

**SECOND AMENDMENT TO
SOLID WASTE COLLECTION FRANCHISE AGREEMENT**

This Second Amendment (“Second Amendment”) to the Solid Waste Collection Franchise Agreement Between the County of Sonoma, a political subdivision of the State of California (“County”), and Sonoma Garbage Collectors, a California Corporation (“Company”), is dated as of ___3/15/2022_, but will only be effective upon the Effective Date, as defined herein.

WHEREAS, County and Company are parties to a Solid Waste Collection Franchise Agreement ("Original Agreement") dated July 13, 2010;

WHEREAS, County and Company entered into an amendment to the Original Agreement on October 6, 2015, ("First Amendment");

WHEREAS, the Original Agreement, as amended by the First Amendment, and as further amended hereby shall hereinafter be referred to as the “Agreement”;

WHEREAS, the parties wish to enter into this Second Amendment to assist the County in complying with Senate Bill 1383 (SB 1383);

WHEREAS, through this Amendment, County intends to have Company (1) provide a 3-container solid waste, recycling, and organic waste collection service as contemplated by 14 CCR Section 18984.1 and (2) perform related route reviews, education and outreach, and reporting services, as further described herein.

NOW, THEREFORE, the parties agree as follows:

1. Effective Date. This Amendment shall take effect April 1, 2022 (“Effective Date”).
2. Definitions. For purposes of this Second Amendment, the terms set forth in Exhibit A, attached hereto and incorporated herein, shall have the meanings given to them in such exhibit. All other defined terms shall have the meaning provided in the existing Agreement.
3. Harmonization of Greenwaste Provisions. Without limiting the generality of Section 14, below, Company and County agree that all provisions in the Agreement regarding or relating to “Greenwaste” shall be interpreted in such a manner as to comply with the provisions of this Second Amendment; e.g. provisions governing Greenwaste shall be construed to refer to Organic Waste, except as such construction is otherwise in conflict with this First Amendment or applicable laws and regulations.
4. Three-Container Organic Waste Collection Services. Company shall provide Organic Waste collection service to all residents and businesses within the County Service Area who are subscribed to and pay for Solid Waste collection service (“customers”), unless (i) the customer is not required under County’s municipal code to subscribe to 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. Company shall not deny service to any resident or business in the County Service Area who requests to subscribe to service.

5. Container Colors and Acceptable Materials.

5.1. General Requirement. Company shall ensure that each Container that it purchases after January 1, 2022 and provides to a customer serviced under this Agreement conforms to the following color scheme: Gray Containers for collection of Solid Waste, Blue Containers for collection of Source Separated Recyclable Materials, and Green Containers for collection of Source Separated Organic Waste..

5.2. Specific Material Types. As of the Effective Date of this Amendment, compostable plastics, manure, biosolids, digestate, sludges, textiles, carpets (whether or not organic), pressure treated lumber of any size, and non-treated lumber over 36" long or 6" in diameter are not accepted in the Green Container (i.e. they are counted as contamination). Only Greenwaste, Food Waste, Paper Products and Printing and Writing Paper may be deposited into the Green Container as of the Effective Date of this Amendment. As of the Effective Date of this Amendment, Paper Products and Printing and Writing Paper may also be placed in the Blue Container, in addition to other Source Separated Recyclable Materials. Notwithstanding any other provision, including but not limited to the definition of "Recyclable Materials," plastic (or other non-paper) grocery bags, paper towels, paper contaminated with food, wax paper, LDPE plastic, and plastic containers #3, 4, 6 and 7 are not accepted in the Blue Container (i.e. they are counted as contamination) as of the Effective Date of this Amendment.

5.3. Changes to Accepted Materials Due to Changed Processing Capabilities. County and Company agree that materials that can be recovered by available compost and recycling facilities may change over time. If processing capabilities change, Company shall promptly provide written notice to County of such changes. The parties may by mutual written agreement modify the list of acceptable materials in the Green Container and the Blue Container. Such agreement shall become an amendment to this Agreement. The parties shall cooperate in good faith to make such modifications to the materials that can be accepted in the Green and Blue Containers as may be appropriate to support compliance with applicable diversion laws to the maximum extent practicable using available compost and recycling facilities. Following the parties agreement to any change in the acceptable materials, Company shall provide prompt notice of such changes to all customers.

6. Container Labels.

6.1. General Requirement. Company shall ensure that each Container (or Container lid) that it newly purchases after January 1, 2022 and provides to a customer serviced under this 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. Company may comply with this section by using model labeling provided by CalRecycle or Zero Waste Sonoma.

7. Route Reviews.

7.1. General Requirement. At least once annually, beginning in 2022, Company shall conduct a Route Review for each Hauler Route. For each Route Review of a Hauler Route, Company shall inspect at least the following minimum number of Containers, but may inspect more if Company wishes. Each inspection shall involve lifting the Container lid and observing the contents, but shall not require Company to disturb the contents or open any bags. Company may select the Containers to be inspected at random, or if requested by County, by any other method not prohibited under SB 1383 Regulations. For the avoidance of doubt, Company shall not be required to annually inspect every Container on a Hauler Route. Company shall include the results of each Route Review in its next regularly scheduled report to County, as required by Section 10.

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

7.2. Notice of Contamination. If Company finds Prohibited Container Contaminants in a Container during a Route Review, Company shall notify the customer of the violation in writing. The written notice shall include information regarding the requirement to properly separate materials into the appropriate Containers. The notice may be left on the customer’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 customer. Company may dispose of the contents of any Container found to contain Prohibited Container Contaminants. The notice shall be provided in English and Spanish.

8. Compliance Reviews.

8.1. General Requirement. At least once annually, beginning in 2022, Company shall review the records of its Commercial and Multi-Family customers in the Service Area to determine whether such customers are subscribed for Organic Waste collection service or have an applicable waiver. Company shall include the results of each compliance review in its next regularly scheduled report to County, as required by Section 10.

9. Education & Outreach.

9.1. Prior to February 1, 2022, and annually thereafter, Company shall provide the following to all of its customers in the Service Area:

- (a) Information on customer requirements to properly separate materials into appropriate containers.
- (b) Information on methods for the prevention of Organic Waste generation, recycling on-site, sending Organic Waste to community composting, and any other local requirements regarding the diversion of Organic Waste.
- (c) Information regarding the methane reduction benefits of reducing the landfill disposal of Organic Waste, and the methods of Organic Waste recovery contemplated by SB 1383.
- (d) Information regarding how to recover Organic Waste.
- (e) Information related to the public health and safety and environmental impacts associated with the landfill disposal of Organic Waste.

9.2. 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.

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

10. Reporting.

- 10.1. Beginning January 1, 2022, Company shall provide the following information to County as part of Company's regularly scheduled reports under the Agreement:
- 10.2. For information provided by Company pursuant to Section 9 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, Company may provide the type and number of accounts receiving the information, rather than listing each recipient individually.
- 10.3. 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 Company'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 (if any), and copies of each notice issued to generators for Prohibited Contained Contaminants.
 - (f) For Compliance Reviews, a list of accounts reviewed, the results of such review (i.e. Company'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.
- 10.4. Documentation relating to observed Prohibited Container Contaminants, whether observed during Route Reviews or otherwise:
- (a) In addition to copies of the actual notices issued during Route Reviews, copies of the form of each notice issued to generators for Prohibited Container Contaminants, as well as, for each such form, a list of all notices issued showing the customer's name, the date of issuance, the service address, and the nature of the violation. This information will also be provided on a monthly basis to Zero Waste Sonoma.
 - (b) The number of times notices were issued to customers for Prohibited Container Contaminants.
 - (c) The number of Containers where the contents were disposed due to observation of Prohibited Container Contaminants.
- 10.5. A description of Company's process for determining the level of Container contamination under the Agreement.
11. Discontinuance of Collection Service and/or Refusal to Collect; Requests for County Liens.

Section 5.3 of the Agreement (Discontinuance of Collection Service and/or Refusal to Collect) shall be deleted and replaced with the following:

"5.3 Discontinuance of Collection Service and/or Refusal to Collect; Request for County Lien.

"5.3.1 Discontinuance of Service. If Company elects, pursuant to Section 5.1.1 to

discontinue collection service for failure to pay for said services, the Company shall, prior to discontinuance:

- (1) Provide the customer with thirty (30) days prior written notice of the intent to discontinue service;
- (2) Provide County with fifteen (15) days prior written notice of the intent to discontinue service to said customer.

Company shall not, however, discontinue service until after attempting to resolve any good faith disputes concerning amounts due Company. The County may require Company to continue collection services if the County determines after reviewing the facts of the individual case that there is an unresolved good faith dispute regarding incorrect billing by Company.

5.3.2 Request for County Lien.

As to any account with unpaid charges for 180 days or longer from the invoice date, and following Company's diligent efforts to collect all such charges for the duration of that 180-day period, Company may request County's assistance in recovering the unpaid amount pursuant to Government Code section 25828 and Sonoma County Code Section 22-21. To initiate such request, Company shall file with the Director of Transportation and Public Works a verified statement which shall contain the specific facts of the delinquent account, including, but not limited to: name or names and address of the owner(s), the address of the service, the period of service that is delinquent, the amounts due, accrued interest, the steps taken to secure payment, and such other information as the Director may reasonably require. Said statement shall be submitted to County semi-annually. In order for County to take action, Company must establish it has made reasonable and material efforts to collect payment, including (i) issuance of no fewer than three (3) written late payment notices, (ii) telephone requests for payment, (iii) and reduction in the customer's service level as may be authorized pursuant to Sections 5.1.1 and 5.3.1. County may deduct from sums otherwise due to Company all actual and reasonable costs to County in collecting the debts at issue.

5.3.3 Refusal to Collect. Company may, at its discretion, refuse to collect wastes and/or Recyclable Materials from any customer who uses a non-standard sized container for disposal of wastes or collection of Recyclables. Company may refuse to collect any waste containing Hazardous Substances. Company shall immediately notify County of any Hazardous Substances left for collection by said customer. Company may, at its discretion, refuse to collect any Source Separated Recyclable materials where such containers contain significant amounts of Solid Waste that is commingled with Recyclable Materials. If Company refuses to collect such container from a customer, Company shall promptly provide said customer with a written explanation or alternatively, Company shall telephone the customer with an explanation on the

same day as the intended pick up. Company shall maintain a log of such events.”

12. Rate Adjustments.

13. Company shall perform the services required under this Agreement without any additional compensation.

14. Section 18988.1 and 18988.2 Compliance. Company shall notify the Director of the facility or facilities to which it will transport organic waste as a condition of this Agreement. Company shall comply with its obligations under this Amendment and the obligations that by operation of law are imposed upon it directly pursuant to SB 1383 Regulations, including but not limited to 14 CCR 18988.2 (Organic Waste Hauler Requirements).

15. Interpretation. In the event of any conflict between this Second Amendment and the Agreement, this Second Amendment shall govern. Company acknowledges that aspects of this Amendment are governed by the Sonoma County Code (County Code) and, to the extent there is any ambiguity in this Amendment, such ambiguity shall be resolved in favor of strict compliance with the County Code as in effect as of the Effective Date of this Second Amendment. Section headings in this Second Amendment are for convenience only and shall not be used in the interpretation of this Amendment. This Second Amendment may be executed in counterparts and/or by electronic signature (e.g. DocuSign). As used in this Second Amendment, “including” and its variants mean “including without limitation.”

16. Effect of Amendment on Remainder. Except to the extent the Agreement is specifically amended or supplemented hereby, the Agreement together with exhibits is, and shall continue to be, in full force and effect as originally executed, and nothing contained herein shall be construed to modify, invalidate or otherwise affect any provision of the Agreement or any right of the parties arising thereunder.

17. Applicable Law. This Second Amendment shall be governed by and construed in accordance with the laws of the State of California, without regard to conflicts of law, and any action to enforce the terms of this Second Amendment or for the breach thereof shall be brought and tried in the County of Sonoma.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment as of _____, 2022, which shall become effective upon the Effective Date.

County of Sonoma, a political
subdivision of the State of California

Sonoma Garbage Collectors, a California
Corporation

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: John Curotto
Title: President
Date: _____

APPROVED AS TO FORM:

Lisa Pheatt
Deputy County Counsel

ATTEST:

County Clerk

Exhibit A

DEFINITIONS

This Amendment provides definitions for new terms not previously used in the Agreement and also updates (replaces) existing definitions, as described.

“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.

“Food Waste” means food scraps and trimmings and other putrescible waste that results from food production, preparation, cooking, storage, consumption or handling. Food Waste includes but is not limited to: meat, fish and dairy waste, fruit and vegetable waste, and grain waste. Food waste also includes food-soiled compostable paper and compostable plastics, if recovery facilities that can receive compostable plastics are identified by Company and County in the future.

“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 the Company’s collection service area under the Agreement.

“Organic Waste” means solid wastes comprising of material originated from living organisms and their metabolic waste products, including but not limited to food, green material, landscape and pruning waste, organic textiles and carpets, clean unpainted/untreated lumber and wood (with no nails, wire, etc.), paper products, printing and writing paper, manure, biosolids, digestate and sludges, but excluding non-compostable paper and Hazardous Waste.

“Prohibited Container Contaminants” means any of the following:

- (a) Any material that is not Organic Waste placed in the Green Container, and those Organic Wastes placed in the Green Container that are not acceptable in the Green Container pursuant to Section 5.2 and/or 5.3 of this Amendment;
- (b) Any material that is not Recyclable Material placed in the Blue Container, and those Recyclable Materials placed in the Green Container that are not acceptable in the

Blue Container pursuant to Section 5.2 and/or 5.3 of this Amendment. Paper products, printing and writing paper are considered acceptable Source Separated Recyclable Materials and not considered Prohibited Container Contaminants if they are placed in the Blue Container;

- (c) Any materials placed in the Gray Container that are, pursuant to the Sonoma County Code and this Agreement, acceptable Source Separated Recyclable Materials and/or Source Separated Organic Wastes that may be placed in the Green Container and/or Blue Container.
- (d) Ashes, industrial wastes, abandoned vehicles and parts thereof, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge or manure placed in any Container; and
- (e) Excluded Waste, as defined by the Sonoma County Code, placed in any Container.

“Recyclable Materials or Recyclables” means those discarded materials that are capable of being Recycled and that exclude Excluded Waste. No discarded materials shall be considered Recyclable Materials unless such material is separated from Solid Waste, Organic Waste and Construction and Demolition Wastes. Recyclable Materials shall include, but not be limited to: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, writing paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes yet excluding contaminated paper tissues, paper towels, paper with plastic coating, paper contaminated with food, wax paper, foil-lined paper, Tyvek non-tearing paper envelopes); chipboard; corrugated cardboard; glass containers of any color (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers, small pieces of scrap metal); steel, tin or bi-metal cans; mixed rigid plastics such as plastic container (no. 1 to 7) and bottles including containers made of HDPE, LDPE, or PET. For the purposes of this Agreement, “Recyclable Materials” shall not include Construction and Demolition Materials. “Recyclable Materials” shall also exclude Source-Separated Organic Waste, except as materials specifically included in this definition of “Recyclable Materials” are compostable products acceptable in either the Blue Container or Green Container pursuant to this Agreement.

“Recycle or Recycling” means the process of sorting, cleansing, treating and reconstituting at a Recyclable Materials processing facility materials that would otherwise be disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products.

“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, 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, and sludges.