contractor shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The District, its officers, officials, employees and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor; and 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. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

2. For any claims related to this Agreement, the Contractor's Insurance coverage shall be primary insurance as respects the District, its officers, officials, employees and volunteers. Any insurance or self- insurance maintained by the District, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice ten (10) days in the event of cancellation for non-payment) by certified mail, return receipt requested, has been given to the District.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Verification of Coverage

Contractor shall furnish the District with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the District or on other than the District's forms, provided those endorsements or policies conform to the requirements. All certificates and endorsements are to be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.