

AMENDMENT #2 TO FRANCHISE AGREEMENT FOR SOLID WASTE, RECYCLING AND GREEN WASTE SERVICES BETWEEN THE BOLINAS COMMUNITY PUBLIC UTILITY DISTRICT AND USA WASTE OF CALIFORNIA, INC.

This Amendment #2 to the Franchise Agreement for Solid Waste, Recycling and Green Waste Services between the Bolinas Community Public Utility District and USA Waste of California, Inc. (this "Amendment") is entered into by and between the Bolinas Community Public Utility District ("District") and Recology Sonoma Marin ("Recology") (individually as "Party" and collectively the "Parties").

WHEREAS, on April 1, 2003 the District entered into a Franchise Agreement for Solid Waste, Recycling and Green Waste Services with USA Waste of California, Inc. for a ten year term setting forth the respective rights and obligations of the parties with respect to the collection of solid waste, recyclables and green waste in the District's jurisdiction and granting Franchisee an exclusive right to provide collection services within such jurisdiction ("Original Franchise");

WHEREAS, at the request of USA Waste of California, Inc., on January 1, 2008, the District agreed to the assignment of the Original Franchise to Redwood Empire Disposal, Inc. and subsequently agreed to extend the term to December 31, 2015; and

WHEREAS, on December 16, 2015, the District entered into a First Amendment to the Original Franchise with Redwood Empire Disposal, Inc. to further extend the term to June 30, 2030 and modify provisions relating to rate setting and collection services provided ("First Amendment," and the Original Franchise as amended by the First Amendment and this Amendment, the "Agreement"); and

WHEREAS, at the request of Redwood Empire Disposal, Inc., on September 20, 2017, the District agreed to the assignment of the Original Franchise, as amended, to Recology; and

WHEREAS, Senate Bill 1383, the Short-lived Climate Pollutant Reduction Act ("SB 1383"), sets statewide organic waste disposal reduction targets and requires California Department of Resources Recycling and Recovery ("CalRecycle") to develop regulations to reduce organics in landfills as a source of methane; and

WHEREAS, in 2020 CalRecycle adopted the SB 1383 Regulations at new Chapter 12 (Short-lived Climate Pollutants) of Division 7 of Title 14 of the California Code of Regulations and amended portions of regulations of Title 14 CCR and Title 27 CCR ("SB 1383 Regulations"); and

WHEREAS, the Parties wish to enter into this Amendment #2 to the Original Franchise as amended, to designate certain roles and responsibilities that Recology shall perform on behalf of the District to implement the SB 1383 Regulations under the terms and conditions as set forth herein; and as defined in Exhibit A; and

WHEREAS, the District intends to implement a 3-container Organic Waste collection service as contemplated by Section 18984.1 of the SB 1383 Regulations.

NOW, THEREFORE, the parties agree as follows:

1. Effective Date. This Amendment shall take effect on December 14, 2022 (the "Effective Date").
2. Definitions. For purposes of this Amendment, the terms set forth in Exhibit A, attached hereto and incorporated herein, shall have the meanings given to them in such exhibit.

3. Three-Container Organic Waste Collection Services. District and Recology acknowledge that Recology's Organic Waste collection routes must be expanded to include approximately 19 customers who do not currently receive Organic Waste collection service in order to satisfy the requirements of the SB 1383 Regulations. The District and Recology will endeavor to ensure these customers either receive Organic Waste collection service or are issued applicable waivers therefrom as soon as possible. By no later than January 1, 2024, Recology shall provide Organic Waste collection service to all of its customers within District who are subscribed to and pay for Solid Waste collection service, unless (i) the customer is not required under District's code to subscribe for Organic Waste collection service, or (ii) the customer qualifies for a State- or locally-issued waiver, or (iii) the customer refuses to accept such service.
4. Container Colors.
 - 4.1. General Requirement. Recology shall ensure that each Container that it newly purchases after January 1, 2022 and provides to a Generator serviced under the Agreement conforms to the following color scheme: Gray Containers for collection of Solid Waste, Blue Containers for collection of Recyclable Materials, and Green Containers for collection of Organic Waste. In addition, Recology shall ensure that all Containers it uses to provide such services to Generators serviced under the Agreement conform to such color scheme by January 1, 2036.
 - 4.2. Specific Material Types. Paper products and printing and writing paper, each as defined in the SB 1383 Regulations, may be placed in either the Blue Container or the Green Container. Carpet and textiles may not be placed in either the Blue Container or the Green Container.
5. Container Labels.
 - 5.1. General Requirement. Recology shall ensure that each Container (or Container lid) that it newly purchases after January 1, 2022 and provides to a Generator serviced under the Agreement shall be labeled or imprinted with language and/or graphics that clearly indicates the primary items accepted and the primary items that are Prohibited Container Contaminants for that Container type. Recology may comply with this section by using model labeling provided by CalRecycle.
6. Route Reviews.
 - 6.1. General Requirement. At least once annually, beginning in 2022, Recology shall conduct a Route Review for each Hauler Route. For each Route Review of a Hauler Route, Recology shall inspect at least the following minimum number of Containers, but may inspect more if Recology wishes. Each inspection shall involve lifting the Container lid and observing the contents, but shall not require Recology to disturb the contents or open any bags. Recology may select the Containers to be inspected at random, or (if mutually agreed with the District) by any other method not prohibited under the SB 1383 Regulations. For the avoidance of doubt, Recology shall not be required to annually inspect every Container on a Hauler Route. Recology shall include the results of each Route Review in its next regularly scheduled report to the District, as required by Section 9.

Route Size (# accounts)	Minimum Number of Containers
Less than 1,500	25
1,500-3,999	30
4,000-6,999	35
7,000 or more	40

6.2. Notice of Contamination. If Recology finds Prohibited Container Contaminants in a Container during a Route Review, Recology shall notify the Generator of the violation in writing. The written notice shall include information regarding the Generator's requirement to properly separate materials into the appropriate Containers. The notice may be left on the Generator's Container, gate, or door at the time the violation is discovered, and/or be mailed, e-mailed, electronically messaged or delivered personally to the Generator. Recology may dispose of the contents of any Container found to contain Prohibited Container Contaminants. The notice shall be provided in English and Spanish. Recology shall maintain copies of all such written notices and provide them to the District if CalRecycle requests copies from District.

7. Compliance Reviews.

7.1. Commercial and Multi-Family Generators: At least once annually, beginning in 2022, Recology shall review the records of its Commercial and Multi-Family customers in the District that are subscribed for at least two (2) cubic yards per week of combined Solid Waste, Organic Waste and Recyclable Materials service, to determine whether such customers are subscribed for Organic Waste collection service or have an applicable waiver. Recology shall include the results of each compliance review in its next regularly scheduled quarterly report to the District, as required by Section 9.

8. Education & Outreach.

8.1. Prior to February 1, 2022, and annually thereafter, Recology shall provide the following to all its customers serviced under the Agreement:

8.1.1. Information on the Organic Waste Generator's requirements to properly separate materials in appropriate containers.

8.1.2. Information on methods for: the prevention of Organic Waste generation, recycling Organic Waste on-site, sending Organic Waste to community composting, and any other local requirements regarding Organic Waste.

8.1.3. Information regarding the methane reduction benefits of reducing the landfill disposal of Organic Waste, and the methods of Organic Waste recovery contemplated by this Amendment #2 and SB 1383.

8.1.4. Information regarding how to recover Organic Waste.

8.1.5. Information related to the public health and safety and environmental impacts associated with the landfill disposal of Organic Waste.

8.2. The above information will be provided, at a minimum, through print and/or electronic media, and may also be provided through workshops, meetings and/or on-site visits.

8.3. Educational materials provided pursuant to the above shall be translated into Spanish.

9. Reporting.

9.1. Beginning January 1, 2022, Recology shall provide the following information to the District as part of Recology's regularly scheduled quarterly reports under the Agreement:

9.1.1. For Education & Outreach information provided by Recology pursuant to Section 8 above:

- (a) Copies of all such information (including flyers, brochures, newsletters, invoice messaging, website and social media postings, emails, and other electronic messages).
- (b) The date the information was disseminated or the direct contact made. For website and social media postings, this shall be the date posted.
- (c) To whom the information was disseminated or the direct contact made. For mass distributions such as mailings or bill inserts, Recology may provide the type and number of accounts receiving the information, rather than listing each recipient individually.

9.1.2. For Route Reviews and Compliance Reviews:

- (a) The date the review was conducted.
- (b) The name and title of each person conducting the review.
- (c) A list of the account names and addresses covered by the review.
- (d) For Route Reviews, a description of each Hauler Route reviewed, including Recology's route number and a description of the Hauler Route area.
- (e) For Route Reviews, the results of such review (i.e. the addresses where any Prohibited Container Contaminants were found), and any photographs taken.
- (f) For Compliance Reviews, the results of such review (i.e. Recology's findings as to whether the customers reviewed are subscribed for Organic Waste collection service, have an applicable waiver, or neither) and any relevant evidence supporting such findings (e.g. account records).
- (g) Copies of any educational materials issued pursuant to such reviews.

9.1.3. Documentation relating to observed Prohibited Container Contaminants, whether observed during Route Reviews or otherwise:

- (a) Copies of the form of each notice issued to Generators for Prohibited Container Contaminants, as well as, for each such form, a list of the Generators to whom such notice was issued, the date of issuance, the Generator's name and service address, and the reason for issuance (if the form is used for multiple reasons). This information will also be provided monthly to Zero Waste Marin.
- (b) The number of times notices were issued to Generators for Prohibited Container Contaminants.

- (c) The number of Containers where the contents were disposed due to observation of Prohibited Container Contaminants.

9.1.4. A summary of all Complaints received during the reporting period.

9.1.5. A description of Recology's process for determining the level of Container contamination under the Agreement.

10. Complaints: Recology agrees to notify the District in writing within ten (10) calendar days of any oral or written complaints it receives in which the complainant alleges that a person or entity is in violation of the substance of the SB 1383 regulations within the District's service area ("Complaints"). Recology shall provide District with the following information about each Complaint, to the extent provided to Recology by the complainant: the name and contact information of the complainant, the identity of the alleged violator, if known, a description of the alleged violation including location(s), any relevant photographic or documentary evidence to support the allegations, and the identity of any witnesses, if known. Recology also shall include a summary of all such Complaints received in its next regularly scheduled report to the District, as required by Section 9.
11. Maximum Rate Adjustment. The District-approved Maximum Rates for collection services provided by Recology pursuant to the Original Franchise, as amended, are as set forth in or determined pursuant to the First Amendment. In addition, the District and Recology hereby agree that, effective January 1, 2024, each Maximum Rate will increase by an additional 2.9% to cover the costs of the SB 1383-related services described herein. This increase will be over and above all other Maximum Rate adjustments required or permitted under the Agreement, including without limitation the annual CPI adjustment effective January 1, 2024. In addition, on or before January 31, 2023, District shall make a one-time payment to Recology of \$9,455, to cover the costs of such SB 1383-related services for calendar year 2023.
12. Section 18988.1 and 18988.2 Compliance. Recology hereby notifies the District that Organic Waste collected pursuant to the Agreement is currently being delivered to the following facility(ies): Waste Management EarthCare Compost in Novato. The District hereby approves delivery of Organic Waste to such facility(ies). Recology shall comply with its obligations under this Amendment #2 and the obligations that by operation of law are imposed upon it directly pursuant to Chapter 12 of the SB 1383 Regulations.
13. Section 18984.11 Compliance. If Recology reasonably believes that a Commercial or Multi-Family Generator may qualify for a de minimis or physical space waiver, Recology may submit a request to the District to grant a waiver to the Generator, provided that adequate evidence of the de minimis or physical space waiver requirements specified in Section 18984.11 of the SB 1383 Regulations is included with the request. Alternatively, Commercial or Multi-Family Generators may submit requests for de minimis or physical space waivers directly to District, in which case District shall review the waiver application and take such steps as District deems appropriate to verify the accuracy of the application. In all cases, District shall review and approve or deny the waiver request. When District approves a waiver, District shall within 30 days thereafter notify Recology of the customer name, service address(es) to which the waiver applies, type of waiver granted, and any change in the customer's allowable service level.
14. Future Changes. The Parties acknowledge that future changes to this Amendment #2 or the Original Franchise, as amended, may be desirable to assist the Parties with their respective compliance obligations under the SB 1383 Regulations or subsequent amendments thereto.


or interpretations thereof. The Parties agree to negotiate any such proposed changes in good faith. The foregoing shall not be deemed to limit either Party's rights or remedies under the Agreement.

15. Miscellaneous. In the event of any conflict between this Amendment #2 and the Original Franchise, as amended, this Amendment #2 shall govern. Section headings in this Amendment #2 are for convenience only and shall not be used in the interpretation of this Amendment #2. This Amendment #2 may be executed in counterparts and/or by electronic signature (e.g. DocuSign). As used in this Amendment #2, "including" and its variants mean "including without limitation."

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IN WITNESS WHEREOF, this Amendment #2 is entered into as of the Effective Date.

Bolinas Community Public Utility District

By: 
Name: Jack Siedman
Title: President, Board of Directors
Date: 1/31/2023

Recology Sonoma Marin

By: 
Name: Salvatore M. Coniglio
Title: Chief Executive Officer
Date: 12/19/2022

ATTEST:



Secretary

Exhibit A

DEFINITIONS

"Blue Container" means a Container colored as follows: (a) the lid shall be blue, or (b) the body shall be blue and the lid shall be either blue, gray, or black. Hardware such as hinges and wheels may be any color.

"Container" means any Cart, Bin or Debris Box.

"Gray Container" means a Container colored as follows: (a) the lid shall be gray or black, or (b) the body shall be gray or black and the lid shall be gray or black. Hardware such as hinges and wheels may be any color.

"Green Container" means a Container colored as follows: (a) the lid shall be green, or (b) the body shall be green and the lid shall be green, gray, or black. Hardware such as hinges and wheels may be any color.

"Hauler Route" means the designated weekly itinerary or sequence of stops scheduled to be performed by one collection vehicle providing regularly scheduled Solid Waste, Recyclable Material or Organic Waste collection services (not on-call or Bulky Item/Abandoned Waste) within Recology's collection service area under the Agreement.

"Organic Waste" means wastes comprising material originated from living organisms and their metabolic waste products, including food, green material, landscape and pruning waste, clean unpainted/untreated wood (with no nails, wire, etc.), paper products, and printing and writing paper, but excluding textiles and carpets, manure, biosolids, digestate, sludges, non-compostable paper, Construction & Demolition Debris, and Hazardous Waste. No material shall be considered Organic Waste unless it has been segregated by the Generator for separate collection.

"Prohibited Container Contaminants" means any of the following:

(a) Non-Organic Waste placed in the Green Container, including but not limited to textiles and carpets, manure, biosolids, digestate, sludges, non-compostable paper, Construction & Demolition Debris, and Hazardous Waste;

(b) Organic Waste placed in the Gray Container that is specifically identified under the Agreement for collection in the Green Container or Blue Container;

(c) Organic Waste placed in the Blue Container that is specifically identified under the Agreement for collection in the Green Container. Paper products and printing and writing paper may be considered acceptable and not considered Prohibited Container Contaminants if they are placed in the Blue Container.

"Route Review" means a visual inspection of Containers along a Hauler Route for the purpose of identifying Prohibited Container Contaminants, which may include mechanical inspection methods such as use of cameras.

"SB 1383 Regulations" means the Short-lived Climate Pollutants (SLCP): Organic Waste Reductions regulations adopted by the California Department of Resources Recycling and Recovery ("CalRecycle") in 2020.

For purposes of this Amendment #2, the following terms (whether or not capitalized) shall have the meanings given to them in the SB 1383 Regulations, unless the context indicates a different meaning was intended: biosolids, digestate, food, non-compostable paper, paper products, printing and writing paper, sludges.