



111 E. COMMERCIAL STREET
WILLITS, CALIFORNIA 95490
(707) 459-4601 TEL
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**WILLITS CITY COUNCIL
AGENDA
MAY 27, 2015 ♦ 6:30 P.M. ♦ COUNCIL CHAMBERS**

1. **OPENING MATTERS** – a) Call to Order; b) Pledge to Flag; c) Roll Call
2. **PUBLIC COMMUNICATIONS**
Council welcomes participation in its meetings. Comments shall be limited to three (3) minutes per person so that everyone may be given an opportunity to be heard. To expedite matters and avoid repetition, whenever any group of persons wishes to address the Council on the same subject matter, the Mayor may request that a spokesperson be chosen by the group. This item is limited to matters under the jurisdiction of the City Council which are not on the posted agenda. Public criticism of the City Council, Commission, Boards and Agencies will not be prohibited. No action shall be taken.
3. **PUBLIC MATTERS**
 - a. ***NOTICED PUBLIC HEARING*** – Discussion and Possible Adoption of Resolution Approving Changes in Certain Fees and Charges, Effective July 1, 2015
 - b. Discussion and Possible Approval of Franchise Agreement and Transfer Station Agreement with Solid Wastes of Willits (SWOW)
 - c. Update on the City's Emergency Water Supply Project
4. **CONSENT CALENDAR**
Matters listed under the Consent Calendar are considered to be routine by the City Council and will be enacted by a single motion and roll call vote by the City Council. Items may be removed from the Consent Calendar upon request of a Councilmember and acted upon separately by the City Council.

The following items are recommended for approval, as follows:
 - a. City Council Minutes:
 - May 13, 2015
5. **INFORMATIONAL REPORTS**
Matters that do not require action by the City Council but are of public interest.
 - a. Disbursements Journal(s):
 - Warrant Nos. 26423-26430, Totaling \$36,403.65
 - Warrant Nos. 26431-26505, Totaling \$218,798.05
 - b. Alcohol License Application(s) to ABC:
 - Peter's Sushi & Chinese House – 383 South Main Street
 - c. Written Update from Caltrans Regarding the Willits Bypass Project
6. **RIGHT TO APPEAL**
Persons who are dissatisfied with the decisions of the City Council may have the right to a review of that decision by a court. The City has adopted Section 1094.6 of the Code of Civil Procedure, which generally limits to 90 days the time within which the decisions of the City boards and agencies may be judicially challenged.
7. **COMMISSIONS, AGENCIES AND AUTHORITIES**
The Willits City Council meets concurrently as the City of Willits Planning Commission and City of Willits Successor Agency.
8. **CITY MANAGER REPORTS AND RECOMMENDATIONS**
 - a. Recap of Budget Workshop (*held day before*)
 - b. Verbal Reports – No Action

9. DEPARTMENT RECOMMENDATIONS

- a. Administration (City Clerk, Finance, Human Resources, Legal)
- b. Public Safety
- c. Community Development
- d. Public Works & Engineering
 - 1) Discussion and Possible Action to Approve the Della Avenue Water Main Replacement Project to be Completed in Fiscal Year 2014/2015
- e. Water & Wastewater Systems

10. CITY COUNCIL AND COMMITTEE REPORTS

- a. Mendocino Council of Governments (MCOG)
- b. Local Agency Formation Commission (LAFCO)
- c. Mendocino Transit Authority (MTA)
- d. Mendocino Solid Waste Management Authority-Joint Powers Authority (MSWMA-JPA)
- e. Economic Development and Financing Corporation (EDFC)
- f. League of California Cities
- g. Water & Wastewater Systems Committee
- h. Revit-ED Committee
- i. Finance Committee
- j. Ad Hoc Committees
 - Caltrans Bypass Project
 - Main Street Improvements (*City Manager recommends moving this into Revit-ED*)
 - Willits Center for the Arts
- k. Other Committee Reports

11. COUNCIL MEMBER REPORTS AND RECOMMENDATIONS

12. ENACTMENT OF ORDINANCES

13. GOOD & WELFARE

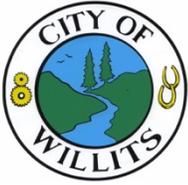
14. CLOSED SESSION NOTICE

- a. Conference with Legal Counsel Pursuant to Government Code §54956.9 – Initiation of Litigation: Keep the Code v. City of Willits and REACH Air Medical Services (Superior Court of the State of California – County of Mendocino, Case No. SCUM-CVPT-15-65648)
- b. Conference with Labor Negotiators Pursuant to Government Code §54957.6 – Employee Organization(s): All
- c. Pursuant to Government Code §54957 – Public Employee (Annual) Performance Evaluation – City Manager (*Part 2 of 2*)

15. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Willits City Hall, located at 111 East Commercial Street, Willits, California, not less than 72 hours prior to the meeting set forth on this agenda.

*Dated this 22nd day of May, 2015.
Cathy Sanders, Deputy City Clerk*



Item No. **3a**

Meeting Date: **May 27, 2015**

AGENDA SUMMARY REPORT

To: Honorable Mayor and Council Members

From: Susie Holmes, Finance Director

Agenda Title: NOTICED PUBLIC HEARING TO CONDUCT ANNUAL REVIEW OF RATES AND CHARGES FOR VARIOUS CITY SERVICES AND ADOPT A RESOLUTION APPROVING CHANGES IN CERTAIN CITY FEES AND CHARGES, EFFECTIVE JULY 1, 2015

Type: Presentation Consent Regular Agenda Public Hearing Urgent Time: 15 min.

Summary of Request: Each year as a part of the budget process, the City's rates and fees are reviewed by department heads and proposed changes are provided to the City Council for approval.

The proposed changes are summarized below:

- General Fund – City Administration, establishment of a Credit Card Convenience Fee in the amount of \$3.95 per transaction.
- General Fund – Police Services, to increase Copies of Photos – Over the Counter, from \$1.00 to \$10.00; and Copies of Photos – Via U.S. Mail, from \$1.00 to \$11.00; Vehicle Storage Fee at Willits Police Department (suspect/arrestee) from \$10.00 to \$25.00; Clearance Letter from \$5.00 to \$10.00 each; and establishment of a Administration Fee for the return of Repossessed Vehicles in the amount of \$15.00 (State pass-through fee).
- General Fund – Willits Center for the Arts, although the pricing structure was changed, there were no material changes to the current rental fees.
- Sewer Fund – Miscellaneous Fees, establishment of a Credit Card Convenience Fee in the amount of \$3.95 per transaction.
- Water Fund – Temporary Construction Meters, increase the Refundable Deposit from \$100.00 to \$1,000; and establishment of a Credit Card Convenience Fee in the amount of \$3.95 per transaction.

On the attached fee schedule, * denotes a fee change or new fee.

Recommended Action: 1) Conduct a public hearing and take testimony regarding fees and charges; and 2) Adopt a resolution approving City fees and charges, effective July 1, 2015.

Alternative(s): Following a public hearing and discussion, adopt a resolution approving changes in certain fees and charges alternative to those recommended by City Staff.

Fiscal Impact: All recommended changes are in accordance with staff's analysis of the need to keep pace with costs of providing necessary services, in accordance with law.

Personnel Impact: Minimal.

Reviewed by: City Manager City Attorney Finance Director Human Resources Risk

Council Action: Approved Denied Other: _____

Records: Agreement Resolution # _____ Ordinance # _____ Other _____

RESOLUTION NO. 2015-_____

RESOLUTION OF THE OF THE CITY COUNCIL OF THE CITY OF WILLITS APPROVING CITY FEES AND CHARGES EFFECTIVE JULY 1, 2015

WHEREAS, the City Council for the City of Willits ("City") hereby finds as follows:

1. Notice of the time and place of this meeting to consider the adoption of this resolution to increase City fees was given as required by Government Code Section 6062(a).

2. This Public Hearing is being held to meet the public hearing requirements of Government Code Section 66018(a).

3. The amount of the fee and service charges set forth in the attached Exhibit A do not exceed the estimated amount required to provide the service for which the fee or service charge is being levied.

4. Unless the recommended increased fee or service charge is approved, the City will not have sufficient funds to provide the service for which the fee or service charge is being levied.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Willits that based upon the information provided to the City Council at the public hearing held on the adoption of this Resolution and upon the above findings of fact, the City Council hereby approves and adopts the attached Fee Schedule, a copy of which is hereby incorporated by reference and attached hereto as Exhibit "A" to be effective July 1, 2015.

The above and foregoing Resolution was introduced by Councilmember _____ seconded by Councilmember _____, and passed and adopted at a regular meeting of the City Council of the City of Willits, held on the 27th day of May, 2015, by the following vote:

AYES:
NOES:
ABSENT:

BRUCE BURTON, Mayor
City Council of the City of Willits

ATTEST:

CATHY SANDERS
Deputy City Clerk

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

GENERAL FUND	FY 15/16	
CITY ADMINISTRATION		
Miscellaneous Office Fees - all departments		
Copy Fee/paper/Letter or Legal size - per page	\$ 0.25	
Copy of Final City Budget	\$ 25.00	
Returned Check Charge/plus bank fee	\$ 25.00	
Credit Card Convenience Fee	\$ 3.95	* new
per transaction		
Plotted Copies/per sheet		
18" X 26"	\$ 4.50	
24" X 36"	\$ 5.00	
36" X 48"	\$ 6.00	
Electronic Records		
Copies of electronic records on CD - per disk over the counter	\$ 10.00	
Copies of electronic records on CD - per disk by mail	\$ 11.00	
DVD - Copy of Council Meeting	\$ 15.00	
Penalty Assessment		
Charge on past due balances of all delinquent accounts/per month	\$ 0.02	
Witness Fees:		
City personnel to appear in court as a witness on behalf of the City/per hour	\$ 75.00	
Preparation of Agreements and Documents		
Per hour by City Attorney	\$ 200.00	
POLICE SERVICE FEES		
Copies of Reports/per page (Section #6257 Government Code)	\$ 0.25	
Loss Verification Report/per page (Section #6257 Government Code)	\$ 0.25	
Fingerprints - Card only (Section 11122 Penal Code)	\$ 12.00	
Copies of Photos - CD Format (Section #6357 Government Code) - Over the Counter	\$ 10.00	* was \$1
Copies of Photos - CD Format (Section #6357 Government Code) - Via U.S. Mail	\$ 11.00	* was \$1
Second Hand Dealer Permit		
Initial Application Fee	\$ 125.00	
Annual Renewal Fee	\$ 100.00	
Card Dealer Permit		
Processing Fee	\$ 27.00	
Clearance Letter/each	\$ 10.00	* was \$5
Towing Fee/per vehicle towed-stored	\$ 65.00	
Parking Citations:		
Parking in marked Disabled Zone (Properly Posted)	\$ 250.00	
All other parking citations	\$ 45.00	
Administration Fee, Proof of Correction (when cited by other agency)	\$ 10.00	
Vehicle Abandonment	\$ 100.00	
Additional processing costs (DMV action etc.) when parking violation penalties are not paid within the 21 day time period specified on the citation.		
	\$ 20.00	
Vehicle storage fee at Willits Police Department/per day (suspect/aresteer vehicle)	\$ 25.00	* was \$10
Administrative Fee for return of repossessed vehicles (State pass-through fee per §41612 Govt. Code)	\$ 15.00	* new

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

GENERAL FUND	FY 15/16
POLICE SERVICE FEES (CONTINUED)	
MUNICIPAL CODE TRAFFIC VIOLATIONS	
WMC 10.32.020 A	\$ 45.00
WMC 10.32.030 A/B	\$ 45.00
WMC 10.32.050	\$ 45.00
WMC 10.32.060	\$ 45.00
WMC 10.32.070	\$ 45.00
WMC 10.32.090	\$ 45.00
WMC 10.32.100	\$ 45.00
WMC 10.32.110	\$ 45.00
WMC 10.32.120	\$ 45.00
WMC 10.32.130	\$ 45.00
WMC 10.32.140	\$ 45.00
WMC 10.32.150	\$ 45.00
WMC 10.32.170	\$ 45.00
WMC 10.72.180	\$ 45.00
Basic Penalty for WMC violations not listed above	\$ 45.00

PUBLIC WORKS DEPARTMENT	
Standard Permit Fees	
Sidewalk, Curb, or Gutter Construction - Residential Per Parcel	\$ 150.00
Sidewalk, Curb, or Gutter Construction - Commercial Per Parcel	\$ 250.00
Residential Driveway Approach - Per Approach / Per Parcel	\$ 150.00
Commercial Driveway/Road/ Approach - Per Approach / Per Parcel	\$ 250.00
Excavation Permit - 50 feet or less	\$ 250.00
Excavation Permit - 51 to 100 feet	\$ 400.00
Excavation over 100 feet (50 to 100 feet fee + \$.75 Per Lineal Foot over 100)	\$ 0.75
Pavement Patch	\$ 100.00
Sidewalk Patch	\$ 50.00
Utility Company New Construction	\$ 250.00
Tree Maintenance Permit - Per Job	\$ 120.00
Road Closure - Construction or Other	\$ 200.00
Road Closure - Event	\$ 150.00
Sidewalk Closure - Event	\$ 100.00
Miscellaneous Permit - To be determined by City Engineer	\$ 150.00
Sign Fee (this does not include major excavation, additional fees will apply if construction and or closure is needed for installation)	\$ 50.00
Annual Permit Fees	
Utility Company Annual Permit	\$ 400.00
Vegetation Management Annual Permit	\$ 250.00
Miscellaneous Annual Permit	\$ 250.00
(Staff will assess other requests for annual permit and issue on an as-needed basis)	
Sidewalk Dining Permit (capacity of less than ****)	\$ 150.00
Administrative Review Fees	
Application Initiation Fee	\$ 75.00
Due at Time of Application Submission (applied towards entire fee once permit is issued)	
Planning Review (inclusive of special studies and environmental reviews)	\$ 100.00
City Attorney Review	\$ 200.00
Design Work by City Engineer /per hour	\$ 125.00
Engineering Review and/or Plan Check/per hour	\$ 125.00
Engineering Inspection Fee/per hour	\$ 70.00
Permit Administration Fee	\$ 25.00
Starting Work without an approved permit - Double Applicable Permit Fee	

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

GENERAL FUND	FY 15/16
COMMUNITY DEVELOPMENT DEPARTMENT	
General Plan Amendment	\$ 1,000.00
Zone Change (concurrent with GP Amendment)	\$ 250.00
Zone Change (independent application)	\$ 500.00
Zoning Text Amendment	\$ 500.00
Use Permit	
Categorical Exemption	\$ 200.00
Engineering Review Fee	\$ 200.00
Negative Declaration	\$ 600.00
Engineering Review Fee	\$ 400.00
Use Permit Renewal/Modification	\$ 200.00
Engineering Review Fee	\$ 200.00
Planned Unit Development	\$ 500.00
Engineering Review Fee	\$ 600.00
Annexation	
Initial Fee	\$ 1,000.00
Additional Fee per Acre	\$ 25.00
Review of Annexation Petition/per hour by City Attorney	\$ 200.00
Engineering Review Fee	\$ 600.00
Home Occupation Permit	\$ 50.00
Family Day Care Home Permit	\$ 75.00
Zoning Permit	\$ 50.00
Variance	\$ 200.00
Development Agreement	\$ 1,000.00
Plus annual review fee established in agreement	
Review of Development Agreement/per hour by City Attorney	\$ 200.00
Engineering Review Fee	\$ 200.00
Development Agreement Modification	\$ 500.00
Review of Modification/per hour by City Attorney	\$ 200.00
Special Planning Commission Meeting	
Initial Fee	\$ 500.00
Additional Fee per Hour	\$ 50.00
Review of Use Permit Conditions/per hour by City Attorney	\$ 200.00
Preparation of Density Bonus Agreement/per hour by City Attorney	\$ 200.00
Sign Permit	\$ 50.00
Floodplain Development Permit	\$ 100.00
Engineering Review Fee	\$ 200.00
Site Plan Review:	
Minor Review (1 unit residential)	\$ 100.00
2 to 4 Units Residential, Commercial, Office or Industrial <2,000 sq. feet	\$ 200.00
Engineering Review Fee	\$ 600.00
Major Review	
5 or More Units Residential, Commercial, Office or Industrial >2,000 sq. feet	\$ 400.00
Engineering Review Fee	\$ 800.00
Environmental Review	
Environmental Assessment	\$ 100.00
EIR Administration/per hour	\$ 45.00
Review of Draft & Final EIR/per hour by City Attorney	\$ 200.00

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

GENERAL FUND	FY 15/16
COMMUNITY DEVELOPMENT DEPARTMENT (CONTINUED)	
Subdivision Improvements	
Tentative Parcel Map, 2 to 5 parcels, initial fee	\$ 350.00
Additional Fee per Parcel	\$ 50.00
Engineering Review Fee	\$ 300.00
Final Parcel Map, 2 to 5 parcels, initial fee	\$ 150.00
Engineering Review Fee	\$ 300.00
Additional Engineering Review Fee per Parcel	\$ 50.00
Tentative Subdivision Map (more than 5 parcels)	\$ 1,000.00
Engineering Review Fee	\$ 600.00
Final Subdivision Map (more than 5 parcels)	\$ 750.00
Additional Fee per Parcel	\$ 50.00
Engineering Review Fee	\$ 500.00
Additional Engineering Review Fee per Parcel	\$ 50.00
Review of Subdivision Map/per hour by City Attorney	\$ 200.00
Reversion to Acreage	\$ 400.00
Engineering Review Fee	\$ 300.00
Boundary Line Adjustment	\$ 150.00
Engineering Review Fee	\$ 300.00
Certificate of Compliance, initial fee	\$ 150.00
Additional Fee per each parcel additionally recognized	\$ 100.00
Engineering Review Fee	\$ 100.00
Extension of Time	\$ 100.00
Appeal to Planning Commission	\$ 200.00
Appeal to City Council	\$ 200.00
Copies of Community Development Department Documents:	
General Plan	\$ 15.00
Zoning Ordinance	\$ 15.00
Housing Element	\$ 10.00
Bicycle and Pedestrian Specific Plan	\$ 10.00
Baechtel Road - Railroad Ave Community Design Study	\$ 5.00
Note 1: For any planning application that must be referred to the Northwest Information Center at Sonoma State University for a review of historical or archaeological resources, a fee of \$75.00 made payable to Sonoma State University will be required.	
Note 2: Unless a fee waiver is granted by the Department of Fish & Game, any planning application approved by the Planning Commission will require the payment of a Fish & Game fee as follows:	
Negative Declaration & Mitigated Negative Declaration Fee	\$ 2,044.00
EIR Fee	\$ 2,839.25
County Clerk Processing fee	\$ 50.00
Note 3: A 10% Discount will be given for any Planning and Building permit application made by an independent locally owned business, within the 94590 zip code area, and for any permit application made to facilitate qualified Low & Moderate Income Housing.	
Building Fees	
Permits - Pursuant to 1997 Uniform Administrative Code - Tables 3-A through 3-H	
CA State Building Standards Fee/Per every \$100,000 building (Valuation as determined by the City of Willits Building Official)	\$ 4.00
Plan Check Fee/65% of Building Permit Cost per 1997 Uniform Building Code	65%
General Plan Maintenance Fee - .14% X the job value used for the building permit fee	.14%

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

GENERAL FUND	FY 15/16
CITY FACILITIES	
Community Center Hall	
Basic Use Fee/per day	\$ 275.00
Use Fee with alcohol/per day	\$ 575.00
Community Center Hall Non-Profit	
4 hours or less	\$ 75.00
4 hours or less with alcohol	\$ 100.00
All day rental (more than 4 hours)	\$ 100.00
All day rental (more than 4 hours) with alcohol	\$ 150.00
Mandatory Bar Deposit (Refundable) all renters/per day	
	\$ 500.00
Cleaning & Damage Deposit (Refundable)/per day	
	\$ 300.00
Cleaning & Damage Deposit (Refundable) with alcohol/per day	
	\$ 500.00
Council Chambers	
Basic Use Fee/per hour	\$ 12.00
Non Profit/per hour	\$ 5.00
Cleaning & Damage Deposit (Refundable)/per day	
	\$ 50.00
City Hall Conference Room	
Basic Use Fee/per hour	\$ 10.00
Non-Profit/per hour	\$ 6.00
Cleaning & Damage Deposit (Refundable)/per day	
	\$ 50.00
Staff Member Cleanup after use of any City Facility/per hour	
	\$ 50.00
Note: City facilities require Security that must be provided by the Renter for ALL events serving alcohol.	
The number of Security Guards will depend on the size of your party.	
100 or less: 1 unarmed guards plus supervisor	
101 - 200: 2 unarmed guards plus 1 supervisor	
201 - 300: 3 unarmed guards plus 1 supervisor	
Note: Garbage service provided and paid for by the City	
Tom Tilton Gym at Baechtel Grove Middle School	
Rental per hour	\$ 12.00
PARK FEES	
Rodeo Grounds	
Basic Use Fee/per day	\$ 175.00
Cleaning & Damage Deposit (Refundable)/per day	\$ 100.00
Cleaning & Damage Deposit with alcohol (Refundable)/per day	\$ 400.00
Staff Member Cleanup/per hour per person	\$ 50.00
Recreation Grove	
Includes use of Hut and Stage/per day	\$ 175.00
Cleaning & Damage Deposit (Refundable)/per day	\$ 100.00
Cleaning & Damage Deposit with alcohol (Refundable)/per day	\$ 400.00
Staff Member Cleanup/per hour per person	\$ 50.00
Ball Fields	
Tournaments & Special Events/per day per field	\$ 150.00
Cleaning & Damage Deposit (Refundable)/per day	\$ 100.00
Cleaning & Damage Deposit with alcohol (Refundable)/per day	\$ 400.00
Staff Member Cleanup/per hour per person	\$ 50.00

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

WILLITS CENTER FOR THE ARTS (WCA) BUILDING FEES		FY 15/16	
All rentals of WCA Building after City Hall business hours must pay City Admin fee in addition to usage fees			
Great Room - Non-Educational Use:			
Basic Use Fee - (more than 4 hours, not to exceed 8 hours)	per day	\$ 200.00	
With Alcohol		\$ 400.00	
Memorial Services	per event	\$ 25.00	
With Alcohol		\$ 50.00	
Classes - (2 hour minimum)	per hour	\$ 10.00	
4 hours or less/per day		\$ 100.00	* remove
4 hours or less with alcohol/per day		\$ 200.00	* remove
Great Room - Non-Educational/Non Profit Use			
All day rental		\$ 100.00	
With Alcohol		\$ 150.00	
4 hours or less		\$ 75.00	
With Alcohol		\$ 100.00	
Classes - (2 hour minimum)	per hour	\$ 5.00	
Great Room - Deposits & Cleaning			
Cleaning & Damage Deposit (Refundable)	per day	\$ 300.00	
With Alcohol		\$ 500.00	
Staff Member Cleanup	per hour/per empl	\$ 50.00	below
Note: Educational Use is use for classes and seminars.			
The City of Willits reserves the right to determine what constitutes educational use.			
Great Room - Educational Use:			
Basic Educational Use - 2 hour per day minimum	Per hour	\$ 10.00	
\$20 minimum fee for up to 2 contiguous hour class - \$10 per each additional contiguous hour			
All Day Educational Use (more than 4 hours, not to exceed 8 hours)		\$ 75.00	
Educational Use Cleaning Deposit for ongoing classes		\$ 50.00	
<i>(Deposit must be replenished before next class if cleaning is needed)</i>			
All Day Cleaning & Damage Deposit (Refundable)/per day		\$ 300.00	
Classroom - Non-Educational Use:			
Basic Use Fee - (2 hour per day minimum)	per hour	\$ 10.00	* was \$12
Non-Profit - (2 hour per day minimum)	per hour	\$ 5.00	
All day rental (more than 4 hours, not to exceed 8 hours)	per day	\$ 50.00	
Cleaning Deposit (Refundable)	per day	\$ 50.00	
Classroom Rental - Non Profit Use			
2 hour per day minimum	Per Hour	\$ 5.00	
\$10 minimum fee for up to 2 contiguous hour class - \$5 per each additional contiguous hour			
All day rental/per day (more than 4 hours, not to exceed 8 hours)		\$ 35.00	
Cleaning Deposit (Refundable)/per day		\$ 50.00	
Classroom Rental - Educational Use:			
2 hour per day minimum	Per hour	\$ 8.00	
\$16 minimum fee for up to 2 contiguous hour class - \$8 per each additional contiguous hour			
All day rental/per day (more than 4 hours, not to exceed 8 hours)		\$ 50.00	
Cleaning Deposit (Refundable)/per day		\$ 50.00	
Staff Member Cleanup/per hour per person		\$ 50.00	
City Administration Fee in addition to Basic Use Fee	Per Day	\$ 50.00	
Gallery Rental			
Basic Use Fee 7/1/2015 to 12/31/2015	per month	\$ 50.00	* new
Beginning 1/1/2016	per month	\$ 100.00	* new
Art Center Facilities			
Staff Member Cleanup	per hour/per empl	\$ 50.00	above
All Rules and Regulations established by the City of Willits apply to the use of the WCA.			
Copies of the Rules and Regulations are available on request.			

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

GENERAL FUND	FY 15/16
SWIMMING POOL FEES	
Open Swim	
Adults/per day	\$ 4.00
Children (12 and under)/per day	\$ 4.00
Non-Profit Group Rate (per child)	\$ 2.00
Open Swim Pass/per 20 swims (Adults and Children)	\$ 70.00
Water Aerobics	
Adults/per lesson	\$ 6.00
Seniors/per lesson	\$ 5.00
Family (up to 4 persons)	\$ 12.00
Water Aerobics Swim Pass/per 20 swims (Adults and Children)	\$ 100.00
Adult Lap Swim (18 and over)/per session	
Lap Swim Pass/per 20 swims (Adults and Children)	\$ 70.00
Evening Family Swim	
Family of 4	N/A
Each additional family member	N/A
Facility Rentals - Hourly Rate	
Pool Parties	
2 Lifeguards (1 - 40 persons)	\$ 100.00
3 Lifeguards (41 - 90 persons)	\$ 110.00
4 Lifeguards (91 - 120 persons)	\$ 120.00
Out of Area Swim Team Rental	\$ 50.00
Swimming Lessons	
First Child/per two week session	\$ 50.00
Second Child	\$ 45.00
Third + each additional child/per child	\$ 40.00
Swimming Lessons - Preschool Group Rate/Per Two Week Session	
First Child	\$ 25.00
Each additional Child (same family)	\$ 20.00

AIRPORT FUND	FY 15/16
Hangar Rental per month	\$ 180.00
Commercial Hanger Rent per month	\$ 511.32
Land Lease Hanger Pads per year	\$ 511.32
End Storage Lockers/per month	\$ 30.00
Tie Downs/per night	\$ 5.00
Tie Downs/per month	\$ 40.00
Auto Parking Fee/per month	\$ 26.00
Hanger Waiting List Deposit (Refundable)	\$ 100.00
Note: All renters must provide proof of liability insurance in the amount of \$1,000,000	
Coverages must include Liquor Liability, Premises, Bodily Injury, Broad Form	
Property Damage, Products Liability, Personal Injury Liability, Fire Legal Liability	

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

SEWER FUND	FY 15/16
Sewer Connection Fees/per EDU (Equivalent Domestic Unit)	\$ 7,840.00
Note: LAFCO regulations restrict the provision of City services outside of the City limits. Services may be provided only in special circumstances which do not conflict with those regulations.	
Lateral Sewer Installation Charges	
Deposit (Applied to cost determined by time and materials)	\$ 1,000.00
Inspection Fee	\$ 25.00
Sewer Special Fees	
Inspection/testing fee	\$ 25.00
Septage disposal/per load	\$ 40.00
Additional charge/per gallon	\$ 0.12
Septage disposal - trucks of 500 gallons or less/per load	\$ 20.00
Additional charge/per gallon	\$ 0.12
Leachate/per load	\$ 30.00
Additional charge/per gallon	\$ 0.04
Industrial/per load	\$ 30.00
Additional charge/per gallon	\$ 0.04
Groundwater cleanup/per 100 cubic feet (1 unit)	\$ 7.50
Fats, Oils, & Grease Discharge Permit/per year	\$ 60.00
Wastewater Discharge Permit/per year	
One Time or 1- Year Permit	\$ 400.00
Ongoing or 5-Year Permit	\$ 500.00
Preparation of Mainline Extension and/or Reimbursement Agreement	
Per hour by City Attorney	\$ 200.00
Annual Sewer Charges - Residential	
Charge per EDU within the City of Willits and Meadowbrook Manor	\$ 739.00
Annual Sewer Charges - Commercial and Industrial	
Annual Wastewater Flow	
Non-residential customers shall be billed based on wastewater flow. Wastewater flow for each fiscal year is defined to be total water use for the previous December through March ("winter water use") annualized and reduced by 10 percent to account for water which does not enter the wastewater system.	
Minimum Charge	
The minimum annual charge for each commercial/industrial wastewater account is the rate for a single EDU	
Miscellaneous Fees	
Returned Check Charge/plus bank fee	\$ 25.00
Late fee on direct billed Sewer charge/per month/after 30 days	10%
Credit Card Convenience Fee	\$ 3.95

* new

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

SEWER FUND (Continued)	FY 15/16
Strength Factors	
All non-residential customers shall be charged based on the strength of their wastewater, as follows:	
<u>Low Strength</u> - Wastewater with strength characteristics, in terms of biochemical oxygen demand (BOD) and suspended solids (SS) of less than wastewater discharged by residential customers. Strength factor of 0.8 for rate calculation. Includes institutional, laundromats, carwashes and other low strength dischargers.	
<u>Domestic Strength</u> - Wastewater with strength characteristics, in terms of BOD and SS comparable to wastewater discharged by residential customers. Strength factor of 1.0 for rate calculation. Includes most customers such as retail, office, general, hospitals and convalescent homes, medical office, hotels and motels, and mobile home parks.	
<u>High Strength</u> - Wastewater with strength characteristics, in terms of BOD and SS of more than wastewater discharged by residential customers. Strength factor of 1.7 for rate calculation. Includes supermarkets, restaurants, bakeries and mortuaries.	
Rate Calculation	
An amount determined by applying the following rates to the annual wastewater flow for each commercial/industrial account:	
Low Strength/per hundred cubic feet (hcf)	\$ 6.93
Domestic Strength/per hcf	\$ 8.45
High Strength/per hcf	\$ 13.25
Annual Charges - Mixed Use, Non-Residential	
The annual charge for mixed use, non-residential customers on a single water meter shall be determined by estimating water use by each strength category and developing a blended strength factor for each account. That blended strength factor will then be applied to the domestic strength rate (residential) to determine the annual charge.	
Annual Charges - Commercial on Master Meter	
The annual charge for commercial customers served by a master meter, all of whom are within the same strength category as described above, shall be based upon winter water use, annualized, and applied to that strength category's rate, with the minimum charge per account (not occupant) of one EDU.	
Annual Charges - Multiple Parcels on One Meter with Non-Residential Uses	
The annual charge for a parcel served by multiple water meters shall be based upon the sum of winter water usage, annualized, of all meters serving said parcel and applied to the appropriate strength factor.	

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

WATER FUND		FY 15/16
Water Meter - Minimum Charges		Monthly
<u>Codes</u>	<u>Meter Size in Inches</u>	<u>Base Rate</u>
A	5/8"	\$ 26.46
B - C	3/4"	\$ 39.72
D - E	1"	\$ 66.60
F - G	1 1/2"	\$ 132.00
H - I	2"	\$ 211.20
J	3"	\$ 423.60
K	4"	\$ 595.20
L	6"	\$ 1,323.60
No water allowance is included with meter monthly base rate.		
Water Department will determine all meter installation locations.		
Water Usage Charges		Per hcf
Tier 1	0 to 3 hundred cubic feet (hcf)	\$ 3.78
Tier 2	4 to 10 hcf	\$ 6.96
Tier 3	11 to 19 hcf	\$ 9.36
Tier 4	20 hcf and greater	\$ 11.76
Non-Residential Quantity Charge/per hcf		\$ 7.20
Water Main Extension		\$ 1,000.00
Preparation of Mainline Extension Agreements or Amendments thereto		
Per hour by City Attorney		\$ 200.00
Private Fire Protection Service		
Charges per month		
	<u>Meter Size</u>	<u>Flat Rate</u>
	Up to 4"	\$ 24.00
	6"	\$ 30.00
	8"	\$ 40.00
	10"	\$ 60.00
Unauthorized use will be charged at the non-residential quantity charge per hcf plus a \$100 fine.		
Water Service Deposits		
Homeowners		\$ 42.00
Renters		\$ 75.00
Small Businesses		\$ 75.00
Restaurants/Industrial		\$ 105.00
Backflow Device		
If State regulations require a cross connection device, the customer is responsible to purchase, install and maintain the approved backflow device.		
Annual Testing Fee for Accounts with Backflow Devices		\$ 36.00
Charged at \$3.00 per month		
Customer responsible for maintaining devices		
Meter Installation Deposit		\$ 1,000.00
Applied to actual meter installation cost (time and materials)		

CITY OF WILLITS
 PROPOSED RATES AND FEES SCHEDULE
 FISCAL YEAR 2015/16

Attachment "A"

WATER FUND	FY 15/16
Monthly Meter Maintenance Fee	\$ 10.00
For meters that have been installed at the customer's request, and not yet activated; and for meters that have been de-activated at the customer's request	
All past due charges must be paid in full before re-activation of service	
No water service can be obtained until a building permit has been issued by the City	
Temporary Construction Meter (installed at fire hydrant)	
Installation fee - Plus time & materials for meter installation	\$ 150.00
Deposit (refundable)	\$ 1,000.00
Residential - 5/8" meter/per month	\$ 22.05
Plus water usage at Non-residential Quantity Charge/per hcf	\$ 6.00
All services to be installed by City staff or City's agent	
Maximum six months service	
Miscellaneous Fees	
Returned Check Charge/plus bank fee	\$ 25.00
Late Charge on Water Payment/after 30 days	10%
Credit Card Convenience Fees	\$ 3.95
Expiration of Application	\$ 25.00
Re-connection Fee	\$ 40.00
Emergency After-Hours Call Out	\$ 100.00
Holidays, weekends, and after 4:00 p.m. on weekdays	
Meter Test Deposit	\$ 75.00
Unauthorized Use of Fire Hydrant	\$ 500.00
Plus \$2.00 per 100 gallons used	
Reinstallation Fee for Meter Removed	\$ 100.00
Requires payment of new Water Service Deposit	
Reconnection of Meter off for over 1 year	\$ 100.00
Intentional Damage to City Locks (plus cost of parts and labor)	\$ 150.00
Misdemeanor - Maximum Fine	\$ 300.00
Downsize Meter Charge (plus time & materials)	\$ 100.00
Truck Fill Station Charges	
Hydrant Permit Fee/per year	\$ 50.00
Access Fee	\$ 30.00
Pin Number Change Fee	\$ 25.00
Key Deposit	\$ 25.00
Reprogram Charge for Non-payment/per gallon	\$ 0.00
Water Service Connection Fees	
Capital Improvement Fees	
Single Family Residential - Inside City Limits/per EDU	\$ 3,025.00
Plus the actual cost of parts and labor	
Single Family Residential - *Outside City Limits/per EDU	\$ 6,025.00
Plus the actual cost of parts and labor	
Each Motel Room, Hotel Room, Campground Space, Laundry Room, Recreation Room, etc.	\$ 3,025.00
Commercial Units:	
5/8" Meter	\$ 3,025.00
1" Meter	\$ 4,525.00
1 1/2" Meter	\$ 6,025.00
2" Meter	\$ 8,025.00
3" Meter	\$ 12,025.00
4" Meter	\$ 20,025.00
6" Meter	\$ 28,025.00
*Note: LAFCO regulations restrict the provision of City services outside of the City limits. Services may be provided only in special circumstances which do not conflict with those regulations.	

* was 100

*

CITY OF WILLITS
RATES AND FEES SCHEDULE
FISCAL YEAR 2014/15

Attachment "A"

GENERAL FUND

CITY ADMINISTRATION

QUARTERLY BUSINESS LICENSE FEES

GROSS RECEIPTS		RENTALS		CONTRACTORS	
AT LEAST	NOT MORE THAN	RETAIL SALES PROF. SERVICES REAL ESTATE	MANUFACTURES WHOLESALEERS	SUBCONTRACTORS	
\$	\$	\$	\$	\$	\$
-	4,999.00	15.00	15.00	15.00	15.00
5,000.00	9,999.00	20.00	15.00	15.00	15.00
10,000.00	14,999.00	25.00	16.00	16.00	16.00
15,000.00	24,999.00	40.00	16.00	16.00	16.00
25,000.00	49,999.00	65.00	17.00	17.00	17.00
50,000.00	74,999.00	76.00	17.00	17.00	17.00
75,000.00	99,999.00	96.00	19.00	19.00	19.00
100,000.00	124,999.00	116.00	20.00	20.00	20.00
125,000.00	149,999.00	141.00	20.00	20.00	20.00
150,000.00	199,999.00	167.00	24.00	25.00	25.00
200,000.00	249,999.00	192.00	28.00	32.00	32.00
250,000.00	299,999.00	224.00	38.00	41.00	41.00
300,000.00	349,999.00	239.00	42.00	48.00	48.00
350,000.00	399,999.00	256.00	47.00	56.00	56.00
400,000.00	449,999.00	271.00	50.00	65.00	65.00
450,000.00	499,999.00	286.00	56.00	72.00	72.00
500,000.00	549,999.00	305.00	62.00	80.00	80.00
550,000.00	599,999.00	319.00	69.00	88.00	88.00
600,000.00	649,999.00	336.00	74.00	96.00	96.00
650,000.00	699,999.00	352.00	79.00	100.00	100.00
700,000.00	749,999.00	368.00	83.00	112.00	112.00
750,000.00	799,999.00	383.00	87.00	120.00	120.00
800,000.00	849,999.00	399.00	92.00	128.00	128.00
850,000.00	899,999.00	415.00	101.00	137.00	137.00
900,000.00	949,999.00	433.00	105.00	144.00	144.00
950,000.00	999,999.00	447.00	111.00	151.00	151.00
1,000,000.00	1,249,999.00	463.00	117.00	159.00	159.00
1,250,000.00	1,499,999.00	480.00	120.00	176.00	176.00
1,500,000.00	1,749,999.00	494.00	125.00	192.00	192.00
1,750,000.00	1,999,999.00	510.00	133.00	208.00	208.00
2,000,000.00	2,249,999.00	527.00	138.00	224.00	224.00
2,250,000.00	2,499,999.00	542.00	142.00	239.00	239.00
2,500,000.00	2,749,999.00	559.00	147.00	256.00	256.00
2,750,000.00	2,999,999.00	575.00	151.00	271.00	271.00
3,000,000.00	3,499,999.00	591.00	159.00	287.00	287.00
3,500,000.00	3,999,999.00	607.00	176.00	305.00	305.00
4,000,000.00	4,499,999.00	623.00	192.00	319.00	319.00
4,500,000.00	4,999,999.00	638.00	208.00	336.00	336.00
5,000,000.00	5,499,999.00	654.00	224.00	352.00	352.00

CITY OF WILLITS
RATES AND FEES SCHEDULE
FISCAL YEAR 2014/15

Attachment "A"

GENERAL FUND

CITY ADMINISTRATION

QUARTERLY BUSINESS LICENSE FEES (CONTINUED)

GROSS RECEIPTS		RENTALS		
		RETAIL SALES		
		PROF. SERVICES	MANUFACTURES	CONTRACTORS
AT LEAST	NOT MORE THAN	REAL ESTATE	WHOLESALERS	SUBCONTRACTORS
\$ 5,500,000.00	\$ 5,999,999.00	\$ 670.00	\$ 239.00	\$ 359.00
6,000,000.00	6,499,999.00	687.00	256.00	383.00
6,500,000.00	6,999,999.00	704.00	271.00	402.00
7,000,000.00	7,499,999.00	719.00	287.00	415.00
7,500,000.00	7,999,999.00	734.00	305.00	436.00
8,000,000.00	8,499,999.00	749.00	319.00	447.00
8,500,000.00	8,999,999.00	767.00	336.00	463.00
9,000,000.00	9,499,999.00	781.00	352.00	480.00
9,500,000.00	9,999,999.00	797.00	359.00	480.00
10,000,000.00	above	797.00	383.00	480.00

Card Rooms	Based on Gross Receipts Above
Card Dealers	Based on Gross Receipts Above
Amusement Devices, Exhibitions	Based on Gross Receipts Above
Video, Mechanical Amusement, Sound Machines	Based on Gross Receipts Above
Skill Games, Pool Tables (Distributor & Business)	Based on Gross Receipts Above
Flea Market	Based on Gross Receipts Above

BUSINESS LICENSE FEES - FLAT RATE

Auctioneer/per day	100.00
Peddler/per day	100.00
Handbill Distributor	50.00
Solicitor	100.00
Christmas Tree Lots	50.00
Other Business not otherwise specified/per quarter	15.00
Bingo initial application fee	50.00
Plus 1% of monthly gross receipts over \$5,000 derived from Bingo games, paid monthly	
Duplicate License	20.00
Late Charge/per month after 30 days	10%
Application Processing Fee	20.00
State Disability Access & Education Fee - per application	1.00
Reinstatement of Business License Revoked	25.00

TOBACCO LICENSE FEES

Application Processing Fee	75.00
Annual Fee, First Year	75.00
Annual Renewal Fee	75.00



111 E. COMMERCIAL STREET
WILLITS, CALIFORNIA 95490
(707) 459-4601 TEL
(707) 459-1562 FAX

NOTICE OF PUBLIC HEARING

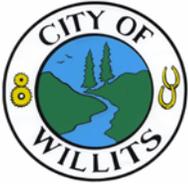
NOTICE IS HEREBY GIVEN on that Wednesday, May 27th, at 6:30 p.m., or as soon thereafter as the matter may be heard, the Willits City Council will conduct a Public Hearing at the Willits City Council Chambers, located at 111 E. Commercial Street, Willits, California on the following matter:

To conduct an annual review of proposed changes and charges in City fees and to adopt a resolution establishing said fees and charges, effective July 1, 2015.

Information concerning the proposed fees and charges may be obtained from the Office of the City Clerk during normal business hours at Willits City Hall, 111 E. Commercial Street, Willits, California.

All interested persons are invited to appear and present testimony in this matter.

Cathy Sanders, Deputy City Clerk



Item No. **3b**

Meeting Date: **May 27, 2015**

AGENDA SUMMARY REPORT

To: Honorable Mayor and Council Members

From: Adrienne Moore, City Manager
Jim Lance, City Attorney

Agenda Title: DISCUSSION AND POSSIBLE APPROVAL OF FRANCHISE AGREEMENT AND TRANSFER STATION AGREEMENT WITH SOLID WASTES OF WILLITS

Type: Presentation Consent Regular Agenda Public Hearing Urgent Time: 20 min.

Summary of Request: An ad hoc committee was established in May 2014 to review the franchise agreement with Solid Wastes of Willits (SWOW), which expires October 31, 2015. Pursuant to that agreement, on July 23, 2014, the City Council authorized the issuance of notice to SWOW of non-renewal of the existing solid waste collection contract and directed the ad-hoc solid waste committee to conduct negotiations with SWOW for a new contract. Since that time, negotiations have been ongoing. On April 1, 2015, the ad hoc committee and SWOW reached an “agreement in principle” on a proposed franchise agreement, as well as an agreement to extend the term of and amend the agreement for Transfer Station Operation.

This matter was discussed at the City Council's April 22nd and May 13th meetings, providing direction and deferring action until SWOW and Cold Creek Compost (CCC) reached an agreement on mixed organics diversion. We have been advised that a tentative agreement has been reached between SWOW and CCC.

Attached for review and approval is the new Franchise Agreement and an Agreement to Extend the Term of and Amend the Agreement for Transfer Station Operation.

Recommended Action: Approve 1) Franchise Agreement; and 2) Agreement to Extend the Term of and Amend the Agreement for Transfer Station Operation, between the City and Solid Wastes of Willits, Inc.

Alternative(s): None recommended.

Fiscal Impact: Minimal.

Personnel Impact: Minimal.

Reviewed by: City Manager City Attorney Finance Director Human Resources Risk

Council Action: Approved Denied Other: _____

Records: Agreement Resolution # _____ Ordinance # _____ Other _____

FRANCHISE AGREEMENT

between

CITY OF WILLITS

and

SOLID WASTES OF WILLITS, INC

for

**~~SOLID WASTE REFUSE COLLECTION
AREA NO. THREE (3)~~**

~~September 1, 2010~~ November 1, 2015

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(1).....Discarded materials generally considered to be not water soluble and nonhazardous in nature, including but not limited to steel, glass, brick, concrete, asphalt material, pipe, gypsum, wallboard, and lumber from the construction or destruction of a structure as part of a construction or demolition project or from the renovation of a structure and/or landscaping, and including rocks, soils, tree remains, trees, and other vegetative matter that normally results from land clearing, landscaping and development operations for a construction project.....	9
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List of Exhibits

- | | |
|----|---|
| A. | Source Reduction and Waste Diversion Programs |
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- E. Liquidated Damages~~Map of Solid Waste Refuse Collection Area No. 3 Agreement with Cold Creek Compost~~
- ~~FF Liquidated Damages~~

1 | **FRANCHISE AGREEMENT BETWEEN ~~COUNTY OF MENDOCINO~~ CITY OF**
2 | **WILLITS**
3 | **AND**
4 | **SOLID WASTES OF WILLITS, INC. ~~for~~**
5 | **~~REFUSE COLLECTION AREA NO. THREE~~**
6 |

7 | This ~~amended~~ Franchise Agreement ("Agreement") is entered into this day of August,
8 | 2010~~2015~~, between the ~~County of Mendocino~~ City of Willits ("~~County~~City") and
9 | Solid Wastes of Willits, Incorporated, a California corporation ("Grantee"), for the Collection,
10 | Transportation, and Disposal of Solid Waste and the Collection, Transportation, Processing, and
11 | marketing of Recyclable Materials ~~in Solid Waste Refuse Collection Area No. Three (3)~~ within
12 | the incorporated territory of the City.
13 |

14 | **RECITALS**
15 |

16 | WHEREAS, the Legislature of the State of California, by enactment of the California
17 | Integrated Waste Management Act of 1989 ("AB 939"), has declared that it is within the public
18 | interest to authorize and require local agencies to make adequate provisions for Solid Waste
19 | handling within their jurisdictions; and
20 |

21 | WHEREAS, pursuant to California Public Resources Code Section 40059(a)(2), the City
22 | ~~Council~~ Board of Supervisors of the ~~County~~ City has determined that the public health, safety and
23 | well-being require that an exclusive franchise be awarded to a qualified Solid Waste enterprise
24 | for the Collection and recovery of Solid Waste from certain residential, industrial and
25 | commercial areas in the ~~County~~ City; and
26 |

27 | WHEREAS, ~~County~~ City and Grantee are mindful of the provisions of local, state, and
28 | federal laws governing the safe Collection, Transport, Recycling and Disposal of Solid Waste,
29 | including, but not limited to, AB 939, the Resource Conservation and Recovery Act ("RCRA")
30 | and the Comprehensive Environmental Response, Compensation and Liability Act
31 | ("CERCLA"); and
32 |

33 | ~~WHEREAS, County~~ City ~~has not, and, by this Agreement does not, instruct Grantee on its~~
34 | ~~Collection methods, nor supervise the Collection of waste; and~~
35 |

36 | WHEREAS, Grantee has represented and warranted to ~~County~~ City that it has the
37 | experience, responsibility, and qualifications to arrange with residents, commercial, industrial,
38 | institutional and other entities in the Franchise Area for the Collection and safe Transport to
39 | Disposal facilities of Solid Waste, the ~~Board of Supervisors~~ City Council of the ~~County~~ City
40 | determines and finds that the public interest, health, safety and well-being would be best served
41 | if Grantee were to make arrangements with residents and other entities to perform these services;
42 | and
43 |

44 | WHEREAS, the ~~Board of Supervisors~~ City Council of the ~~County~~ City declares its

45 intention of maintaining reasonable rates for Collection and Transportation of Solid Waste and
46 Discarded Recyclable Materials within the area covered by this grant of franchise; and
47

48 WHEREAS, ~~County-City~~ and Grantee executed a Franchise Agreement on ~~June 24,~~
49 ~~2008~~November 1, 2000 that granted a Franchise Agreement to Grantee ~~for County-City-Solid~~
50 ~~Waste Collection Area No. Three,~~ and ~~County-City~~ and Grantee now wish to make a new,
51 comprehensive ~~amendment to the original~~ Agreement to extend the term and make other changes
52 that shall replace all previous writings that constituted the Franchise Agreement for ~~County-City~~
53 ~~Solid Waste Collection Area No. Three.~~the City of Willits.
54

55 **NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**
56

57 ~~A. The Franchise Agreement as previously amended including revisions as to rates, is~~
58 ~~affirmed regarding the rights and obligations it assigned to the parties from its~~
59 ~~original date of execution on June 24, 2008 until the Effective Date of this amended~~
60 ~~Agreement herein.~~

61
62 ~~B. The Franchise Agreement is hereby amended so that it is changed and replaced in its~~
63 ~~entirety with the following amended Agreement herein:~~

64 **SECTION 1 - GRANT AND ACCEPTANCE OF EXCLUSIVE RESIDENTIAL AND**
65 **COMMERCIAL FRANCHISE**
66

67
68
69 A. ~~County~~ City grants to Grantee, for the term of and in accordance with this
70 Agreement (including all extensions or renewals), an exclusive privilege, duty and right to make
71 and enter into independent arrangements with residents of single family units, residents and/or
72 owners of multifamily units and Persons in charge of commercial, industrial, institutional and
73 other entities in the Franchise Area for the Collection, Transportation and removal to Solid
74 Waste Disposal facilities, all Residential, Commercial, and Industrial Solid Waste, including
75 Discarded Recyclable Materials generated or accumulated within the Franchise Area, with the
76 exception of sewage sludge and seepage, which has been placed in a Grantee-provided Solid
77 Waste Container, ~~in the areas covered by this Agreement, as shown on the map entitled~~
78 ~~"Mendocino County, City Solid Waste Refuse Collection Areas," as its boundaries are now~~
79 ~~constituted or may hereafter be amended.~~

80
81 B. Grantee agrees to be bound by and comply with all the requirements of this
82 Agreement.

83
84 C. In the event of and to the extent that any of the following (Items 1-3, below)
85 require or are amended to require that either party take certain action or desist from taking
86 certain action that affects the promises, covenants and/or performance of the parties hereunder,
87 then this Agreement shall be amended to provide for the satisfaction of such requirements.
88 Furthermore, should such amendments to this Agreement result in the Grantee having to incur
89 additional expenses in performing its obligations hereunder, or if certain cost cutting measures
90 are implemented that justify lower rates, then Grantee or ~~County~~ City may seek rate adjustments
91 therefore in accordance with the procedures under Section 15, below.

- 92
93 (1) The ~~County~~ Willits Municipal ~~City~~ Code, the California Public Resources
94 Code, other applicable state and federal laws, rules and regulations
95 promulgated there under;
96
97 (2) The ~~County~~ City ~~of Mendocino~~ ~~County~~ City-wide Integrated Waste
98 Management Plan and the ~~County~~ City's Source Reduction and Recycling
99 Element and Household Hazardous Waste Element; and
100
101 (3) Any and all amendments to said laws, plans, and regulations.
102

SECTION 2 – DEFINITIONS

A. “**AB939**” means the California Public Resources Code 40000 et. seq. and the regulations promulgated by the California Department of Resources Recycling and Recovery.

B. “**Adjusted Gross Revenues**” means any and all revenue or compensation (excluding revenues or compensation collected from Independent Government Agencies) in any form derived directly or indirectly by Grantee, its affiliates, subsidiaries, parents or any other Person or entity in which Grantee has a financial interest, in Collecting, Transporting, arranging, handling, and/or Disposing of Solid Waste or Recyclable Material generated in the Franchise Area pursuant to this Agreement, excluding the redemption value of Recyclable Materials purchased, occasional sale of capital equipment, and interest earned.

C. “**Agreement**” means this Franchise Agreement between the County-City and Grantee.

D. “**Applicable Law**” means all federal, State, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Collection, Transportation, Processing, and Disposal of Solid Waste and Recyclable Materials that are in force on the Effective Date and as they may be enacted, issued or amended during the Term of this Agreement.

E. “**Approved ~~Green Waste~~Mixed Organics Waste Processing Site**” means ~~a the Pacific Recycling Solutions Green Waste Processing Facility, 4260 N. State Street, Ukiah, CA, duly licensed and permitted Cold Creek Compost, 6000 Potter Valley Road, Ukiah, CA 95482, or Mixed Waste Organic Processing Facility such other with sufficient capacity and ability to lawfully process mixed organic waste collected by Grantee from customers within the City of Willits facility as may be proposed by Grantee and approved by City.~~ **SWOW EXCEPTION #1**

F. “**Approved Recyclable Materials Processing Site**” means the Solid Wastes of Willits Material Processing Facility, 351 Franklin Avenue, Willits, CA.

G. “**Authorized Recycling Entity**” means that person, partnership, joint venture or corporation authorized by a franchise agreement or permit with the County-City to collect Discarded and/or Non-Discarded Recyclables Materials. An Authorized Recycling Entity may be a municipal collection service, private refuse hauler, private recycling enterprise, or private nonprofit corporation or association.

H. “**Bin**” shall mean a container designed for mechanical emptying with a close fitting cover and of a design approved by the Department-City with capacity of approximately one to six cubic yards.

~~I. “**Board**” means the Board of Supervisors of Mendocino County.~~

146
147 | ~~J.I.~~ **"Bulky Waste"** means and includes, but not by way of limitation, discarded white
148 goods (i.e., major household appliances), furniture, tires, carpets, mattresses, and similar large
149 items, which cannot be placed in a covered Container.

150
151 | ~~K.J.~~ **"Cart"** means a plastic container with a hinged lid and wheels that is serviced by
152 an automated or semi-automated Collection vehicle. A Cart has capacity of 20-, 35-, 65-, or 95-
153 gallons (or similar volumes).

154
155 | ~~L.K.~~ **"Collection"** means the act of collecting Solid Waste, Recyclable Materials, and
156 other material at the place of generation in the Franchise Area.

157
158 | ~~M.L.~~ **"Commercial Solid Waste"** includes all types of Solid Wastes generated by
159 commercial, industrial, governmental, and other sources, which have been placed in an
160 authorized Grantee-provided Solid Waste Container used for the temporary storage of Solid
161 Waste awaiting pickup. The term "Commercial Solid Waste" does not include Hazardous
162 Wastes generated by commercial, industrial, governmental, and other sources and which are
163 placed in separate Containers and which are covered by Hazardous Waste manifests.

164
165 | ~~N.M.~~ **"Compactor"** means a mechanical apparatus that compresses materials and/or
166 the Container that holds the compressed materials. Compactors include two to four cubic yard
167 Bins serviced by front-end loader Collection vehicles and 6 to 50 cubic yard Debris Boxes
168 serviced by roll-off Collection vehicles.

169
170 | ~~O.N.~~ **"Containers"** mean Carts, Bins, Compactors, and Debris Boxes

171
172 | _____ **"~~County~~City"** means the ~~County of Mendocino, State of California.~~City of
173 Willits, a general law city pursuant to the laws of the State of California, and any authorized
174 officer or agent designated by the City of Willits to represent it in any matter herein.

175
176 | ~~P.O.~~ _____

177
178 | ~~Q.P.~~ **"Customer"** means any Person receiving Solid Waste or Recyclable Material
179 service under the provisions of this Agreement.

180
181 | ~~R.Q.~~ **"Debris Box"** means an open-top Container with a capacity of 10 to 50 cubic
182 yards that is serviced by a roll-off Collection vehicle.

183
184 | ~~S.R.~~ **"Designated Collection Location"** shall mean that ~~Location~~location at which
185 only an Authorized Recycling Entity may collect materials.

186
187 | ~~"Department"~~ means ~~Solid Waste Director, County of Mendocino, at~~
188 ~~the office designated by the County of Mendocino to administer~~

189 | ~~this Franchise Agreement.~~

190

191 | ~~T.S.~~ **“Demolition and Construction Debris”** means:

192

193 (1) Discarded materials generally considered to be not water soluble and
194 nonhazardous in nature, including but not limited to steel, glass, brick, concrete,
195 asphalt material, pipe, gypsum, wallboard, and lumber from the construction or
196 destruction of a structure as part of a construction or demolition project or
197 from the renovation of a structure and/or landscaping, and including rocks,
198 soils, tree remains, trees, and other vegetative matter that normally
199 results from land clearing, landscaping and development operations for a
200 construction project.

201

202 (2) Clean cardboard, paper, plastic, wood, and metal scraps from any
203 construction and/or landscape project.

204

205 (3) Non-construction and demolition debris wood scraps.

206

207 (4) Insignificant amounts of other non-hazardous wastes that are generated
208 at construction or demolition projects provided such amounts are consistent
209 with best management practices of the industry.

210

211 (5) Mixing of construction and demolition debris with other types of Solid
212 Waste will cause it to be classified as other than construction and demolition
213 debris.

214

215 ~~U.T.~~ **“Designated Recyclable Material Buy-Back Site”** means the Grantee’s buy-
216 back Recycling center to be ~~opened~~ operated at the ~~Boonville-Willits~~ Transfer Station, 350
217 Franklin Avenue, Willits or other locations approved by ~~County~~ City, in accordance with all
218 regulations of the California Department of Resource Recycling and Recovery.

219

220 ~~V.U.~~ **“Designated Disposal Location”** means the ~~Ukiah-Willits~~ Transfer Station, 3551
221 Taylor Drive, Ukiah-CA 350 Franklin Avenue, Willits, California.

222

223 ~~W.V.~~ **“Designated Waste”** means non-Hazardous Waste which may pose special
224 Disposal problems because of its potential to contaminate the environment and which may be
225 disposed of only in Class II Disposal Sites or Class III Disposal Sites pursuant to a variance
226 issued by the California Department of Health Services. Designated Waste consists of those
227 substances classified as Designated Waste by the State of California, in California Code of
228 Regulations Title 23, Section 2522 as may be amended from time to time.

229

230 ~~X.W.~~ **“Discarded Recyclable Materials”** means any Recyclable Materials which the
231 Generator disposes of without selling or donating.

232
233 | ~~Y.X.~~ **“Disposal or Dispose (or variation thereof)”** means the ultimate Disposal of
234 Solid Waste at a Disposal Site.

235
236 | ~~Z.Y.~~ **"Disposal Site"** means a facility for ultimate Disposal of Solid Waste as defined
237 in Public Resources Code Section 401.22.

238
239 | ~~AA.Z.~~ **"Franchise Area,"** means the ~~un~~incorporated city limits of the portions of the
240 County~~City~~within the Solid Waste Refuse Collection Area No. Three (3) designated on the map
241 entitled "Mendocino County Solid Waste Refuse Collection Areas" (included as Exhibit E)
242 including all amendments and changes thereto of Willits.

243
244 | ~~BB.AA.~~ **"Franchise Fee"** means the fee or assessment ~~paid~~imposed by the
245 County~~City~~ on Grantee to the City solely because of its status as party to this Agreement, and
246 which, inter alia, is intended to compensate County~~City~~ for its expenses in administering this
247 Agreement and other Solid Waste-related ~~activities, costs and activities,~~ and as consideration for
248 Grantee's use of public streets and for City's maintenance thereof resulting from Grantee's
249 performance of this agreement.

250
251 | ~~CC.BB.~~ **"Generator"** means any Person as defined by the Public Resources Code,
252 whose act or process produces Solid Waste or Recyclable Materials as defined in the Public
253 Resources Code, or whose act first causes Solid Waste to become subject to regulation.

254
255 | ~~DD.CC.~~ **"Grantee"** shall mean the Person granted the franchise to arrange for the
256 Collection of Solid Wastes and Recyclable Materials pursuant to this Agreement.

257
258 | ~~EE.DD.~~ **"Green Waste"** means those discarded materials that will decompose
259 and/or putrefy, including but not limited to, green trimmings, grass, weeds, leaves, pruning's,
260 branches, dead plants, brush, tree trimmings, dead trees, and small pieces of unpainted and
261 untreated wood, ~~and other types of organic waste.~~ Green Waste to be placed in a Container for
262 Collection shall not exceed six inches in diameter and four feet in length. Tree stumps and logs
263 are not to be considered "Green Waste" unless they are reduced to a chipped form; they shall be
264 considered Bulky Waste. Biodegradable plant material, which is mixed with other kinds of Solid
265 Waste, shall not be considered "Green Waste".

266
267
268 | ~~FF.EE.~~ **"Hazardous Waste or Materials"** means any waste materials or mixture of
269 wastes defined as such pursuant to the Resource Conservation and Recovery Act, 42 U.S.C.
270 Section 6901 et seq., or the Comprehensive Environmental Response, Compensation and
271 Liability Act ("CERCLA"), 42 U.S.C. Section 9601 et seq., and all future amendments to either
272 of them, or as defined by the California Environmental Protection Agency or the California
273 Department of Resources Recycling and Recovery, or either of them. Where there is a conflict
274 in the definitions employed by two or more agencies having jurisdiction over Hazardous or Solid

275 Waste, the term "Hazardous Waste" shall be construed to have the broader, more encompassing
276 definition.

277

278 | ~~GG.FF.~~ "Holidays" are defined as New Year's Day and Christmas Day.

279

280 | ~~HH.GG.~~ "Independent Government Agencies" means any Federal, State or
281 local government agencies, including but not limited to special districts, school districts,
282 Indian reservations, California Department of Parks and Recreation, California State
283 Department of Corrections, United States Forest Service, Bureau of Land Management,
284 United States Corp of Engineers, which due to provisions of California State Law do not
285 | have to comply or recognize the Grantee as the ~~County~~City's exclusively franchised
286 Solid Waste Collector.

287

288 | HH. "Industrial Solid Waste" means Solid Waste in an amount exceeding an average
289 of five hundred pounds (500 lbs.) per operating day produced by any Person principally engaged
290 in the business of Processing or manufacturing agricultural, animal or other products or materials
291 whose principal outlet for such products is wholesale rather than retail, and by any Person
292 engaged in the business of building construction or demolition. Industrial Solid Waste excludes
293 Non-Discarded Recyclable Materials.

294

295 | II. "Mixed Organic Waste" shall mean Green Waste, food scraps, paper tissues,
296 paper napkins and towels, coffee grounds and filters, pizza boxes, and food-soiled paper plates
297 and cups.

298

299 JJ. "Multi-Family Units" shall mean any residential building, boardinghouse,
300 apartment building, condominium complex, stock cooperative complex consisting of two or
301 more independent dwelling units which receives Solid Waste and/or Recyclable Material
302 services. Multi-Family Units does not include motels, hotel, or automobile courts.

303

304 KK. "Non-Discarded Recyclable Materials" means any Recyclable Materials, as
305 defined herein, that the Generator retains, sells, or donates.

306

307 LL. "Occupant" means the Person in possession or control of the Premises, including
308 but not limited to Persons such as tenant, lessee, licensee, manager, custodian, or caretaker.

309

310 MM. "Owner" means the Person having dominion of or title to Premises.

311

312 NN. "Person" means any individual, firm, corporation, partnership, joint venture,
313 association, special district, school districts, limited liability company or partnership, group or
314 combination thereof, includes the plural as well as the singular.

315

316 OO. "Premises" means a parcel of real property to the center of any alley adjacent
317 thereto, located in Franchise Area, upon which is situated any dwelling house or other place of

318 human habitation, including each unit of a multiple dwelling building, or of a mobile home park;
319 or upon which is conducted any business, occupation, or activity which results in the production
320 or accumulation of Solid Waste.

321
322 PP. **“Processing”** means to prepare, treat, or convert through some special method.

323
324 QQ. **“Processing Site”** means any plant or site used for the purpose of sorting,
325 cleansing, treating or reconstituting Recyclable Materials for the purpose of making such material
326 available for reuse.

327
328 RR. **“Rate Period”** means a 12-month period, commencing January 1 and concluding
329 December 31 for which rates are calculated, ~~with the exception that Rate Period One shall~~
330 ~~commence September 1, 2010 and conclude December 31, 2010.~~

331
332 SS. **“Recyclable Material(s)”** includes materials which are reused or Processed or are
333 in the future reused or Processed into a form suitable for reuse through reprocessing or
334 remanufacture, consistent with the requirements of the Public Resources Code. No materials
335 shall be considered Recyclable Materials unless such material is separated from Solid Waste.
336 Recyclable Materials shall include, but not be limited to: newspaper (including inserts, coupons,
337 and store advertisements); mixed paper (including office paper, computer paper, magazines, junk
338 mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books,
339 grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes,
340 cereal and other similar food boxes); chipboard; corrugated cardboard; paper milk cartons; glass
341 containers of any color (including brown, clear, and green glass bottles and jars); aluminum
342 (including beverage containers, foil, food containers); steel, tin or bi-metal cans; plastic
343 containers (no. 1 to 7); aseptic beverage boxes and non-hazardous scrap metal items weighing 10
344 lbs. or less.

345
346 TT. **“Residential Solid Waste”** means all types of Solid Waste which originate from
347 residents of Single-Family Units and Multi-Family Units.

348
349 UU. **“Responsible Party”** means: 1) Any individual or any corporation, partnership or
350 business association or an officer, director, or management employee of a corporation,
351 partnership, or business association that has the authority to make discretionary decisions with
352 respect to the operations or financial management of the Grantee; or, 2) Any corporation, sole-
353 proprietorship, partnership, or business association, or officer, director, or management
354 employee of such entity, that holds at least five percent (5%) equity or debt interest in the
355 Grantee. If any holder of such debt or equity is not a natural person, the term "responsible party"
356 includes only the debtor, equity holding Person and officers, directors, and management
357 employees of the debt or equity holder who are empowered to make discretionary decisions with
358 respect to the operation or financial management of the Grantee.

359
360 VV. **“Segregated Recyclable Materials”** means those Recyclable Materials which: 1)

361 Have been source separated by the Person from whom they are being collected; or, 2) Are
362 physically separated from other waste material following Collection.
363

364 WW. **"Single-Family Unit"** means a dwelling which receives individual Solid Waste
365 and/or curbside Recyclable Material service.
366

367 XX. **"Solid Waste"** means and includes all putrescible and non-putrescible solid and
368 semisolid wastes (including semi-liquid or wet wastes with insufficient moisture so as not to be
369 free flowing), ashes, Recyclable Materials that have not been separated from Solid Waste,
370 demolition and construction wastes and other discarded materials resulting from domestic,
371 institutional, commercial, industrial, agricultural and community operations and activities. Solid
372 Waste shall be expressly deemed to include Bulky Wastes as defined herein. Solid Waste does
373 not include Hazardous Wastes or Designated Waste.
374

375 YY. **"Solid Waste Collector"** means a Person who collects or Transports Solid Waste
376 under authority granted by the ~~Board or Department~~City including itshis/her agents and
377 employees.
378

379 ZZ. **"Solid Waste Ordinance"** means Chapter 8.08 of the Willits Municipal Code
380 and ~~"Solid Waste Ordinance" means Title 9A of the Mendocino County Code, as currently~~
381 adopted by the Mendocino County Board of Supervisors and future amendments thereto ~~Title~~
382 9A as adopted by the ~~City Council~~Board of Supervisors.
383

384 AAA. **"Subcontractor"** means a party who has entered into a contract, expressed or
385 implied, with the Grantee for the performance of an act that is necessary for the Grantee's
386 fulfillment of its obligations under this Agreement.
387

388 BBB. **"Transportation"** means the act of transporting or state of being transported.
389

390 CCC. **"Waste Stream"** means the total amount of Solid Waste generated in a given
391 area, such as the ~~County~~City or a specific Franchise Area. Waste Stream does not include
392 Recyclable Materials that have been separated from Solid Waste by the Generator so that the
393 Recyclable Materials never become discarded waste.

394 **SECTION 3 - COMPLIANCE WITH LAWS AND REGULATIONS**

395
396 Grantee warrants that it will comply with all applicable laws in effect during the term of
397 this Agreement, including implementing regulations, as they may, from time to time, be
398 amended, specifically including, but not limited to the Comprehensive Environmental Response,
399 Compensation and Liability Act ("CERCLA"), 42 U.S.C. Section 9601 et seq., the Resource
400 Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the California Public Resources
401 Code Section 40000 et. seq., and all other applicable laws of the State of California, the
402 ~~CountyCity-of Mendocino~~, ordinances of the ~~CountyCity~~, the ~~CountyCity~~'s Source Reduction
403 and Recycling Element, the ~~CountyCity~~'s Household Hazardous Waste Element, the ~~County-of~~
404 ~~Mendocino's-CountyCity~~-wide Integrated Waste Management Plan, the requirements of Local
405 Enforcement Agencies and other agencies with jurisdiction relating to the services provided by
406 Grantee under this agreement. In the event of conflict between regulations or statutes, Grantee
407 shall comply with the regulation or statute containing the most stringent applicable standards.
408 Grantee shall comply with all final and binding judgments entered against Grantee regarding its
409 services performed under this agreement.

413 **SECTION 4 - TERM AND SCOPE OF AGREEMENT**

414
415 **A. Term of Agreement**

- 416
417 (1) **Effective Date and Commencement Date.** The Effective Date of this
418 Agreement shall be the date the latter of the two Parties signs the Agreement.

419
420 The Commencement Date shall be ~~September 1, 2010~~ November 1, 2015 and shall
421 be the date on which Grantee initiates provision of Collection, Transportation, and
422 Processing services required by this Agreement.

423
424 Between the Effective Date and Commencement Date, Grantee shall perform all
425 activities necessary to prepare itself to start Collection, Transportation, and Processing, services
426 required by this Agreement on the Commencement Date.

- 427
428 (2) **Term.** The Term of this Agreement shall continue in full force from 12:01 a.m.
429 on ~~September 1, 2010~~ November 1, _____, 2015 (Commencement
430 Date), to midnight December 31, ~~2024-2030~~ unless the Agreement is extended by
431 ~~County~~ City pursuant to Section 4A(3) or terminated in accordance with Section
432 19C.

- 433
434 (3) **Option to Extend Term.** ~~Notwithstanding the provisions of Section 4 A (2)~~
435 ~~above, this Agreement shall be automatically extended for an additional ten (10)~~
436 ~~year term, unless City provides Grantee with not more than three (3) or less than~~
437 ~~one (1) year written notice prior to the expiration date of its intent not to renew~~
438 ~~this Agreement for such additional term. If City fails to provide written notice to~~
439 ~~Grantee as specified herein, the Agreement will be extended as provided herein.~~
440 ~~County~~ City shall, at the ~~County~~ City's sole discretion, have the option to extend
441 ~~this Agreement on one or more occasions provided that the combined extension~~
442 ~~period(s) do not extend beyond December 31, 2029 for ten (10) years. If the~~
443 ~~County~~ City extends the Agreement, it shall give written notice to Grantee 180
444 calendar days prior to the extended expiration date of this Agreement. ~~In order to~~
445 ~~assure that the City is timely aware of the automatic ten (10) year extension of the~~
446 ~~Term provision, Grantee, anytime during the period thirty-six (36) to eighteen~~
447 ~~(18) months prior to the end of the initial Term of the Agreement, shall provide~~
448 ~~written notice to the attention of the City Manager, that under paragraph 4 A (3)~~
449 ~~of the Franchise Agreement, the ten (10) year renewal Term will automatically~~
450 ~~commence at the end of the initial Term, without City action. Failure by the~~
451 ~~Grantee to give such notice to the City will eliminate the automatic ten (10) year~~
452 ~~extension of the Agreement, and such automatic extension will be replaced with a~~
453 ~~ten (10) year extension, if mutually agreed to by the parties. The Grantee shall~~
454 ~~make such notice to the City using either USPS Certified mail, or by using any~~
455 ~~national delivery service that provides proof of delivery. The County's written~~
456 ~~notice shall specify the number of years by which it elects to extend the Term of~~

~~this Agreement and the revised expiration date of the Agreement. SWOW
EXCEPTION #2~~

- (4) **CountyCity’s Rights upon Expiration or RevocationTermination.** At the expiration or ~~revocation-termination~~ of this Agreement, the CountyCity may proceed with a competitive bidding or request for proposal process or exercise any other option available under aApplicable law.

B. Scope of Agreement

The Grantee shall have the exclusive right to service any Occupant or Owner to make all Solid Waste and Recyclable Material Collections within the Franchise Area, except as described in Section 4C or except as otherwise precluded by Applicable Law.

The Grantee, or its Subcontractor(s) shall be responsible for the following services:

- (1) Collecting all Solid Waste, Mixed Organic Waste and Recyclable Materials generated in the Franchise Area and placed by Generator for Collection.
- (2) Transporting collected materials to the Designated Disposal Location, Approved ~~Green-Waste~~ Mixed Organic Waste Processing Site, or Approved Recyclable Materials Processing Site.
- (3) Processing and marketing of Recyclable Materials Collected in the Franchise Area by Grantee.
- (4) Collecting Demolition and Construction Debris generated within the Franchise Area.
- (5) Operating a Recyclable Material buy-back center located at the Designated Recyclable Material Buy-Back Site.
- (6) Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and all other items and services necessary to perform its obligations under this Agreement.
- (7) Paying all expenses related to provision of services required by this Agreement including, but not limited to, taxes, regulatory fees, pass-through costs, utilities, etc.
- (8) Providing all services required by this Agreement in a thorough and professional manner so that residents, businesses, and the CountyCity are provided timely, reliable, courteous and high-quality service at all times.

- 501 (9) Complying with Applicable Law.
502
503 ~~(10)~~—Performing or providing all other services necessary to fulfill its obligations under
504 this Agreement.
505 ~~(11)~~—
506 ~~(12)~~(10)_____

507
508 **C. Limitations to Scope**

509
510 The materials listed below in this Section may be Collected and Transported by other
511 Persons. Such Persons shall do so in accordance with the ~~County~~City Code.

512
513 (1) **Industrial Recyclable Materials.** Recyclable Materials from a Generator of
514 Industrial Solid Waste that are not disposed of and are recycled including, but not
515 limited to, wood chips from the forest products industry used as boiler fuel, and
516 agricultural waste used to produce compost. If Solid Waste residue in Recyclable
517 Materials exceeds 5% by volume it shall be considered Solid Waste and not Industrial
518 Recyclable Material and shall be collected by Grantee

519
520 (2) **Non-Discarded Recyclable Materials,** provided the transporter is paid no direct or
521 in-kind fee for the service and compensates the Generator for the Recyclable
522 Materials.

523
524 ~~(23)~~ **Materials Hauled by Owner, Occupant, or a Cooperative of Persons, or its**
525 **Contractor.** Solid Waste and/or Recyclable Materials that are removed from any
526 Premises by the Owner, Occupant, or a cooperative of persons and are
527 Transported, without compensation, to a Disposal Site or Processing Site by (i)
528 the Owner, Occupant or cooperative of persons of such Premises, (ii) by full-time
529 employee(s) of Owner, Occupant, or cooperative of persons that uses the
530 Owner's, Occupant's, or cooperative of persons' equipment to Transport
531 materials; or (iii) by a contractor whose removal of the Solid Waste and/or
532 Recyclable Materials, and/or Demolition and Construction Debris incidental to
533 the service being performed and such contractor removes materials at no
534 additional or separate fee using contractor's own equipment and labor;

535
536 ~~(34)~~ **Containers Recycled.** Containers delivered for recycling under the California
537 Beverage Container Recycling Litter Reduction Act, Section 14500, California
538 Public Resources Code et. seq. as may be amended from time to time;

539
540 ~~(45)~~ **Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains
541 from slaughterhouse or butcher shops, grease waste, or used cooking oil;

542
543 ~~(56)~~ **Sewage Treatment By-Product.** By-products of sewage treatment including
544 sludge, sludge ash, grit, and screenings;

545
546 | (67) **Hazardous Wastes.** Household Hazardous Waste, Hazardous Waste, and
547 | Designated Waste regardless of its source.

548
549 | (78) **State and Federal Wastes.** Materials generated by state and federal agencies,
550 | special districts, school districts, State parks, State correction facilities, and Indian
551 | reservations.

552
553
554 | (89) **Other Materials.** Lead-acid batteries, waste oil, tires, and scrap metal not
555 | covered as Discarded Recyclable Materials.

556
557

558 | **D. Subcontracting**

559
560 Grantee shall not engage any Sub-grantees for Collection, Transportation, Processing, or
561 | Disposal of Solid Waste or Recyclable Materials services without the prior written consent of the
562 | CountyCity.

563
564 | ~~**E. Franchise Area Defined**~~

565
566 | ~~This Agreement allows the Grantee to Collect, Transport, and Process Solid Waste and~~
567 | ~~Recyclable Materials generated within the Franchise Area defined and shown on certain map~~
568 | ~~entitled "Mendocino County Solid Waste Refuse Collection Areas", including all amendments~~
569 | ~~and changes thereto. The Franchise Area may be modified upon renegotiation and mutual~~
570 | ~~consent of both parties should the Board find such modification necessary for the efficient~~
571 | ~~administration of this Agreement and in the public interest. In the event of such a modification,~~
572 | ~~the Grantee shall be given a ninety (90) day written notice thereof before the modification shall~~
573 | ~~become effective.~~

574
575 | ~~**F.E. Franchise Area Limits**~~

576
577 | No Persons shall be granted a right to collect ~~refuse~~Solid Waste, Mixed Organic Waste
578 | or Discarded Recyclable Material in Grantee's Franchise Area unless approved by the ~~Board of~~
579 | ~~Supervisors~~City due to an emergency, a lack of service by the Grantee, or as allowed according
580 | to Section 20 herein.

SECTION 5 - SERVICES PROVIDED BY GRANTEE

~~A. County~~City to Approve All Services.

A.

The Solid Waste, Mixed Organic Waste and Recyclable Materials collection services Grantee shall offer and provide to Customers residing or doing business in the Franchise Area during the term of this Agreement ~~of this Agreement are subject to the prior review and approval of the City.~~ ~~are subject to prior review and approval of the City.~~ ~~Board of~~

~~B.~~

~~C.~~

~~D.~~B. Collection Service

~~In order to protect the public health and safety,~~ Grantee shall collect, in a manner consistent with public health and safety, Solid Waste, ~~Mixed Organic Waste~~ and Mixed Organic Waste ~~Recyclable Materials~~ from its Customers in the Franchise Area as frequently as scheduled by Customer, but not less than once per week. ~~Recyclable Materials shall be collected once every other week. Except, the Grantee may propose to County service standards and rates for every other week or monthly solid waste and recyclable material collection, which the County has the right to approve.~~ Solid Waste service shall be provided in the Container Sizes and Collection frequencies as set forth in the Rate Table, Exhibit B to this Agreement, and the billings to Customers for Solid Waste service shall incorporate at no extra cost Recyclable Material Collection, except as set forth herein.

(1) Single-Family Units

The Grantee shall collect Solid Waste (except Bulky Wastes), Mixed Organic Waste and Recyclable Materials from Single-Family Units, which have been placed, kept, or accumulated in Grantee-provided Containers, at the curbside or other authorized Collection location if the Customer is physically unable to move the Collection Containers to the curb and is eligible for such service at no additional charge or from a Customer who is willing to pay the additional charge set by the ~~County~~City for such service.

Grantee shall provide each Customer with a ~~either a 20--~~, ~~35--~~, ~~65--~~, or 95-gallon gray Solid Waste Cart, as requested by the Customer. Grantee shall provide each Customer a ~~maximum of two 65--~~ or 95-gallon blue Recyclable Material Carts, as requested by the Customer. Grantee shall provide each Customer with a 65-gallon or 95-gallon green Mixed Organic Waste Cart, as requested by the Customer.

To the greatest extent possible, Single-Family Unit customers shall place

624 Containers at the ~~County~~City-maintained road. With the approval of the
625 ~~Department~~City, Grantee may service private roads if specific road conditions
626 (roadway width, overhead clearances, adequate turnaround and pavement
627 conditions), number of customers, and/or a past practice justify such service. The
628 Grantee may require the applicable road owner or road association to execute a
629 release of liability. If Grantee elects to service a private road, then the off-road
630 service rate will not be charged.

631
632 (2) Multi-Family Premises
633

634 Grantee shall Collect Solid Waste, ~~Mixed Organic Wastes~~ and Mixed Organic
635 Waste from Multi-Family Premises as frequently as scheduled by Customer, but
636 not less than once per week. ~~Except, Grantee may propose to County service~~
637 ~~standards and rates for every other week or monthly solid waste and recyclable~~
638 ~~material collection, which County has the right to approve.~~ Grantee shall collect
639 Recyclable Materials every other week. Grantee shall allow a Multi-Family
640 Premises to use Carts or Bins for ~~Solid Waste~~ Collection that are shared by the
641 Occupants of the Premises. Grantee shall provide one or more Carts (with a
642 capacity of 35-, 65-, or 95-gallons) or Bins (with a capacity of one to six cubic
643 yards) to such Premises as requested by Customer. Grantee shall Collect Solid
644 Waste, Mixed Organic Wastes and Recyclable Materials from Carts and Bins at a
645 location selected by Customer and approved by the ~~County~~City.

646
647 (3) Commercial and Industrial Premises ~~SWOW EXCEPTION #3~~
648

649 Grantee shall Collect Solid Waste, ~~Mixed Organic Wastes and~~ Mixed Organic
650 Waste from Commercial and Industrial Premises as frequently as scheduled by
651 Customer, but not less than once per week. Grantee shall collect Recyclable
652 Materials every other week. ~~Except, Grantee may propose to County service~~
653 ~~standards and rates for every other week or monthly solid waste and recyclable~~
654 ~~material collection, which County has the right to approve.~~ Grantee shall provide
655 one or more Carts (with a capacity of 35-, 65-, or 95-gallons) or Bins (with a
656 capacity of one to fifty cubic yards) to such Premises as requested by Customer.
657 Grantee shall Collect Solid Waste, Mixed Organic Wastes and Recyclable
658 Materials from Carts and Bins at a location selected by Customer. Upon
659 receiving a call for new service from any Commercial or Industrial
660 Customer, Grantee's Customer service representative shall specifically ask
661 the Customer what Recyclable Materials the Customer expects to generate and
662 shall encourage the Customer to accept ~~reeycling~~ Recyclable Materials
663 and Mixed Organic Waste Containers, emphasizing that recycling
664 Containers are provided without additional charge except as provided
665 herein, and shall make all reasonable efforts to encourage the Customer to
666 divert Solid Waste from disposal.

667 Recyclable Materials Carts or Bins may be used by the Customer for
668 single-stream mixing of all Recyclable Materials as defined in this
669 Agreement, except that, if Grantee determines that there is sufficient
670 volume of one type of Recyclable Material, the Grantee may require
671 Customer to use Segregated Recycled Material Bin(s) for that material.

672 Commercial and Industrial Customers may choose to utilize the same
673 sizes of ~~Recyclable Material~~ Carts as provided to Single-Family Units.

674
675

676 | **E.C. Recyclable Material Buy-Back Facility**

677
678 Grantee shall operate and maintain a buy-back Recycling center at the Designated
679 Recyclable Material Buy-Back Site. At a minimum, Grantee shall purchase California
680 Redemption Value (CRV) containers. In addition, Grantee shall accept for drop-off the
681 following Recyclable Materials: clean shrink wrap, aluminum and tin cans, glass beverage and
682 food containers, plastics 1-7, newspaper, office paper, junk mail, magazines, telephone
683 directories, paper board, electronics, Green Waste, motor oil, appliances, scrap metal, used oil
684 filters and corrugated cardboard. Operating hours shall, at a minimum, be from 9:00 a.m. to 4:~~30~~
685 p.m., ~~Wednesday~~ Tuesday through Saturday or days and hours approved by ~~County~~City.
686

687
688

689 | **F.D. Hours of Collection**

690
691 No Collections shall be made in residential areas prior to 5:00 a.m. or after 6:00 p.m. No
692 Collections shall be made at schools, churches, hospitals, offices, or commercial establishments
693 within 200 feet of said residential districts prior to 5:00 a.m. or after 9:00 p.m.unless a
694 modification of these hours is allowed in writing by the ~~Department~~City, which
695 modification may be revoked at the sole discretion of the ~~County~~City. Special arrangements
696 may be made pursuant to the ~~Solid Waste Ordinance~~City Code for all categories of Collections
697 provided by the Grantee.
698

699

699 | **G.E. Collection on Holidays**

700 If the day of Collection on any given route falls on a Holiday, Grantee shall provide
701 Collection service for such route on the work day either before or following such Holiday and
702 shall not provide Collection service on such Holiday, and all subsequent Collection days during
703 that Holiday week shall be adjusted at the discretion of Grantee. Grantee shall be responsible for
704 Customer notification of Holiday Collection arrangements. If the day of Collection on any given
705 route falls on any remaining Holiday, Grantee may continue to provide Collection service for
706 such route on that workday.
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SECTION 6 - SPECIAL PROGRAMS AND SERVICES PROVIDED BY GRANTEE

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A. Source Reduction and Waste Diversion Programs

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Grantee shall provide special programs as are required by federal, state, or local regulations, including but not limited to, the ~~County of Mendocino~~ ~~County~~ ~~City-wide~~ Integrated Waste Management Plan, the Source Reduction and Recycling Element, and the Household Hazardous Waste Element and as itemized in Exhibit A. If ~~County~~ ~~City~~ directs changes in recycling or ~~Green Waste~~ Mixed Organic Waste services, Grantee shall be entitled to recovery of any additional costs through the pass-through rate adjustment procedure of Section 15(A). When introducing new or expanded diversion programs, ~~County~~ ~~City~~ shall define the objective of the program and cooperate with Grantee to consider Grantee’s proposal for the methods to achieve the objective, and ~~County~~ ~~City~~ shall consider alternative methods so that objectives are achieved while minimizing any costs or operational problems that the new program may cause to Grantee. In exercising its right to direct changes in recycling or ~~Green Waste~~ Mixed Organic Waste services, ~~County~~ ~~City~~ will consider the impact upon rates and the likelihood Grantee can recover all costs with the change.

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B. Public Education.

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Grantee’s public education program shall focus on providing information to Customers in accordance with the specific requirements described in Exhibit D. Educational media shall include, but not be limited to, newsletters, flyers, door hangers, notification tags, and direct contact. Information shall be provided for initial start of service, to solicit feedback about the service and suggested improvement/change, and to educate Customers about source reduction, reuse, Mixed Organic Waste and Recycling opportunities. Materials shall be printed on paper

752 containing the highest levels of recycled content material as is reasonably practical with a
753 minimum requirement of 30% post-consumer content based on Federal standards. Grantee shall
754 allow the CountyCity to review and approve all public education materials and may require
755 bilingual English-Spanish text.

756
757 Within 30 days of the Commencement Date, Grantee shall do the following: (1) apply a
758 new all-weather instructional sticker, approved by the City, to all green Mixed Organic Waste
759 Carts and Bins that states the acceptable and unacceptable materials for the Containers. The
760 sticker shall be written in English and Spanish and shall be not less than 100 square inches in
761 size; and (2) mail an informational flier to all Customers, approved by the City, in English and
762 Spanish, announcing the expanded Mixed Organic Waste program.

763
764 Beginning 60 days after the Commencement Date and finishing 120 days after the
765 Commencement Date, Grantee shall inspect each Mixed Organic Waste Container prior to
766 emptying it and shall affix a correction notice informing the Customer of any unacceptable items
767 that are found within. The names of Customers receiving such notices shall be recorded and
768 Grantee shall perform a follow-up inspection of those Containers within 30 days. In the event of
769 continued contamination of a Mixed Organic Waste Container, Grantee shall notify the City and
770 remove the Container from the Customer's possession; or take other corrective action as directed
771 by City.

772 If Grantee fails to perform some or all of the requirements of the public education
773 program described in this Section and in Exhibit D, the Grantee shall pay the CountyCity
774 Liquidated Damages as described in Exhibit E.

775
776 **C. Billing**

- 777
778 (1) General. Subject to City approval and regulation of same, Grantee shall set,
779 impose and collect all rates from its customers within the City and perform the
780 services required by this Agreement. Use of Grantee's curbside collection
781 services described herein are provided and made available on
782 contractual arrangement between Grantee and its customers. The CountyCity shall
783 establish the rates that Grantee may charge Customers for Solid Waste, Mixed
784 Organic Waste and Recyclable Materials services. Grantee shall bill all
785 Customers and collect Billings in accordance with CountyCity-approved rates.

786
787 The Grantee shall prepare, mail, and collect bills (or shall issue written receipts
788 for cash payments) for Collection services provided by Grantee. The CountyCity
789 shall have the right to review, and approve the Billing format.

790
791 Grantee shall arrange to allow its Customers to pay bills through the following
792 means: check, cash or credit card.

793
794 Grantee shall maintain copies of all Billings and receipts, each in chronological
795 order, for five years for inspection and verification by CountyCity at any

796 reasonable time upon request. The Grantee may, at its option, maintain those
797 records in computer form, on microfiche, or in any other manner, provided that
798 the records can be preserved and retrieved for inspection and verification in a
799 timely manner.

800
801 Grantee shall be responsible for collection of payment from Customers with past
802 due accounts (“bad debt”). Grantee shall make reasonable efforts to obtain
803 payment from delinquent accounts through issuance of late payment notices,
804 telephone requests for payments, and assistance from collection agencies.
805 Accounts that are delinquent for a period of ninety-days (90) or more
806 may be terminated by Grantee.

807
808 (2) **Bill Inserts.** CountyCity may direct Grantee to insert mailers (which shall be a
809 single sheet of paper no larger than 8.5 inches by 11 inches) relating to service
810 with the Bills. The mailers shall be printed on double-sided, post consumer
811 content paper and shall fit in standard envelopes. Grantee also agrees to insert
812 with the Billings, mailers describing activities of the CountyCity government.
813 CountyCity will provide not less than 30 calendar days’ notice to Grantee before
814 the date of any proposed mailing, to permit Grantee to make appropriate
815 arrangements for inclusion of the CountyCity’s materials. CountyCity will
816 provide Grantee the mailers at least 15 calendar days before the mailing date.

817
818 (3) **Review of Billings.** Grantee shall review its Billings to Customers to determine
819 (i) if the amount the Grantee is billing each Customer is correct in terms of the
820 level of service (i.e., frequency of Collection, size of Container, backyard service)
821 Grantee is providing such Customer, and (ii) that all parties receiving service are
822 invoiced for service. Grantee shall review all Customer accounts at least every
823 other-year, unless CountyCity directs Grantee to do otherwise. Grantee shall
824 submit to CountyCity every year, a written report of the billing review 30 days
825 after the end of each Rate Period. The scope of the review, the Grantee’s work
826 plan, and the format of the report (including supporting exhibits) shall be
827 submitted to the CountyCity for approval no later than 60 days prior to
828 commencement of the Billing review process. Should Grantee fail to perform any
829 such review, the CountyCity may perform this review itself or through use of an
830 agent, at Grantee’s expense.

831
832 **D. Other Special Services**

833
834 Grantee shall provide Solid Waste Disposal and Recyclable Materials Collection service
835 without charge to periodic public events sponsored by non-profit organizations, upon request of
836 the City.

837
838 Grantee shall provide documentation for any construction and demolition contractor who
839 rents an Industrial debris box to be scavenged for divertible material at the Designated Disposal

840 | Site.

841
842 | Grantee can provide other special services as related to this Agreement at ~~its~~their
843 | discretion provided said services and charges for such services are approved by the ~~County~~City.
844

845 | ~~All other provisions of this agreement notwithstanding, Grantee shall provide an optional~~
846 | ~~service at customer's choice to have any debris box rented to a construction or demolition project~~
847 | ~~customer hauled to any disposal and/or processing facility identified by County as providing~~
848 | ~~seavenging or processing service at the lowest total cost to the customer. Grantee shall charge~~
849 | ~~customers in such instances the authorized debris box rental rate as set forth in Exhibit B~~
850 | ~~adjusted to reflect any different disposal gate fee or actual increment in truck hauling expense.~~

851

852

853 | **E. Containers - Refusal to Pick Up**

854 | Grantee shall notify the ~~Department~~City whenever the Grantee has refused to pick up a
855 | Container because the Container contains dangerous and prohibited material. Grantee shall
856 | notify the ~~Department~~City when any violation of ~~the CountyCity Solid Waste Ordinance is~~
857 | ~~observed.ordinances pertaining to solid waste is observed.~~

858

859 | **F. Containers - Noticing Violators**

860

861 | Whenever a Grantee gives or intends to give a Customer violation report to the
862 | ~~Department~~City, Grantee shall place a notice on the Container or otherwise give the Owner or
863 | Occupant notice of the substance of his/her report to the ~~Department~~City.

864 | ~~Whenever an authorized representative of the County observes a violation of the County~~
865 | ~~Solid Waste Ordinance or other applicable laws or regulations, that person shall place a notice on~~
866 | ~~the Container or otherwise give the Owner or Occupant notice of the illegal condition.~~

867

868 | **G. Promotion of Waste Diversion to New Customers**

869

870 | Upon the initial call for service, Grantee will make all reasonable efforts to promote the
871 | maximum amount of waste diversion by the new customer. Grantee's customer service
872 | representatives will utilize specific scripts, provided to ~~County~~City, for each category of
873 | customer (residential, commercial and debris box) for use during calls for service that will at a
874 | minimum include:

875

876 | (1) Statement to Customer that his/her costs may be reduced by recycling and Mixed Organic
877 | Waste diversion.

878 | (2) Question to Customer about what waste materials he/she will generate that may be recycled.

879 | (3) Recommendation of specific services appropriate for the Customer, identifying those that are

880 free or reduced rate.

881

882

883 **H. City Facilities**

884

885

886 Grantee shall provide as many Containers as the City reasonably needs for Solid Waste, Mixed
887 Organic Waste, and Recyclables at City Hall, City Public Works Corporation Yard, City Police
888 Department, City Recreation Grove and such other City properties that the City shall designate in
889 writing to Grantee; and Grantee shall additionally collect, transport and dispose of all Solid
890 Waste and Recyclables deposited in any permanent or temporary street-side public receptacles
891 provided and maintained by the City. The frequency of collection shall be as designated by the
892 City. There shall be no charge by Grantee for the cost of the services described in this
893 paragraph.

894 **SECTION 7 – STANDARDS AND REQUIREMENTS FOR SERVICES, EQUIPMENT,**
895 **AND PERSONNEL**
896

897 **A. Manner of Collection**
898

899 All Collection equipment shall be designed and operated such that no ~~Solid Waste or~~
900 ~~Recyclable Material~~ material is allowed to blow or drop from vehicles during Transport.
901 Adequacy of load covers or control measures shall be determined by the ~~Department~~ City. All
902 Collections shall be made as quietly as possible, and the use of any unnecessarily noisy trucks or
903 equipment is declared unlawful.
904

905 **B. Vehicles and Equipment - Standards**
906

- 907 (1) **General.** All Collections shall be made with a vehicle and equipment of design
908 approved by the ~~Department~~ City according to industry standards. Grantee shall
909 maintain all of its properties, facilities, and equipment used in providing service
910 under this Agreement in a safe, neat, clean, and operable condition at all time.
911
- 912 (2) **Cleaning.** Collection vehicles shall be thoroughly washed and thoroughly steam
913 cleaned as necessary, to present a clean appearance of the exterior and interior
914 compartment of the vehicle.
915
- 916 (3) **Maintenance.** Grantee shall inspect each vehicle daily to ensure that all
917 equipment is operating properly. Vehicles that are not operating properly shall be
918 taken out of service until they are repaired and operate properly. Grantee shall
919 perform all scheduled maintenance functions in accordance with the
920 manufacturer's specifications and schedule or in accordance with California
921 Highway Patrol standards, whichever are more stringent. All vehicles shall be
922 painted in a uniform manner that does not create a resemblance between
923 Grantee's vehicles and ~~County~~ City utility vehicles. Grantee shall keep accurate
924 records of all vehicle maintenance, recorded according to vehicle, date, and
925 mileage, and shall make such records available to the ~~County~~ City upon request to
926 the extent necessary to perform the inspections described in Section 7D.
927
- 928 (4) **Repairs.** Grantee shall repair, or arrange for the repair of, all of its vehicles and
929 equipment for which repairs are needed because of accident, breakdown, or any
930 other cause so as to maintain all equipment in a safe and operable condition.
931 Grantee shall maintain accurate records of repair, which shall include the
932 date/mileage, nature of repair and the signature of a maintenance supervisor that
933 the repair has been properly performed.
934

935 **C. Vehicles - Identification**

936
937 The Grantee shall have printed or stenciled in a prominent place on the exterior of each
938 vehicle used in the Collection of Solid Waste and Recyclable Materials the following
939 information in at least four-inch letters: 1) Truck number; 2) Grantee's name; and, 3) Grantee's
940 telephone number.

941
942 **D. Vehicles and Equipment - Inspection**

943
944 All vehicles and equipment of Grantee shall be available for inspection at Grantee's place
945 of business or another location within the Franchise Area as designated by the DepartmentCity,
946 on an annual basis. Vehicles and equipment shall conform to the requirements of the California
947 Vehicle Code, this Agreement, and rules or regulations of the Board. DepartmentCity shall give
948 Grantee twenty-four (24) hours verbal notification of inspection.

949
950 **E. Vehicles - Shovel, Broom and Fire Extinguisher Required**

951
952 The Grantee shall equip each Collection vehicle with a shovel, broom, and fire
953 extinguisher of a type approved by the DepartmentCity.

954
955 **F. Container Requirements**

956
957 (1) **General.** Grantee shall provide all Carts, Bins, and Debris Boxes to all
958 Customers as part of its services. Grantee-provided Containers shall be designed
959 and constructed to be watertight and prevent the leakage of liquids. All
960 Containers with a capacity of one cubic yard or more shall meet applicable
961 federal, state, and local regulations for Bin safety and be covered with attached
962 lids. Grantee shall obtain CountyCity's written approval of Cart colors before
963 acquisition. All Containers, except Carts, shall be painted the Grantee's standard
964 color.

965
966 (2) **Cleaning, Painting, and Maintenance.** All Containers shall be maintained in a
967 safe, serviceable, and functional condition. Grantee shall steam clean and repaint
968 all Containers, except Carts, at least every two years, or more frequently, to
969 present a clean appearance. Customers using Carts shall be responsible for
970 cleaning such Carts. If any Cart is impacted by graffiti, Grantee shall replace the
971 cart within 72 hours. If any Containers, except Carts, are impacted by graffiti,
972 Grantee shall either replace the Container with a Container which is free of
973 graffiti or repaint the entire Container with the Grantee's standard color for such
974 Container within 30 days. Repainting of the Container shall restore the
975 Container's aesthetic values to its condition before it sustained the graffiti
976 damage.

977
978 (3) **Repair and Replacement.** Grantee shall repair and, if the repair must be

979 performed off of the Premises, replace all Containers damaged by Collection
980 operations within a one-week period. If the repair or replacement cannot be
981 completed within one week, the Grantee shall notify Customer and a Container of
982 the same size or larger shall be made available until the proper Container can be
983 replaced.

984
985 At no additional cost, Grantee shall replace Customer Carts that have been stolen
986 or damaged once per year. Grantee shall allow Customer to exchange Containers
987 for a Container of a different size at no additional cost once per year. Grantee
988 shall charge Customers for additional Cart replacements at CountyCity-approved
989 rates.

990
991 **G. Personnel**

992
993 (1) **General.** Grantee shall furnish such qualified drivers, mechanical, supervisory,
994 Customer service, clerical and other personnel as may be necessary to provide the
995 services required by this Agreement in a safe and efficient manner.

996
997 (2) **Provision of Field Supervision.** Grantee shall designate at least one qualified
998 employee as supervisor of field operations. The field supervisor will devote time
999 in the field checking on Collection operations, including responding to
1000 complaints.

1001
1002 (3) **Driver Qualifications.** All drivers shall be trained and qualified in the operation
1003 of Collection vehicles, and must have in effect a valid license, of the appropriate
1004 class, issued by the California Department of Motor Vehicles. Grantee shall use
1005 the Class II California Department of Motor Vehicles employer “Pull Notice
1006 Program” to monitor its drivers for safety.

1007
1008 (4) **Customer Service Representative Training.** Customer service representatives
1009 shall be trained on specific CountyCity service requirements upon hire and
1010 annually thereafter. A CountyCity information sheet shall be provided to each
1011 Customer service representative for easy reference of CountyCity requirements
1012 and general Customer needs. The information sheet, training agenda, and
1013 associated documentation shall be forwarded to the CountyCity.

1014
1015 (5) **Safety Training.** Grantee shall provide suitable operational and safety training
1016 for all of its employees who operate Collection vehicles or equipment or who are
1017 otherwise directly involved in such Collection, Disposal, or Processing. Grantee
1018 shall train its employees involved in Collection to identify, and not to collect,
1019 Hazardous Waste or infectious waste. Upon the CountyCity’s request, Grantee
1020 shall provide a copy of its safety policy and safety training program, the name of
1021 its safety officer, and the frequency of its trainings.
1022

1040 **SECTION 8 - PUBLIC ACCESS TO GRANTEE**

1041
1042 **A. Name and Office Hours**

1043
1044 Grantee shall not use a firm name containing the words "~~CountyCity~~" or "~~Mendocino~~" or
1045 other words implying ~~CountyCity~~ ownership. The Grantee shall establish and maintain a
1046 Customer service office where service may be applied for and complaints made. Grantee's
1047 Customer service office shall be open to the public from 8:30 a.m. to 4:00 p.m. Monday through
1048 Friday. The office may be closed on Saturdays, Sundays, and Holidays. Such office shall be
1049 equipped with a listed ~~toll-free~~ telephone number to which calls from Grantee's Customers may
1050 be placed and shall have a responsible Person in charge or an answering machine in service
1051 during normal business hours.

1052
1053 **B. Service Complaints**

1054
1055 Customer service complaints may be made directly to the Grantee by telephone or in
1056 writing. Grantee is responsible for rectifying the complaints and for maintaining a log of
1057 complaints received, date received, actions taken, and date of actions, as specified in Section 13.

1058
1059 **C. Overcharge**

1060
1061 All charges or fees for service by a Grantee shall be approved by the ~~BoardCity~~, except a
1062 lower charge than approved by the ~~BoardCity~~ may be negotiated (to provide for consideration of
1063 the weight of the material collected and/or the distance from the operations yard or transfer
1064 station) for Industrial Solid Waste Service as provided in Section 14(B)6. Any Customer
1065 contending they have been required to pay a charge not approved by the ~~BoardCity~~, or has in any
1066 manner been subject to an overcharge, may file a written complaint with the ~~Department-City~~
1067 setting forth the facts of such alleged miss-charge, and the ~~Department-City~~ shall notify the
1068 Grantee of the complaint, shall investigate the matter of the complaint, and shall determine the
1069 appropriate charge.

SECTION 9 - SERVICE EXCEPTIONS; HAZARDOUS WASTE NOTIFICATIONS

A. Responsibility to Identify Hazardous Waste

Grantee shall keep current with the regulations regarding Hazardous Waste substances and identification of such substances and to comply with all federal, state, and local regulations concerning such substances. Grantee shall make every reasonable effort to prohibit the Collection and the Disposal of Hazardous Waste in any manner inconsistent with Applicable Law.

Grantee shall conduct ~~a~~-visual inspections of ~~all~~ Solid Waste, Mixed Organic Waste and Recyclable Materials that it Collects, Transports, Disposes, or Processes pursuant to this Agreement for the purpose of discovering, identifying, and refusing to Collect, Transport, Dispose, and/or Process Hazardous Wastes or materials.

B. Response to Hazardous Waste Identified at Disposal Site or Processing Site

If materials Collected by Grantee are delivered to a facility owned or operated by Grantee or an affiliate of Grantee, for purposes of transfer, Processing, or Disposal, load checkers and equipment operators at such facility shall conduct inspections in areas where Collection vehicles unload Solid Waste, Mixed Organic Waste and Recyclable Materials to identify Hazardous Wastes or unacceptable materials. Facility personnel shall remove these materials for disposal or storage in approved, on-site, hazardous materials storage Container(s). Grantee shall make reasonable efforts to identify and notify the Generator of Hazardous Wastes. Grantee shall arrange for removal of the Hazardous Wastes by permitted haulers in accordance with Applicable Laws and regulatory requirements.

If unacceptable material is delivered to the Designated Disposal Location or Processing Sites by Grantee before its presence is detected, and the Generator cannot be identified or fails to remove the material after being requested to do so, the Grantee shall arrange for its proper Disposal. The Grantee shall make a good faith effort to recover the cost of Disposal from the Generator, and the cost of this effort, as well as the cost of Disposal shall be charged to the Generator.

C. Notification for Hazardous Waste

Grantee shall, if required based on reportable levels, notify all agencies with jurisdiction, including the California Department of Toxic Substances Control, and, if appropriate, the National Response Center, of reportable quantities of Hazardous Waste, found or observed by Grantee in Solid Waste and/or Recyclable Materials anywhere within the CountyCity, including on, in, under or about CountyCity property, including streets, easements, rights of way and CountyCity waste containers. In addition to other required notifications, if Grantee observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Wastes unlawfully disposed of or released on CountyCity property, including streets, storm drains, or public rights of way, Grantee also will notify the CountyCity Director of Environmental Health

1115 | Public Works or his/her designated ~~County~~City employee.

1116

1117 | **D. Rights Reserved as to Hazardous Wastes.**

1118

1119 | The ~~County~~City reserves the right to contract with other parties to have household
1120 Hazardous Wastes Collected, Transported, Disposed of, Processed and/or diverted.

1121

1122

SECTION 10 - DISPOSAL AND PROCESSING

A. Solid Waste Disposal

Grantee shall Transport and Dispose of all Solid Waste Collected in the Franchise Area at the Designated Disposal Location. Grantee shall pay all costs associated with the Transporting and Disposing of Solid Waste.

B. Recyclable Materials Processing and Marketing

- (1) **Processing.** Grantee shall Transport and deliver all Recyclable Materials collected in the Franchise Area to the Approved Recyclable Materials Processing Site. Grantee shall pay all costs associated with the Transporting and Processing of all Recyclable Materials.

Grantee shall maintain accurate records of the quantities of Recyclable Materials Collected, Transported, and Processed at the Approved Recyclable Materials Processing Site and shall cooperate with the CountyCity in any audits or investigation of such quantities.

Grantee shall keep all existing permits and approvals necessary for use of the Recyclable Materials Processing Site in full regulatory compliance. Upon request, Grantee shall provide copies of notices of violation or permits to the CountyCity.

- (2) **Marketing.** ~~Provided that~~ the Approved Processing Center is owned and/or operated by Grantee or by an Affiliate of Grantee, Grantee shall be responsible for marketing Recyclable Materials collected in the Franchise Area and shall be compensated for such Recyclable Materials at not less than fair market value.

~~Provided that~~ the Approved Processing Center is owned and/or operated by Grantee or by an Affiliate of Grantee, Grantee shall prepare and maintain a CountyCity-approved marketing plan for all Recyclable Materials collected in the Franchise Area. The plan shall be in place on or before the Commencement Date of this Agreement. The marketing plan shall fully describe the Grantee’s marketing methods and approach, targeted primary and contingent markets, pricing policy and assumed salvage value for each collected type of Recyclable Material products, and contingency plans if market conditions are severe.

~~Provided that~~ the Approved Processing Center is owned and/or operated by Grantee or by an Affiliate of Grantee, Grantee shall provide proof to the CountyCity that all Recyclable Materials collected are marketed for Recycling or reuse in such a manner that materials shall be considered as diverted in accordance with the State regulations established by the California Integrated

1167 Waste Management Act of 1989 (Division 30 of the California Public Resources
1168 Code), as amended, supplemented, superseded, and replaced from time to time.
1169 No Recyclable Material shall be transported to a domestic or foreign location if
1170 Solid Waste Disposal of such material is its intended use.

1171
1172 ~~Provided that~~ the Approved Processing Center is owned and/or operated by
1173 Grantee or by an Affiliate of Grantee, Grantee shall provide CountyCity upon
1174 request with a list of broker/buyers it uses each month as required in Section 13.
1175 CountyCity may audit one broker or buyer per month to confirm that materials are
1176 being recycled. If Grantee becomes aware that a broker or buyer has illegally
1177 handled or disposed of material generated within the Franchise Area or elsewhere,
1178 Grantee shall immediately inform the CountyCity and terminate its contract or
1179 working relationship with such party. If Grantee has provided CountyCity with a
1180 list of broker/buyers for the month, Grantee shall provide a monthly list only to
1181 the extent that the list differs from the list provided in the prior(s) months.

- 1182
1183
1184 (3) **Disposal of Recyclable Materials Prohibited.** ~~In accordance with Section~~
1185 ~~9A.08.080 of the Mendocino County Code,~~ Recyclable Materials may not be
1186 disposed of in lieu of Recycling the material.

1187
1188 **C. Change in Designated Disposal Location or Recyclable Materials Processing Site**

1189
1190 The Grantee shall Transport all Solid Waste, Green Waste, and Recyclable Materials
1191 Collected from the Franchise Area to the Designated Disposal Location, Approved Green
1192 Waste Mixed Organic Waste Processing Site and the Approved Recyclable Materials Processing
1193 Site, respectively.

1194
1195 The CountyCity has the right, at its option, to control the Collection, Disposal, and
1196 diversion of all Solid Waste, Mixed Organic Waste and Recyclable Materials generated within
1197 the Franchise Area. As part of the rights agreed to herein, the parties hereto agree that:

- 1198
1199 (1) The CountyCity has the right to direct Solid Waste to be Disposed of at any Solid
1200 Waste facility or in any manner, respectively, the CountyCity may designate; and
1201
1202 (2) The CountyCity has the right to direct Solid Waste to be diverted at any transfer
1203 or Processing station the CountyCity may designate; and
1204
1205 (3) The CountyCity has the right to direct Discarded Recyclable Materials collected
1206 by Grantee to be Processed at or marketed to a specific facility when in the best
1207 interest of the CountyCity and provided the collector would receive a reasonable,
1208 competitive market value for the Recyclable Materials; ~~and~~

1211 (4) ~~(4)~~The CountyCity has the right to direct ~~Green Waste~~Mixed Organic Waste
1212 collected by Grantee to be pProcessed at or marketed to a specific facility when
1213 in the best interest of the CountyCity and provided the Grantee would receive or
1214 pay a reasonable, competitive market price for the ~~Green Waste~~Mixed Organic
1215 Waste. In exercising its rights to direct ~~Green Waste~~Mixed Organic Waste,
1216 CountyCity will consider the impact upon rates, and the likelihood Grantee can
1217 recover all costs with the specific facility.

1218
1219 ~~(5) — City acknowledges the obligations of Grantee pursuant to the Agreement with~~
1220 ~~Cold Creek Compost attached herein as Exhibit E. SWOW EXCEPTION #1~~

1221
1222 ~~(6)(5)~~ (5) If CountyCity directs a change in the Designated Disposal Location, Approved
1223 ~~Green Waste~~Mixed Organic Waste Processing Site or Approved Recyclable
1224 Materials Processing Site which impacts Grantee's operational costs, then either
1225 party to this Agreement may apply for a rate increase or decrease through the
1226 provisions of Section 15A Pass-through Rate Adjustment.

1227
1228 (6) Any change in the Designated Disposal Location, Approved ~~Green Waste~~Mixed
1229 Organic Waste Processing Site or Approved Recyclable Materials Processing Site
1230 made by CountyCity under this section must comply with all federal, state, and
1231 local laws and regulations.

1232
1233 **D. Grantee's Responsibility in Lieu of Direction by CountyCity.**

1234
1235 Throughout the term of this Agreement, unless the CountyCity gives notice as provided
1236 for herein and subject to the terms of this Agreement, it shall be the Grantee's sole responsibility
1237 and duty to Dispose of the Solid Waste Collected and Process the Mixed Organic Waste and
1238 Recyclable Materials Collected in a safe manner and in compliance with all federal, state, and
1239 local laws and regulations. Grantee agrees that it shall Dispose of all Solid Waste Collected and
1240 Process all Mixed Organic Waste and Recyclable Materials Collected in the Franchise Area at a
1241 Solid Waste facility or Processing facility that is fully licensed and appropriately permitted and,
1242 to Grantee's knowledge, is not in material violation of any health, safety or Hazardous Materials
1243 laws, rules, regulations or orders as long as the cost of disposal and recycling is at no greater cost
1244 to ratepayer.

1245 .
1246

1247 **E. Invalidation of CountyCity Flow Control Voids Franchise.**

1248
1249 Should a court of competent jurisdiction rule any provision in this Franchise
1250 Agreement related to flow control unlawful or unconstitutional, then the entire Franchise
1251 Agreement shall become null and void upon the election of the CountyCity. However, this
1252 Agreement shall not become null and void, and shall remain in full force and effect, as long as
1253 the Grantee continues to direct Solid Waste, ~~Green~~Mixed Organic Waste and Recyclable
1254 Materials as instructed by the CountyCity and abides by all other terms of this section.

1255 | ~~County~~~~City~~ deems control of the waste stream a vital component of its waste Disposal program
1256 | which ensures to the general benefit and welfare of the public. This provision will preserve the
1257 | ~~County~~~~City~~'s ability to pursue any legal methods whereby flow control of waste stream can be
1258 | achieved.
1259
1260

SECTION 11 - OWNERSHIP OF SOLID WASTE AND RECYCLABLE MATERIALS

All Solid Waste, prior to being placed in a Grantee-provided Container and placed at a designated Collection point, shall be the property of the Generator or producer, if known. In the event said Generator or producer of the Solid Waste is unknown, the Solid Waste shall become the property of the Owner of the parcel upon which said Solid Waste has been deposited. All Solid Waste, upon being placed in a Grantee-provided Container and all Mixed Organic Waste and Recyclable Materials, upon being placed in a Grantee-provided Container, and placed at a designated Collection point, shall become the property of the Grantee. Upon being legally deposited in a Disposal site approved by the Department, or transferred to a Processing facility or transfer station not owned by the Grantee, all Solid Waste, Mixed Organic Waste and Recyclable Materials shall forthwith become the property of the permitted operator of the approved transfer station, Disposal site, or Processing facility. ~~SWOW EXCEPTION #4~~

1275 **SECTION 12 - PRIVACY**

1276
1277 **A. Customers Rights of Privacy**

1278
1279 Grantee shall use its best efforts to observe and protect the rights of privacy of
1280 Customers. Information identifying individual Customers or the composition of a particular
1281 Customer's Solid Waste, Mixed Organic Waste or Recyclable Materials shall not be revealed to
1282 any Person, private agency or company, unless upon request of federal, state, or local law
1283 enforcement personnel, the authority of a court of law, a statute, or upon valid authorization of
1284 the Customer. This provision shall not be construed to preclude Grantee from preparing,
1285 participating in, or assisting in the preparation of waste characterization studies or Waste Stream
1286 analysis which may be reasonably necessary to comply with AB 939 or any other reports
1287 requested by the ~~County~~~~City~~ under the Agreement or required or requested by any governmental
1288 agency.

1289
1290 **B. Use of Customer Lists**

1291
1292 Grantee shall not market or distribute outside the normal course of its business, mailing
1293 lists with the names and addresses of Customers.

1294
1295

SECTION 13 - GRANTEE'S BOOKS AND RECORDS; REPORTS AND AUDITS

A. Customer List and Routes

Grantee shall supply the DepartmentCity, upon request, with the name of the Owner or Occupant of each Premise served, the address of the property, the service level subscribed to, and current maps and schedules of Collection routes.

B. Record-keeping and Inspection

Grantee shall maintain detailed records of all receipts and expenditures received or incurred in the operation of such business, including all revenues collected for services rendered. The CountyCity, its officers, employees, and agents, shall be entitled to inspect, and audit such books and records upon reasonable notice during normal business hours for the purposes of determining actual billings and franchise fee payments and as necessary to determine any adjustment to rates in accordance with Sections 15 A and C of this Agreement. The CountyCity will make reasonable effort to protect proprietary information, if labeled.

C. Financial and Operational Records

Grantee shall maintain accurate and complete accounting records containing the underlying financial and operating data relating to and showing the basis for computation of all costs associated with providing services. The accounting records shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied.

D. Collection Service Records

Records shall be maintained by Grantee for CountyCity relating to:

- (1) Customer services and billing;
- (2) Weight and volume of material Collected by type (e.g., Solid Waste and Recyclable Materials);
- (3) Routes;
- (4) Facilities, equipment and personnel used;
- (5) Facilities and equipment operations, maintenance and repair;
- (6) Tonnage of Solid Waste, Mixed Organic Waste and Recyclable Materials listed by Processing Site or Disposal Site where such materials were delivered;

- 1339 (7) Recyclable Materials Collection participation and setout rates;
- 1340
- 1341 (8) Recyclable Materials sales revenue;
- 1342
- 1343 (9) End use and markets for Recyclable Materials.
- 1344

1345 **E. Transfer, Processing, and Disposal Records**

1346
1347 Grantee shall maintain records of transfer, Disposal, and Processing of all Solid Waste,
1348 Mixed Organic Waste and Recyclable Materials Collected by Grantee.

1349
1350 **F. Customer Service Records**

1351
1352 Records shall be maintained by Grantee for CountyCity related to:

- 1353
- 1354 (1) Categories (compliments, missed pickups, complaints, damage, etc.) of calls;
- 1355
- 1356 (2) Complaint log noting the name and address of complainant, date and time of
- 1357 complaint, nature of complaint, and nature and date of resolution;
- 1358
- 1359 (3) New Customer accounts.
- 1360

1361 **G. CERCLA Defense Records**

1362
1363 CountyCity views its ability to defend itself against Comprehensive Environmental
1364 Response, Compensation and Liability Act (CERCLA), and related litigation as a matter of great
1365 importance. For this reason, the CountyCity regards its ability to prove where Solid Waste
1366 Collected are taken for transfer or Disposal, as well as where they are not taken, to be matters of
1367 concern. Grantee shall maintain, retain and preserve records which can establish where Solid
1368 Waste Collected was Disposed (and therefore establish where it was not). This provision shall
1369 survive the expiration or earlier termination of this Agreement. Grantee shall maintain these
1370 records for a minimum of 3 years beyond expiration or earlier termination of the Agreement and
1371 Grantee shall then provide these records to CountyCity in an organized and indexed manner
1372 rather than destroying or Disposing of them.

1373
1374 **H. Quarterly Reports**

1375
1376 Quarterly reports, itemized by month, shall present the following information:

- 1377
- 1378 (1) Solid Waste Services. Total tonnage Collected and Disposed.
- 1379
- 1380 (2) Recyclable Materials & Green-Mixed Organic Waste
- 1381

1382 Tonnage Collected and Recycled and tonnage of residue Disposed. If the
1383 Approved Recyclable Materials Processing Site handles Recyclable Materials
1384 Collected in the Franchise Area and from other parties, provide a description of
1385 how the quantities of Recyclable Materials are tracked and allocated to the
1386 Franchise Area.

1387
1388

1389 (3) Customer Service.

1390
1391 (a) Number of Customer calls that pertain to compliments, missed pickups,
1392 scheduled clean-ups, Billing concerns, damage claims, etc.

1393
1394 (b) Number of complaints received, whether delivered in person, telephone,
1395 mail, or others means. The report shall show the date the complaint was
1396 received, actions taken to rectify the complaint, and the date the actions
1397 were taken.

1398
1399 (4) Account Information. In table format, the number of Customers and service
1400 levels.

1401

1402 **I. Annual Financial Report**

SWOW EXCEPTION #5

1403
1404 Grantee shall maintain accounting records specific to the Franchise Area, separate from
1405 other activities.

1406

1407 Grantee shall, at its own expense, be required to annually provide the City with a copy of
1408 a compiled or reviewed financial statement, or an independent financial audit report. The audit
1409 report shall be prepared by a certified public accountant. The accountant shall be entirely
1410 independent of the Grantee, shall have no financial interest whatsoever in the business of the
1411 Grantee, and shall be approved by the CountyCity Finance Director.

1412

1413 The annual financial statement or audit report must include an Income Statement for the
1414 Franchised Area operations. The Income Statement should disclose revenue by line of business
1415 and expenses by line of business and detail expense descriptions.

1416

1417 In addition, the Grantee shall make available to the CountyCity, or its designee, upon
1418 request:

1419

1420 (1) Supporting documentation to determine the reasonableness of revenues
1421 (e.g., average number of monthly residential, industrial, and commercial
1422 Customers and average monthly rates for each type of Customer service).

1423

1424 (2) Supporting documentation (invoices and descriptive schedules) for major

1425 expense line items including but not limited to depreciation, salaries,
1426 repair and maintenance, equipment rental, and Disposal expense.

1427
1428 (3) Supporting documentation for all transactions with affiliated companies.

1429
1430 (4) Any other information specifically related to the Agreement, which is
1431 reasonably required by ~~Mendocino County~~City staff for review of rate
1432 adjustment requests.

1433
1434 In the event of the failure of the Grantee to provide any such report, the ~~Department~~City
1435 may employ a qualified accountant or consultant or the ~~County~~City Auditor ~~Controller~~ ~~Finance~~
1436 ~~Director~~ to prepare the report, and the Grantee shall be liable for and pay the associated costs and
1437 expenses of the accountant or ~~County~~City Auditor ~~Controller~~ ~~Finance~~ ~~Director~~.

1438

1439 **J. Annual Operations Report.**

1440

1441 The Grantee shall submit a written annual report, in a form approved by the
1442 ~~Department~~City, including but not limited to:

1443

1444 (1) Information as required pursuant to Section 13H of this Agreement, summarized
1445 for the preceding four quarters.

1446

1447 (2) Identification of severe market depressions for Recyclable Materials and
1448 contingency plans for such events in the future.

1449

1450 (3) Summary assessment of the overall Solid Waste, ~~Mixed Organic Waste~~ and
1451 Recyclable Materials programs from Grantee’s perspective, including but not
1452 limited to, (i) highlights of significant accomplishments, (ii) problems, and (iii)
1453 recommendations and plans to improve the programs.

1454

1455 (4) A revenue statement, showing quarterly Franchise Fee payments and a summary
1456 of corresponding quarterly revenue.

1457

1458 (5) Grantee shall report any events of non-compliance with any provisions of the
1459 ~~Mendocino County~~City Code, state and federal law, regulatory orders, and
1460 regulations imposed by other regulatory agencies, and the conditions contained in
1461 the Agreement during the prior 12-month period.

1462

1463 **K. Annual Disclosure Statement.**

1464

1465 In conjunction with the annual operations report, as described in Section 13J, Grantee
1466 shall file a disclosure statement which contains the following information:

1467

- 1468 (1) A listing of all Subcontractors to this Agreement (including the name, address,
1469 and social security or tax identification number of the Subcontractor);
1470
1471 (2) A listing of all felony convictions or pleas of nolo contendere of the Grantee or
1472 Subcontractor by final judgment in any state or federal court within the preceding
1473 three years;
1474
1475 (3) A listing of any instances in which a permit or contract held by the Grantee or
1476 Subcontractor was terminated by a final judgment in any state or federal court
1477 within the preceding three years;
1478
1479 (4) A listing of all final adjudications finding the Grantee or Subcontractor in
1480 contempt of any state or federal court order enforcing any state and federal law
1481 within the preceding three years;
1482
1483 (5) A listing of all final convictions or pleas of nolo contendere of the Grantee or
1484 Subcontractor, under state or local laws governing safety of operations,
1485 compliance with environmental and other franchise requirements in the
1486 CountyCity, whether misdemeanors or infractions.
1487

1488 If the Grantee or Subcontractor is a chartered lending institution or a publicly held
1489 company or a wholly-owned subsidiary of such a company required to file annual or quarterly
1490 reports under the Securities and Exchange Act of 1934, the Grantee or Subcontractor may
1491 provide the above required information by submitting quarterly or annual reports for the
1492 preceding three years. If these reports are incomplete or if they fail to contain the information
1493 requested in subsection D items 1, 2, 3, 4, and 5 herein, the Grantee or Subcontractor shall make
1494 such information available to CountyCity. The CountyCity may also require, at
1495 applicant/grantees' expense, preparation and submittal of a Dunn and Bradstreet, or comparable,
1496 report.
1497

1498 If Grantee or Subcontractor has filed a disclosure statement, it shall file a supplemental
1499 disclosure statement only to the extent that its status or events differ from those covered by the
1500 original disclosure statement.
1501

1502 **L. Reporting Requirements**
1503

1504 Grantee may propose report formats that are responsive to the objectives and audiences
1505 for each report. The format of each report shall be approved by the CountyCity. Grantee agrees
1506 to mail a copy of all reports and submit all reports on computer discs, by e-mail or by modem in
1507 a format compatible with CountyCity’s software and computers at no additional charge. Grantee
1508 will provide a certification statement, under penalty of perjury, by the responsible Grantee
1509 official, that the report being submitted is true and correct to the best knowledge of such official
1510 after their reasonable inquiry.

1511 Grantee shall submit quarterly reports within 30 calendar days after the end of the
1512 reporting month. Grantee shall submit annual reports no later than 60 calendar days after the end
1513 of the reporting year.

1514
1515 Grantee shall submit (via mail and e-mail) all reports to the City Manager;
1516
1517 ~~—— Solid Waste Director, County of Mendocino, at the office designated by County for~~
1518 ~~administration of this Agreement.~~

1519
1520 **M. Failure to Report**

1521
1522 The refusal, failure, or neglect of the Grantee to file any of the reports required, or the
1523 inclusion of any materially false or misleading statement or representation made knowingly by
1524 the Grantee in such report shall be deemed a material breach of the Agreement, and shall subject
1525 the Grantee to all remedies, legal or equitable, which are available to the ~~County~~City under the
1526 Agreement or otherwise.

1527

1528 **SECTION 14 - GRANTEE'S RATES**

1529
1530 **A. CountyCity's Powers**

1531
1532 The ~~County~~Grantee’s ~~City~~ shall set and regulate all rates and charges imposed on City
1533 Customers for the services it performs under this Agreement are subject to the prior review,
1534 approval and regulation by City. ~~assessed~~City approves the rates specified in Exhibit B.~~by~~
1535 Grantee for any and all services and activities it performs or engages in the Franchise Area, and
1536 which are covered under this Agreement.

1537
1538 **B. Rate Requirements**

- 1539
1540 (1) Grantee shall provide the services described in this Agreement and be
1541 compensated by its Customers at the rates specified in Exhibit B.~~;~~
- 1542
1543 (2) The rates specified in Exhibit B shall be effective as of ~~September 1, 2010~~the
1544 Commencement Date and shall remain in effect until January 1, 2017.
- 1545
1546 (3) The rates specified in Exhibit B may be modified in accordance with the Rate
1547 Adjustments as described in Section 15 of this Agreement.
- 1548
1549 (4) All charges or fees for service by a Grantee shall be fixed and approved by the
1550 ~~County~~City.
- 1551
1552 (5) Charges for Industrial Solid Waste removal service may be negotiated between
1553 the Grantee and the Customer. If the negotiated charges are less than the rates
1554 specified in Exhibit B, Grantee shall notify the ~~Department~~City in writing of each
1555 Customer that is offered and charged a lower rate. In no event shall the Grantee
1556 charge a rate in excess of those specified in Exhibit B without prior written
1557 approval by the ~~County~~City, except for weight overages as provided for in this
1558 section.
- 1559
1560 (6) Grantee may not charge residential and commercial Customers at rates other than
1561 those specified in Exhibit B except that the ~~County~~City may authorize a
1562 Customer to receive reduced service for a reduced charge and may approve an
1563 agreement between the Customer and the Grantee to provide additional
1564 service for an additional charge. These authorized reduced or additional
1565 charges may be revised by the ~~Board~~City from time to time after a public
1566 hearing thereon and a determination by the ~~Board~~City that a change is in the
1567 public interest and is mutually agreed upon by both parties.
- 1568
1569 (7) Grantee may charge an extra commercial Container overload charge. This extra
1570 charge may be levied by Grantee for each occurrence of a Container overload.

1571 Overload shall be defined as an excess of solid waste mounded such that
1572 Container covers cannot completely close. The Container overload charge
1573 shall be based on the amount of excess solid waste causing the overload
1574 condition. The Container overload charge shall be calculated by the number of
1575 35-gallon Containers that the excess solid waste fills multiplied by the 35-
1576 gallon Container once per month rate as set forth in Exhibit B.

1577
1578 (8) All compensation paid to the Grantee shall be paid by its Customers and the
1579 ~~County~~~~City~~ is in no way obligated to provide the Grantee any compensation
1580 for services described in this Agreement.
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SECTION 15 - RATE ADJUSTMENT PROCEDURES

A. Pass-through Rate Adjustment

- (1) At any time that the ~~Board~~City establishes a ~~County~~ surcharge, increases an existing ~~County~~ surcharge, increases the Franchise Fee rate, or increases the Disposal charge at ~~County~~City-owned facilities, Grantee may apply to the ~~County~~City for a pass-through rate adjustment to offset the new or increased fees. In applying for a pass-through rate adjustment the Grantee must:

- 1626
1627 | (a) Submit a request for the increase, in writing, to the DepartmentCity;
1628
1629 | (b) Specify the amount of the requested increase for each rate given in Exhibit
1630 | B; and,
1631
1632 | (c) Provide documentation that the specified rate increase is reasonable and
1633 | appropriate and does not include rate increases for any other reason than to
1634 | recover the direct cost of the additional pass-through expense.
1635

1636 | Provided that the DepartmentCity staff have received and considered the request
1637 | and documentation described above, and has concluded that the requested rate
1638 | adjustment is reasonable and appropriate and is solely to recover the direct cost of
1639 | the additional pass-through expense, the rates given in Exhibit B shall be
1640 | amended by the ~~County~~City.~~Executive Officer or his/her designated County~~
1641 | ~~employee.~~
1642

- 1643 | (2) If a jurisdiction other than the CountyCity establishes or increases surcharges or
1644 | fees that affect Grantee's expenses, the same procedures as described in (1),
1645 | above, apply.
1646

- 1647 | (3) There shall be no retroactive adjustments because of Grantee's failure to request a
1648 | pass through rate adjustment increase. However, Grantee shall be allowed to
1649 | retroactivity bill Customers from the date of pass-through rate adjustment
1650 | approval to the end of the billing cycle in the next billing period.
1651

- 1652 | (4) At any time that the BoardCity either eliminates a County surcharge on Grantee's
1653 | Customers, decreases an existing County surcharge on Grantee's Customers,
1654 | decreases the Franchise Fee rate, decreases the Disposal charge at the CountyCity
1655 | owned facilities, CountyCity may apply to the Grantee for a pass-through rate
1656 | adjustment to offset the eliminated or decreased fees. In applying for a pass-
1657 | through rate adjustment the CountyCity must:
1658

- 1659 | a) Submit a request for the decrease, in writing to the Grantee;
1660
1661 | b) Specify the amount of the requested decrease for each rate given in
1662 | Exhibit B; and,
1663 | c) Provide documentation that the specified rate decrease is reasonable and
1664 | appropriate and does not include rate decrease for any other reason than to
1665 | recover the direct cost of the decreased or eliminated pass-through
1666 | expense.
1667

1668 | Provided that the Grantee has received and considered the request and
1669 | documentation described above, and the requested rate adjustment is reasonable

1670 and appropriate and is solely to recover the direct cost of the decreased or
1671 eliminated pass-through expense, the rates given in Exhibit B shall be amended
1672 by the ~~CountyCity Executive Officer or his/her designated County employee.~~

1673
1674
1675 (5) If a jurisdiction other than the ~~CountyCity~~ eliminates or decreases surcharges or
1676 fees that affect Grantee's expense, the same procedures as described in (4), above,
1677 apply.

1678
1679 (6) In the case of a jurisdiction other than the ~~CountyCity~~ eliminating or decreasing
1680 surcharge or fees that affect Grantee's expenses, Grantee shall be responsible for
1681 notifying the ~~CountyCity~~ in writing. If Grantee fails to notify ~~CountyCity~~ of
1682 eliminated or decreased surcharges or fees per this section, then the ~~CountyCity~~
1683 may apply for and request a retroactive pass through rate adjustment decrease.

1684
1685 (7) A change in Grantee's costs caused by a change in the initial gate fee at the
1686 Designated Solid Waste Disposal site or Approved Mixed Organic Waste
1687 Processing Site shall cause a pass-through rate adjustment as set forth in (1) or (4)
1688 above.

1689
1690 **B. Cost-of-Living & Fuel Rate Adjustments**

1691
1692
1693 (1) Beginning with the 2016 Rate Period, Four-four to six months prior to the end
1694 of a Rate Period, ~~or by October 1, 2010 for the first Rate Period~~, Grantee may apply for
1695 cost-of-living (COLA) and a fuel rate adjustment to become effective on January 1,
1696 ~~2011~~2017, and annually thereafter. The rate adjustments shall be based on: 1) 90% of
1697 the change in the value of the most recently published All Urban Consumers Consumer
1698 Price Index (CPI-U), all items, for the San Francisco-Oakland-San Jose, CA, Base Period 1982
1699 – 1984 = 100, not seasonally adjusted, compiled and published by the U.S.
1700 Department of Labor, Bureau of Labor Statistics or its successor and its value twelve
1701 months before, and 2) 100% of the change in the value of the most recently
1702 published Series ID:wpu057303; Commodity Code 0573-03 #2 Diesel Fuel compiled and
1703 published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor and
1704 its value twelve months before. Grantee shall notify the ~~CountyCity~~ of the adjustments to
1705 take place and shall provide the ~~CountyCity~~ with its computations and documentation therefore.

1706 For calculation of adjustments, the rates ~~would~~will be divided into three
1707 components – Fuel, Pass-through and All Other. The Fuel Component would equal
1708 ~~8.412.0%~~ 8.412.0% of the first year rate. The Pass-through Component would equal ~~10.920.7%~~
1709 10.920.7%. The All Other Component would equal ~~80.767.3%~~ 80.767.3% of the rate. When the first adjustment
1710 to rates occurs, it will be done in the following manner:

1711 Fuel Component: Existing Billed Rate x 8.412.0% x Diesel Fuel Index

1712 Pass-through Component: None, since pass-through increases, if any, will be
1713 made pursuant to Section 15(A) above.

1714 All Other Component: Existing Billed Rate x 80.767.3% x CPI Index

1715 The sum of the above, together with any Recycling Commodity Value Adjustment as
1716 provided in subsection (E) below, equals the New Rate. Following completion of each annual
1717 financial statement by Grantee, the adjustment factors will be reviewed to correspond to the
1718 percentage of fuel, disposal cost and other expenses out of total operating expenses.

1719

1720

1721 **C. Larger Rate Increases**

~~SWOW EXCEPTION #6~~

1722
1723 No sooner than one year after this Agreement becomes effective, and no more frequently
1724 than annually thereafter, Grantee may apply for a rate adjustment in excess of the Cost-of-Living
1725 Rate Adjustment described in (B), above. Grantee may apply for either the Cost-of-Living Rate
1726 Adjustment or the larger rate increase as described in this section, but may not apply for both for
1727 the same Rate Period. In applying for such a rate increase the Grantee must:

1728

1729 (1) Notify the ~~Department~~City, in writing, of Grantee's intent to seek a rate increase
1730 in excess of the Cost-of-Living Rate Adjustment limitation;

1731

1732 (3) If requested by City, Obtain—obtain and submit to the ~~Department—City~~an
1733 independent financial report~~audit report~~ of Grantee's operations. The ~~County~~City
1734 shall select or approve the auditor to perform the financial report. The cost of the
1735 financial report shall be paid by the Grantee. The financial report must, at a
1736 minimum, determine the profitability of Grantee's operations specific to services
1737 provided under this Agreement.

1738

1739 ~~SWOW EXCEPTION #6~~

1740 (3) Submit a reviewed financial statement for the most-recently completed Rate
1741 Period.

1742

1743 Using information provided in the financial report, as well as records required to be
1744 maintained by Guarantee under Section 13 of this Agreement, the ~~County~~City shall perform a
1745 rate setting study to determine appropriate rates based on projected profitability of the Grantee.
1746 The appropriate profit margin, and the means of determining profitability, shall be included as
1747 part of the rate setting study. The rate setting study shall be conducted by the ~~County~~City, or by
1748 a qualified contractor selected by the ~~County~~City. The cost of the rate study shall be paid by the
1749 Grantee.

1750

1751 ~~County~~City shall then hold at least one public meeting, at a convenient time and place

1752 within the Grantee's Franchise Area, to solicit public comment on the proposed rate increases, as
1753 determined by the rate setting study. This public meeting shall be duly noticed and shall be held
1754 no less than 14 days before the ~~Board~~ City Council considers adoption of the rate increases.

1755
1756 Provided that the ~~County~~ City has received the required information, as described in (1)
1757 and (2), above, has completed the rate setting study, and has held at least one public meeting and
1758 considered public input, the ~~Board~~ City Council may adopt the new rates by amending Exhibit B.

1759
1760 City recognizes that a substantial reduction in Grantee's revenue caused by Customers
1761 changing to smaller Solid Waste containers because of increased Mixed Organic Waste diversion
1762 and increased Recyclables Materials diversion could provide cause for a rate review under this
1763 subsection.

1764
1765 **D. Rate Decreases**

1766
1767 The ~~County~~ City may, at any time, request a rate decrease provided that some change in
1768 conditions has occurred to warrant a rate decrease. Such a rate decrease will require a full
1769 disclosure audit and formal rate structuring. In requesting such a rate decrease, the ~~County~~ City
1770 must:

- 1771
1772 (1) Notify the Grantee, in writing, of ~~County~~ City's intent to seek a rate decrease;
1773
1774 (2) At City's sole discretion, the City may ~~Obtain~~ obtain a financial report of
1775 Grantee's operations. The Grantee shall comply with a full disclosure review.
1776 The ~~County~~ City shall select the auditor to perform the financial report. The cost
1777 of the financial report shall be paid by the ~~County~~ City. The financial report must,
1778 at a minimum, determine the profitability of Grantee's operations specific to
1779 services provided under this Agreement.

1780 ~~———— SWOW EXCEPTION #5~~

1781
1782 Using information provided in the financial report, as well as records required to be
1783 maintained by Guarantee under section 13 of this Agreement, the ~~County~~ City shall perform a
1784 rate setting study to determine appropriate rates based on projected profitability of the Grantee.
1785 The appropriate profit margin, and the means of determining profitability, shall be included as
1786 part of the rate setting study. The rate setting study shall be conducted by the ~~County~~ City, or by
1787 a qualified contractor selected by the ~~County~~ City. The cost of the rate study shall be paid by the
1788 ~~County~~ City.

1789
1790 ~~County~~ City shall then hold at least one public meeting, at a convenient time and place
1791 within the Grantee's Franchise Area, to solicit public comment on the proposed rate decrease, as
1792 determined by the rate setting study. This public meeting shall be duly noticed and shall be held
1793 no less than 14 days before the ~~Board~~ City Council considers adoption of the rate decrease.

1796 | Provided that the ~~County~~City has received the required information, as described in (1)
1797 | and (2), above, has completed the rate setting study, and has held at least one public meeting and
1798 | considered public input, the ~~Board~~City Council may adopt the new rates by amending Exhibit B.

1799 |
1800 | **E. Recycling Commodity Value Adjustment**
1801 |

1802 | The gross market commodity value of Discarded Recyclable Materials collected by Grantee
1803 | pursuant to this Agreement shall be estimated from the tons collected and the average composite
1804 | market value as calculated by the following weighted profile, with each category multiplied by
1805 | the market price including any California Redemption Value, FOB at the Designated Recycling
1806 | Processing Facility. The values below, updated to the 12 months ending June, 2015, shall
1807 | constitute the baseline for comparison ~~to the Rate Period ending December 31, 2010.~~
1808 |
1809 |

		COMPOSITE MARKET VALUE EFFECTIVE 1-1- <u>104/1/2014</u>		
		Scrap		Weighted
Composition	Commodity	Value/Ton	CRV/Ton	Value/Ton
14.75%	OCC	\$ 100.00 <u>146.25</u>		\$4.75 <u>21.57</u>
44.08%	Mixed Paper	89.77 <u>89.67</u>		39.57 <u>39.53</u>
0.53%	HDPE Color	285.00 <u>399.58</u>	\$ 140.00 <u>80.00</u>	2.25 <u>2.54</u>
0.51%	HDPE Natural	503.00 <u>604.25</u>	140.00 <u>80.00</u>	3.28 <u>3.49</u>
1.94%	PET	332.00 <u>385.67</u>	1,300.00 <u>1,020.00</u>	31.66 <u>27.27</u>
1.25%	Rigid Plastics	62.00 <u>114.50</u>		0.78 <u>1.43</u>
1.82%	Tin	5.00 <u>148.17</u>		0.09 <u>2.70</u>
24.41%	Glass 3 Mix	(40.00)	86.00 <u>84.00</u>	11.23 <u>10.74</u>
0.71%	Alum. Cans	1,055.00 <u>1,330</u>	2,960.00	28.51 <u>29.18</u>

			<u>.17</u>		<u>2,780.00</u>		
10.00%	Refuse		(67.83) (76.64)			————(6.78) (7.66)	
		Total Composite Market Value Per Ton				\$	125.34 <u>130.78</u>

1810
 1811 Four to six months before the end of the Rate Period, beginning with the Rate Period ending
 1812 December 31, ~~2010~~2016, Grantee shall calculate the average composite market value per ton
 1813 over the previous 12 months, and use it to determine the change in the gross commodity value of
 1814 Discarded Recyclable Material collected by Grantee compared to the previous Rate Period. Rates
 1815 will be adjusted to that 50% of the change in gross commodity value will be applied
 1816 proportionately to reduce rates in case of a gain and increase rates in case of a decline.

1817
 1818 Example. If the average composite market value per ton during the Rate Period ending
 1819 December 31, 2010 was 100.34/ton and Grantee collected 1,200 tons of Discarded Recyclable
 1820 Material pursuant to the Agreement, rates would be adjusted to equal the following change in
 1821 gross recyclable commodity value.

1822
 1823 $\$125.34 - \$100.34 = \$25.00/\text{ton} \times 1,200 \times 50\% = \$15,000$ added to rates
 1824
 1825
 1826

1827
1828
1829
1830
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1864

~~F. CountyCity Rate Setting Authority~~

1865 ~~If the CountyCity is unable to set rates as provided for herein, the CountyCity agrees~~
1866 ~~that Grantee shall be allowed to set said rates in conformance with the rules and~~
1867 ~~amounts provided in this Agreement, and all other provisions of this Agreement shall~~
1868 ~~remain in full force and effect. Should a court of competent jurisdiction determine that~~
1869 ~~the CountyCity lacks authority to set and/or increase rates for charges related to Franchise~~

1870 ~~and governmental fees and charges then Grantee shall reduce the rates it charges~~
1871 ~~Customers a corresponding amount, providing said fees, rates and/or charges disallowed~~
1872 ~~by the court are not related to the cost of providing service hereunder and had already been~~
1873 ~~incorporated in the rates charged by Grantee to its Customers.~~

1874 ~~Nothing herein is intended to imply that California Constitution, Articles XIII C or~~
1875 ~~XIII D, apply to the setting of rates for the services provided under this Agreement; rather~~
1876 ~~this section is provided merely to allocate risk of loss as between the parties.~~
1877

1878 **SECTION 16 - FEES**

1879
1880 **A. Franchise Fee - Amount**

1881
1882 In consideration of the City's administrative time and expense in the oversight and
1883 management of this Agreement and other solid waste-related costs and activities, and as
1884 consideration for Grantee's use of public streets and for City's maintenance thereof resulting from
1885 Grantee's performance of this Agreement, exclusive rights provided herein, Grantee shall pay a
1886 Franchise Fee to the ~~County~~City calculated as 12% of the Adjusted Gross Revenues- collected for
1887 service. The Franchise Fee may be revised by the ~~Board~~City from time to time after a public
1888 hearing thereon and a determination by the ~~Board~~City that a change is in the public interest, such
1889 increases or decreases determined by the ~~Board~~City shall be subject to pass-through rate
1890 adjustment.

1891
1892
1893 **B. Franchise Fee - Quarterly Payments and Revenue Statements**

1894
1895 Grantee shall pay the Franchise Fee in quarterly payments due within 30 days after the
1896 close of each calendar quarter. Along with the quarterly payment, Grantee shall include a
1897 quarterly revenue statement, certified by an officer of the Grantee that shows the basis for the
1898 calculation thereof.

1899
1900 **C. Franchise Fee - Deposit.**

1901
1902 Franchise fees shall be paid to the ~~Department~~City which shall deposit them to the
1903 ~~County~~City General Fund.

1904
1905 **D. Franchise Fee - Delinquency Penalty**

1906
1907 Payments are delinquent if not received by the ~~County~~City within 30 days as provided
1908 above. All fees are subject to a delinquency penalty of ten percent (10%), which attaches on the
1909 first day of delinquency, plus an additional ten percent (10%) for each additional month the
1910 payment remains delinquent. These penalties are in addition to the franchise termination
1911 provisions of Section 19.

1912
1913 **E. Refund of Franchise Fees**

1914
1915 Once Franchise Fee payments are made to the ~~County~~City, Grantee may not ask for
1916 refund of all or part of Franchise Fees unless such request is based on a mathematical error in its
1917 calculation or a double payment of such payment.

SECTION 17 - BONDS, INSURANCE, AND INDEMNIFICATION

A. Bonds

(1) The CountyCity may require the Grantee to post a performance bond at a value up to 25% of the estimated annual revenues generated through this Agreement. If, however, the Grantee has previously satisfactorily demonstrated that Grantee has the financial means and capabilities to perform required services, the CountyCity may waive the performance bond requirement, or may reduce the required amount of the performance bond.

The amount and specifications of the performance bond required for this Agreement are described in Exhibit C.

(2) If the CountyCity should impose a surcharge, pertaining to Solid Waste Collection and/or Disposal fees, on Grantee's Customers, Grantee may be required to post a fidelity bond. Should this occur, the amount, terms, and conditions of the fidelity bond shall be determined by the CountyCity and shall be included in this Agreement through amendment of Exhibit C.

B. Insurance

Insurance policies are to be secured by the Grantee and remain in full force and effect at all times to provide protection against liability for damages which may be imposed for the negligence of the Grantee or that Persons employees or agents, including, but not limited to, general liability and automobile liability insurance. Grantee shall also provide liability coverage under California Workers' Compensation laws. The amounts of insurance required are to be established herein. Said amounts shall not be construed to limit the Grantee's liability.

The insurance requirements provided herein may be modified or waived in writing by the Board of SupervisorsCity, provided the Board of SupervisorsCity determines that such waiver or modification does not unreasonably increase the risk of exposure to the CountyCity, including the fact that the parent of Grantee may be self-insured up to a certain acceptable amount.

(1) Workers' Compensation Insurance. Grantee shall obtain and maintain in full force and effect throughout the entire term of this Agreement full Workers' Compensation Insurance in accord with the provisions and requirements of the Labor Code of the State of California. Endorsements that implement the required coverage shall be filed and maintained with the Department throughout the term of this Agreement.

(2) Comprehensive General Liability. Grantee shall obtain and maintain in full force and effect throughout the entire term of this Agreement a Broad Form

1964 Comprehensive General Liability (occurrence) policy with a minimum limit of
1965 TWO MILLION DOLLARS (\$2,000,000.00) aggregate and ONE MILLION
1966 DOLLARS (\$1,000,000.00) per occurrence for bodily injury and property
1967 damage, with any self-insured retention not exceeding TWO HUNDRED
1968 THOUSAND (\$200,000.00) per occurrence. Said insurance shall protect Grantee
1969 and CountyCity from any claim for damages for bodily injury, including
1970 accidental death, as well as from any claim for property damage which may arise
1971 from operations performed pursuant to this Agreement, whether such operations
1972 are by Grantee itself, or by its agents, employees and/or Subcontractors. Copies
1973 of the policies or endorsements evidencing the above-required insurance coverage
1974 shall be filed with the DepartmentCity. Endorsements are required to be made a
1975 part of all of the following insurance policies required by this Section:
1976
1977 (a) "The CountyCity, its employees, agents, and officers, are hereby added as
1978 insured's as respects liability arising out of activities performed by or on
1979 behalf of Grantee."
1980
1981 (b) "This policy shall be considered primary insurance as respects any other
1982 valid collectible insurance the CountyCity may possess including any self-
1983 insured retention the CountyCity may have, and any other insurance the
1984 CountyCity does possess shall be considered excess insurance and shall
1985 not contribute with it."
1986
1987 (c) "This policy shall act for each insured, as though a separate policy had
1988 been written for each. This, however, will not act to increase the limit of
1989 liability of the insuring company."
1990
1991 (d) "Thirty (30) days prior written notice by certified mail, return receipt
1992 requested, shall be given to the CountyCity in the event of suspension,
1993 cancellation, reduction in coverage or in limits or non-renewal of this
1994 policy for whatever reason. Such notice shall be sent to the
1995 DepartmentCity."
1996
1997 (3) Vehicle Liability. Grantee shall obtain and maintain in full force and effect
1998 throughout the entire term of this Agreement a vehicle liability policy with a
1999 minimum limit of TWO MILLION DOLLARS (\$2,000,000.00) per occurrence
2000 for bodily injury and TWO HUNDRED THOUSAND DOLLARS (\$200,000.00)
2001 per occurrence for property damage. Said insurance shall protect Grantee and
2002 CountyCity from any claim for damages for bodily injury, including accidental
2003 death, as well as from any claim for property damage which may arise from
2004 operation of owned and non-owned vehicles. Copies of the policies or
2005 endorsements evidencing the above-required insurance coverage shall be filed
2006 with the DepartmentCity.

2007
2008 The limits of such insurance coverage, and companies, shall be subject to review and
2009 approval by the CountyCity every year and may be increased at that time and match the coverage
2010 provided by the CountyCity's own liability insurance policy. The CountyCity shall be included
2011 as a named insured on each of the policies, or policy endorsements.
2012

2013 **C. Indemnification**

2014
2015 (1) Indemnification of CountyCity

2016
2017 (a) Grantee shall defend the CountyCity with counsel reasonably acceptable
2018 to the CountyCity and indemnify the CountyCity from and against any and
2019 all liabilities, costs, claims and damages which are caused by Grantee's
2020 negligence or failure to comply with applicable laws and regulations,
2021 including but not limited to liabilities, costs, claims and damages
2022 described in Section 17B, above.
2023

2024 (b) Grantee agrees that it shall protect and defend the CountyCity with
2025 counsel reasonably acceptable to CountyCity, indemnify and hold
2026 harmless CountyCity, its officers, employees and agents from and against
2027 any and all losses, liabilities, fines, penalties, claims, damages, liabilities
2028 or judgments (including attorney's fees), arising out of or resulting in any
2029 way from Grantee's exercise of this Agreement, unless such claim is due
2030 to the sole negligence or willful acts of the CountyCity, its officers,
2031 employees, agents or contractors, or from CountyCity's grant of this
2032 Agreement to Grantee.
2033

2034 (c) In addition, Grantee shall defend the CountyCity with counsel reasonably
2035 acceptable to the CountyCity, indemnify and hold the CountyCity
2036 harmless from any and all litigation and claims, damages and liabilities
2037 arising there from, brought to enforce or to challenge this Agreement
2038 and/or Grantee's exclusive rights granted there under; provided, however,
2039 that Grantee's obligations hereunder extend only to actions brought against
2040 or by Persons not parties to this Agreement.

1

2 (2) Indemnification of Grantee.

3 (a) Except as provided by subparagraph (3) AB939 Indemnification, the
4 CountyCity shall defend, with counsel reasonably acceptable to
5 Grantee, indemnify and hold Grantee harmless from any and all
6 fines, penalties and assessments levied against or threatened to be
7 levied against the CountyCity and/or Grantee for the CountyCity's

8 failure to meet the requirements of AB939, its amendments or any
9 successor legislation and/or all rules and regulations
10 promulgated hereunder if said failure is due solely to the
11 negligence or misconduct of the CountyCity, including but not
12 limited to the CountyCity's failure to adopt Source Reduction and
13 Recycling Elements mandated under AB939.

14 (b) In the event that the CountyCity directs the Grantee to Dispose of or
15 Transport Solid Waste, Mixed Organic Waste

16 ~~(b)~~(c) and/or Recyclable Materials to a specific facility, the Grantee shall
17 not be held liable for damages at or to that facility, or to the
18 CountyCity as a result of the acts or omissions of that facility, unless
19 the damages are caused by the willful or negligent acts of the
20 Grantee.

21 (3) AB939 Indemnification. Grantee shall defend with counsel reasonably
22 acceptable to the CountyCity, indemnify and hold the CountyCity harmless
23 from any and all fines, penalties and assessments levied against or threatened
24 to be levied against the CountyCity for the CountyCity's failure to meet the
25 requirements of AB939, with respect to the Waste Stream under
26 Grantee's control, its amendments or any successor legislation and/or all
27 rules and regulations promulgated hereunder if said failure results from Grantee's
28 failure to comply with this Agreement and/or Grantee's failure to comply
29 with said laws, rules or regulations, including but not limited to failing to
30 timely supply to the CountyCity the reports and information required by the
31 CountyCity in order to comply with AB939.
32

SECTION 18 - FRANCHISE TRANSFER, ISSUANCE, AND RENEWAL

A. Franchise Transfer

In the event that ownership interest of a Grantee is sold, transferred, leased, assigned, mortgaged, pledged, hypothecated, or otherwise encumbered or Disposed of in whole or in part, directly or indirectly, whether voluntarily or by operation of law or through any stock transfer, transfer in trust, change in control, consolidation or merger, this Agreement will be considered non-transferable unless all of the following conditions are met:

- (1) The Grantee notifies the ~~County~~City, in writing, at least sixty (60) days in advance of the transfer in ownership interest, as defined above, and submits a Disclosure Statement in accordance with Section 13K; and
- (2) The Grantee and the party to which ownership interest is being transferred demonstrate that the party to which ownership interest is being transferred has the financial means, experience and capabilities to fulfill the requirements of this Agreement; and
- (3) The party to which ownership interest is being transferred demonstrates that the best interest of the public will be served, and that service levels will not decline or rates increase as a result of the transfer of ownership.

If the Grantee and the party to which ownership interest is being transferred have satisfactorily complied with all of the conditions described above, the ~~Board~~City shall not unreasonably deny the transfer of this Agreement. In the event that ownership interest in Grantee changes as described in this section, and the ~~Board~~City has approved the transfer of this Agreement, the ~~Board~~City has the right to require competitive bid or request for proposal of said Agreement at any time during the remainder of this Agreement term. A two-year notification of such intent shall be given to the Grantee provided that two or more years remain in Agreement term.

Any transfer of ownership interest made without having met the conditions described above, and without ~~Board~~City approval to transfer this Agreement, shall constitute good cause for revocation of the Agreement.

Notwithstanding the above, the present stockholders in the Grantee shall have the right to transfer stock to their spouses and/or relatives within the first degree.

The Grantee shall compensate the ~~County~~City for all costs incurred by the ~~County~~City to examine the transfer of the Agreement, whether or not the ~~County~~City agrees to the transfer.

75 **B. General Standards of Responsibility**

76
77 | The ~~Board-City~~ may refuse to approve the transfer of this Agreement, if the ~~Board-City~~
78 finds by a preponderance of evidence that the buyer has:

- 79
80 (1) Intentionally misrepresented or concealed any material fact in the disclosure
81 statement;
- 82
83 | (2) Obtained a license, permit, contract, or franchise from the ~~County~~City by
84 intentional misrepresentation or concealment of a material fact;
- 85
86 (3) Been convicted of a felony or pleaded guilty or nolo contendere to a felony
87 involving the laws of any state or the federal government within the three years
88 preceding the issuance of the license or permit, or execution of the contract or
89 Agreement;
- 90
91 (4) Been adjudicated in contempt of an order of any court enforcing laws of this state
92 or the federal government within three years preceding the issuance of the license
93 or permit, or execution of the contract or Agreement; or
- 94
95 (5) Disregarded the public safety, as evidenced by convictions or pleas of nolo
96 contendere to the violation of state and local law governing safety of operations,
97 compliance with environmental and other franchise requirements within the
98 ~~County~~City.
99

100 | In deciding whether to renew or allow transfer of this Agreement, the ~~Board-City~~ shall
101 consider the facts and mitigating factors surrounding the foregoing including:

- 102
103 (1) The relevance of the offense to the business for which the license, permit, contract
104 or franchise is issued;
- 105
106 (2) The nature and seriousness of the offense;
- 107
108 (3) The circumstances under which the offense occurred;
- 109
110 (4) The date of the offense; and
- 111
112 (5) The ownership and management structure in place at the time of the offense.
113

114 | The ~~Department-City shall recommend to the Board-City Council shall determine~~
115 whether the buyer is fit to retain the rights granted under this Agreement. The ~~County~~City shall
116 notify the Grantee of its determination within sixty (60) days following the Grantee's submittal
117 of the disclosure form. Failure by the ~~Department-City~~ to make a ~~determination~~recommendation

118 regarding the Grantee’s fitness for transfer, within the time frame indicated above, shall in no
119 case result in the revocation of the Grantee’s rights under the Agreement, an order to cease
120 operations, or a termination of this Agreement.

121
122 **C. Opportunity to Demonstrate Rehabilitation**
123

124 In determining whether to ~~recommend approval to the Board~~ City Council of a transfer of
125 this Agreement, the ~~Department~~ City shall first allow the buyer to submit evidence of
126 rehabilitation and shall consider the buyer’s efforts to prevent recurrence of unlawful activity.
127 Items to be considered by the Department shall include:

- 128 (1) The record and history of implementing successful corrective actions undertaken
129 to prevent or minimize the likelihood of recurrence of the offense;
- 130 (2) Whether the offense was an isolated incident or a series of related incidents;
- 131 (3) Whether the buyer cooperated with government bodies during investigations;
- 132 (4) The number and types of permits, contracts or franchises held by the buyer;
- 133 (5) Implementation by the buyer of formal policies, training programs, and
134 management controls to substantially minimize or prevent the occurrence of
135 future violations or unlawful activities;
- 136 (6) Implementation by the buyer of an environmental compliance auditing program
137 to assess and monitor the adequacy of the internal systems to ensure compliance
138 with environmental laws, regulations and conditions set forth in this Agreement;
- 139 (7) The buyer’s discharge of individuals, or severance of the interest of or affiliation
140 with responsible parties, which would otherwise cause the ~~County~~ City to deny the
141 renewal, transfer or refuse to enter into this Agreement; and
- 142 (8) Consideration of the need for this Agreement in advancing the ~~County~~ City's
143 welfare, health, and prosperity.

144
145
146
147
148
149
150
151
152
153 Where the ~~Department~~ City determines that pursuant to the above, mitigating factors
154 exist, or, pursuant to this Section 18C, that the buyer has demonstrated rehabilitation, the
155 ~~Department~~ City shall ~~approve~~ recommend to the Board City Council the transfer of this
156 Agreement.

157 **SECTION 19 - TERMINATION**

158
159 **A. Events of Default**

160 Each of the following shall constitute an event of default (“Event of Default”) hereunder:

- 161
162
163 (1) Grantee has demonstrated an inability to properly perform the franchised activity,
164 failed to comply with one or more of the terms or conditions of this Agreement, or
165 future amendment(s) to this Agreement, failed to comply with any material
166 federal, state or local laws, ordinances, rules or regulations pertaining to the
167 franchised activity, or when the franchised activity has become a nuisance or is
168 detrimental to the public health, safety or welfare. If Grantee does not perform
169 franchise services for a period in excess of 15 days, this Agreement may be
170 terminated by the CountyCity. Grantee shall not be in default of this Agreement
171 if Grantee commences such action required to cure the particular breach within 7
172 calendar days after such notice, and it continues such performance diligently until
173 completed.
- 174
175 (2) Any representation, warranty, or disclosure made to CountyCity by Grantee in
176 connection with or as an inducement to entering into this Agreement or any future
177 amendment to this Agreement, which proves to be false or misleading in any
178 material respect as of the time such representation or disclosure is made, whether
179 or not any such representation, warranty, or disclosure appears as part of this
180 Agreement;
- 181
182 (3) There is a seizure or attachment (other than a pre-judgment attachment) of, or
183 levy affecting possession on, the operating equipment of Grantee, including
184 without limit its vehicles, maintenance or office facilities, or any part thereof of
185 such proportion as to substantially impair Grantee's ability to perform under this
186 Agreement and which cannot be released, bonded, or otherwise lifted within 48
187 hours excluding weekends and Holidays;
- 188
189 (4) Grantee files a voluntary petition for debt relief under any applicable bankruptcy,
190 insolvency, debtor relief, or other similar law now or hereafter in effect, or shall
191 consent to the appointment of or taking of possession by a receiver, liquidator,
192 assignee (other than as a part of a transfer of equipment no longer useful to
193 Grantee or necessary for this Agreement), trustee (other than as security for an
194 obligation under a deed of trust), custodian, sequestrator (or similar official) of the
195 Grantee for any part of Grantee's operating assets or any substantial part of
196 Grantee's property, or shall make any general assignment for the benefit of
197 Grantee's creditors, or shall fail generally to pay Grantee's debts as they become
198 due or shall take any action in furtherance of any of the foregoing;
- 199

200 (5) A court having jurisdiction shall enter a decree or order for relief in respect of the
201 Grantee, in any involuntary case brought under any bankruptcy, insolvency,
202 debtor relief, or similar law now or hereafter in effect, or Grantee shall consent to
203 or shall fail to oppose any such proceeding, or any such court shall enter a decree
204 or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator
205 (or similar official) of the Grantee or for any part of the Grantee's operating
206 equipment or assets, or orders the winding up or liquidation of the affairs of
207 Grantee;

208
209 (6) If Grantee (i) is the subject of any labor unrest including work stoppage or
210 slowdown, sick-out, picketing or other concerted job action; (ii) appears in the
211 reasonable judgment of CountyCity to be unable to regularly pay its bills as they
212 become due; or (iii) is the subject of a civil or criminal judgment or order entered
213 by a federal, state, regional or local agency for violation of an Applicable Law,
214 and the CountyCity believes in good faith that Grantee's ability to perform under
215 the Agreement has thereby been placed in substantial jeopardy, the CountyCity
216 may, at its option and in addition to all other remedies it may have, demand from
217 Grantee reasonable assurances of timely and proper performance of this
218 Agreement, in such form and substance as the CountyCity believes in good faith
219 is reasonably necessary in the circumstances to evidence continued ability to
220 perform under the Agreement. If Grantee fails or refuses to provide satisfactory
221 assurances of timely and proper performance in the form and by the date required
222 by CountyCity, such failure or refusal shall be an event of default.

223
224 **B. Right to Suspend, Amend, or Terminate**

225
226 Upon an “Event of Default” by Grantee, the CountyCity may suspend, amend, or
227 terminate this Agreement.

228
229 **C. Procedures**

230
231 Prior to suspending, amending, or terminating this Agreement ~~granted by the Board~~, the
232 CountyCity may provide the Grantee with written notice of the proposed action and the reasons
233 for it. The notice shall state that prior to the suspension, amendment or revocation, the Grantee
234 is entitled to a hearing before the CountyCity if the Grantee requests such a hearing in writing
235 and the request is received by the CountyCity not more than ten (10) days after notice of the
236 proposed action has been mailed to the Grantee.

237
238 If the CountyCity does not receive a written request for a hearing within the time period
239 prescribed above, the Grantee is deemed to have waived the right to a hearing and the
240 CountyCity may immediately suspend, amend, or terminate this Agreement on the terms
241 specified in the notice.

243 | In the event of a serious violation, as determined by the DepartmentCity, or in the event
244 | of repeated violations of this Agreement, the Agreement shall be terminated by the BoardCity
245 | Council.
246 |

247 | **D. Agreement - Revocation - Equipment Use by CountyCity**
248 |

249 | In the event of suspension or revocation of this Agreement, the CountyCity shall have the
250 | right forthwith to take possession of all trucks and other equipment of the Grantee for the
251 | purpose of Collecting and Disposing of the Solid Waste and performing all other duties which
252 | the Grantee is obligated to perform. The CountyCity shall have the right to retain possession of
253 | such trucks and equipment until other suitable trucks and equipment can be purchased or
254 | otherwise acquired by the CountyCity for such purpose. The CountyCity shall pay the Grantee a
255 | reasonable rental for the use of such trucks and equipment.
256 |

257 | **E. Liquidated Damages**
258 |

259 | (1) **General.** The CountyCity and Grantee find that as of the time of the execution of
260 | this Agreement, it is impractical, if not impossible, to reasonably ascertain the
261 | extent of damages which shall be incurred by CountyCity as a result of a breach
262 | by Grantee of its obligations under this Agreement. The factors relating to the
263 | impracticability of ascertaining damages include, but are not limited to, the fact
264 | that: (i) substantial damage results to members of the public who are denied
265 | services or denied quality or reliable service; (ii) such breaches cause
266 | inconvenience, anxiety, frustration, and deprivation of the benefits of the
267 | Agreement to individual members of the general public for whose benefit this
268 | Agreement exists, in subjective ways and in varying degrees of intensity which
269 | are incapable of measurement in precise monetary terms; (iii) that exclusive
270 | services might be available at substantially lower costs than alternative services
271 | and the monetary loss resulting from denial of services or denial of quality or
272 | reliable services is impossible to calculate in precise monetary terms; and (iv) the
273 | termination of this Agreement for such breaches, and other remedies are, at best, a
274 | means of future correction and not remedies which make the public whole for past
275 | breaches.
276 |

277 | (2) **Service Performance Standards; Liquidated Damages for Failure to Meet**
278 | **Standards.** The Parties further acknowledge that consistent, reliable Solid Waste
279 | and Recyclable Materials Collection service is of utmost importance to
280 | CountyCity and that CountyCity has considered and relied on Grantee's
281 | representations as to its quality of service commitment in awarding an Agreement
282 | to it. The CountyCity and Grantee recognize that some quantified standards of
283 | performance are necessary and appropriate to ensure consistent and reliable
284 | service and performance. The CountyCity and Grantee further recognize that if
285 | Grantee fails to achieve the performance standards, or fails to submit required

286 | documents in a timely manner, CountyCity and its residents and businesses will
287 | suffer damages, and that it is, and will be, impractical and extremely difficult to
288 | ascertain and determine the exact amount of damages which CountyCity will
289 | suffer. Therefore, without prejudice to CountyCity's right to treat such non-
290 | performance as an event of default under this Section, the CountyCity and
291 | Grantee agree that the Liquidated Damages amounts established in Exhibit F of
292 | this Agreement and the following Liquidated Damage amounts represent a
293 | reasonable estimate of the amount of such damages considering all of the
294 | circumstances existing on the Effective Date of this Agreement, including the
295 | relationship of the sums to the range of harm to CountyCity that reasonably could
296 | be anticipated and the anticipation that proof of actual damages would be costly
297 | or impractical.

298 |
299 | Grantee agrees to pay (as Liquidated Damages and not as a penalty) the amounts
300 | set forth in the Schedule of Liquidated Damages, Exhibit F.

301 |
302 | CountyCity may determine the occurrence of events giving rise to Liquidated
303 | Damages through the observation of its own employees or representative or
304 | investigation of complaints by Customers, Owners, and Generators.

305 |
306 | Liquidated Damages will only be assessed after Grantee has been given the
307 | opportunity but failed to rectify the damages as described in this Agreement.
308 | CountyCity shall give Grantee notice of its intention to assess Liquidated
309 | Damages. The notice will include a brief description of the incident(s) and non-
310 | performance. The CountyCity may review (and make copies at its own expense)
311 | all information in the possession of Grantee relating to incident(s) and non-
312 | performance. CountyCity may, within 10 calendar days after issuing the notice,
313 | request a meeting with Grantee. CountyCity may present evidence of non-
314 | performance in writing and through testimony of its employees and others
315 | relevant to the incident(s) and non-performance. CountyCity will provide
316 | Grantee with a written explanation of his or her determination on each incident(s)
317 | and non-performance prior to authorizing the assessment of Liquidated Damages
318 | under this Section 18E(2). The decision of CountyCity shall be final and Grantee
319 | shall not be subject to, or required to exhaust, any further administrative remedies.

- 320 |
321 | (4) **Amount.** CountyCity may assess Liquidated Damages for each calendar day or
322 | event, as appropriate, that Grantee is determined to be liable in accordance with
323 | this Agreement in the amounts specified in Exhibit F subject to annual adjustment
324 | described below.

325 |
326 | The amount of Liquidated Damages specified in Exhibit F shall be adjusted
327 | annually on the first day of the Rate Period. The adjustment shall be rounded to
328 | the nearest cent. Liquidated Damage amounts shall be adjusted to reflect 75% of

the changes in the All Urban Consumers Index (CPI-U), all items, for the San Francisco-Oakland-San Jose, CA, Base Period 1982 – 1984 = 100, not seasonally adjusted, compiled and published by the U. S. Department of Labor, Bureau of Labor Statistics or its successor agency, using the method following:

Adjusted Liquidated Damage Amount = Then-current Liquidated Damage Amount x most current CPI-U/previous 12-month CPI-U

For example:

Current Liquidated Damage Amount = \$150.00

Most recently published index (May 2004) = 193.5

Index published twelve months prior to most recently published index (May 2003) = 191.0

Adjusted Liquidated Damage Amount = \$150.00 x (193.5/191.0) = \$151.96

If the CPI-U is discontinued or revised during the Term by the United States Department of Labor, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the CPI had not been discontinued or revised.

- (4) **Timing of Payment.** Grantee shall pay any Liquidated Damages assessed by CountyCity within 10 calendar days of the date the Liquidated Damages are assessed. If they are not paid within the 10-day period, and providing Grantee has exhausted its right to administrative review in accordance with this Section, CountyCity may proceed against the performance bond required by the Agreement, request replacement of Grantee’s general manager, order the termination of the exclusive Collection rights granted by this Agreement, or all of the above.

SECTION 20 - RIGHTS OF COUNTYCITY TO PERFORM DURING EMERGENCY

A. Provision of Emergency Services

Grantee shall provide emergency services at the CountyCity’s request in the event of major accidents, disruptions, or natural calamities. Emergency services may include, but are not limited to, assistance handling salvaged materials, Processing, Disposing of Solid Waste or Recyclable Materials following a major accident, disruption, or natural calamity. Grantee shall be capable of providing emergency services within 24 hours of notification by the CountyCity or as soon thereafter as is reasonably practical in light of the circumstances. Emergency services, which exceed the Grantee’s obligations, shall be compensated in accordance with Section 15C. If Grantee cannot provide the requested emergency services, the CountyCity shall have the right to take possession of the Grantee’s equipment for the purposes of providing emergency services.

B. Franchise Revocation - Emergency Actions

Notwithstanding provisions of this Agreement to the contrary, the Department-City may temporarily suspend this Agreement, without prior notice and a hearing, whenever an emergency exists which poses an immediate threat to the public health, safety, or welfare. In such a case, the Department-City shall attempt to notify the Grantee at least twenty four (24) hours prior to the proposed action. A hearing shall be held within seventy two (72) hours of the action taken to suspend the franchise. Appeals to the Board-City Council are governed by Section 21.

C. Labor Dispute - CountyCity Assumption of Duties - Authorized

In the event the refuse Collection of a Grantee is interrupted by a labor dispute and scheduled Collections are discontinued for more than seventy-two (72) hours, the CountyCity shall have the right to forthwith take temporary possession of all facilities and equipment of the Grantee for the purpose of continuing the service which the Grantee has agreed to provide in order to preserve and protect the public health and safety. The CountyCity shall have the right to retain possession of such facilities and equipment and to render the required service, until the Grantee can demonstrate to the satisfaction of the CountyCity that required services can be resumed by the Grantee; provided, however, that such temporary assumption of the Grantee’s obligations under this Agreement shall not be continued by the CountyCity for more than one hundred twenty (120) days from the date such operations were undertaken. Should the Grantee fail to demonstrate to the satisfaction of the CountyCity that required services can be resumed by the Grantee prior to the expiration of the aforementioned one hundred twenty (120) days, the rights and privileges granted to the Grantee may be forfeited and the franchise granted herein may be terminated.

Should the CountyCity exercise its right to take temporary possession of Grantee’s facilities used in providing service under this Agreement, CountyCity shall recognize Grantee’s obligations to provide service in accordance with other agreements and shall cooperate with

407 Grantee in its efforts to provide such other service using the Grantees facilities in the
408 | CountyCity's temporary possession.

409

410 | **D. Labor Dispute - CountyCity Assumption of Duties - Use of Revenue**

411

412 | During any period in which the CountyCity has temporarily assumed the obligations of
413 | the Grantee under this Agreement, the CountyCity shall be entitled to the Adjusted Gross
414 | Revenues attributable to operations during such period and shall pay there from only those costs
415 | and expenses, including a reasonable rental for use of trucks and equipment, applicable or
416 | allocable to the period. The excess, if any, of revenue over applicable or allocable costs and
417 | expenses during such period shall be deposited in the treasury to the CountyCity to the credit of
418 | the General Fund. Final adjustment and allocation of Adjusted Gross Revenues, costs and
419 | expenses to the period during which the CountyCity temporarily assumed the obligations of the
420 | Grantee shall be determined by an audit, by a certified public accountant or licensed public
421 | accountant, and prepared in report form with that person's unqualified opinion annexed thereto.

422

423 | **E. Labor Dispute - CountyCity Assumption of Duties – Employees**

424

425 | Employees of the Grantee may be employed (providing employee consents) by the
426 | CountyCity during any period in which the CountyCity temporarily assumes the obligations of
427 | the Grantee under this Agreement; provided, however, that the rate of compensation to be paid
428 | the employees, or any other employees, shall be the rate or rates in effect at the time the
429 | Grantee's service was interrupted by the labor dispute, and the terms and conditions of
430 | employment shall be the same as provided by the Grantee.

431

432

433 **SECTION 21 - GENERAL PROVISIONS**

434
435 **A. Entire Agreement**

436
437 This Agreement, including the exhibits, represents the full and entire Agreement between
438 the CountyCity and Grantee with respect to the matters covered herein.

439
440 **B. Force Majeure**

441
442 Neither party shall be in default under this Agreement in the event and for so long as it is
443 impossible or extremely impracticable for it to perform its obligations due to any of the
444 following reasons: riots, wars, sabotage, civil disturbances, insurrection, explosion, natural
445 disasters such as floods, earthquakes, landslides, fires, and volcanic eruptions, strikes, lockouts
446 and other labor disturbances or other catastrophic events which are beyond the reasonable
447 control of Grantee. Labor unrest, including but not limited to strike, work stoppage or
448 slowdown, sick-out, picketing, or other concerted job action conducted by Grantee's employees
449 or directed at Grantee is not an excuse from performance and Grantee shall be obligated to
450 continue to Collect and Dispose of Solid Waste, notwithstanding the occurrence of any or all of
451 such events; provided, however, that labor unrest or job action directed at a third party over
452 whom Grantee has no control, shall excuse performance.

453
454 A party claiming excuse under this Section must (i) have taken reasonable precautions to
455 avoid being affected by the cause, and (ii) notify the other party in writing within 5 days after the
456 occurrence of the event specifying the nature of the event, the expected length of time that the
457 party expects to be prevented from performing, and the steps which the party intends to take to
458 restore its ability to perform.

459
460 In the event a labor disturbance interrupts Collection, Transportation Disposal, and/or
461 Processing of Solid Waste, Mixed Organic Waste or Recyclable Materials by Grantee as required
462 under this Agreement, CountyCity may elect to exercise its rights under Section 20 of this
463 Agreement.

464
465 **C. Notice Procedures**

466
467 All notices, demands, requests, proposals, approvals, consents, and other communications
468 which this Agreement requires, authorizes, or contemplates shall be in writing and shall either be
469 personally delivered to a representative of the Parties at the address below or deposited in the
470 United States mail, first class postage prepaid, addressed as follows:

471
472 A. If to CountyCity:
473 ~~_____Solid Waste Director~~
474 County of Mendocino
475 ~~Mendocino Solid Waste Management Authority~~ City Manager

476 | _____ ~~P.O. Box 123~~ ~~City of Willits~~

477 |
478 | _____ ~~111 E. Commercial Street~~
479 | _____ ~~Willits, CA 95490~~
480 | _____ ~~Ukiah, CA 95482~~

481 |
482 | B. If to Grantee:

483 |
484 | _____
485 | Solid Wastes of Willits, Inc.
486 | _____ Gerald W. Ward, President
487 | _____ PO Box 1425
488 | _____ Willits, CA 95490
489 |
490 |

491 | The address to which communications may be delivered may be changed from time to
492 | time by a notice given in accordance with this Section.

493 |
494 | ~~Except as otherwise provided herein, A the~~ notices required or given pursuant to this title
495 | shall be deemed properly served on the day it is personally delivered or when deposited, postage
496 | prepaid, in the United States mail, addressed to the address provided to the Department.

497 |
498 | **D. Independent Contractor**

499 |
500 | Grantee is an independent contractor and not an officer, agent, servant or employee of
501 | ~~County~~ ~~City~~. Grantee is solely responsible for the acts and omissions of its officers, agents,
502 | employees, Grantees and Subcontractors, if any. Nothing in this Agreement shall be construed
503 | as creating a partnership or joint venture between ~~County~~ ~~City~~ and Grantee. Neither Grantee nor
504 | its officers, employees, agents or Subcontractors shall obtain any rights to retirement or other
505 | benefits which accrue to ~~County~~ ~~City~~ employees.

506 |
507 | **E. Roadway Damage**

508 |
509 | Grantee shall be responsible for any extraordinary damage (not including normal wear)
510 | caused by Grantee's negligence to ~~County~~ ~~City~~'s driving surfaces, whether or not paved, resulting
511 | from the weight of vehicles providing Collection services at the location of Bins and Containers
512 | on public property. This Agreement does not purport to affect, in any way, Grantee's civil
513 | liability to any third parties

514 |
515 | **F. Property Damage**

516 |
517 | Any physical damage caused by the negligent or willful acts or omissions of employees,
518 | Grantees or Subcontractors of the Grantee to private or public property shall be repaired or

519 replaced by Grantee, at Grantee's sole expense.

520

521 | **G. Compliance with CountyCity Code**

522

523 | Grantee shall comply with those provisions of the CountyCity Code which are applicable,
524 and with any and all amendments to such applicable provisions during the term of this
525 Agreement, subject to Section 1C.

526 |

527

528 | **H. Severability**

529

530 If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this
531 Agreement or any part thereof is, for any reason, held to be illegal, such decision shall not affect
532 the validity of the remaining portions of this Agreement or any part thereof, except as
533 specifically set forth herein.

534

535 | **I. Waiver or Modification**

536

537 No waiver, alteration, or modification of any of the provisions of this Agreement shall be
538 binding unless in writing and signed by a duly authorized representative of both parties to this
539 Agreement.

540

541 | **J. Forum Selection**

542

543 | Grantee and CountyCity stipulate and agree that any litigation relating to the enforcement
544 or interpretation of this Agreement, arising out of Grantee's performance or relating in any way
545 | to the work shall be brought in Superior Court in Mendocino CountyCounty.

546

547 | **K. Court Costs and Attorney Fees**

548

549 In the event legal action is instituted by either party to enforce this Agreement, the
550 prevailing party shall be entitled to reasonable attorney fees and actual costs in connection with
551 such action.

552

553

554 **IN WITNESS WHEREOF**, the parties hereto, by their duly authorized representatives,
555 have affixed their hands on the day and year this Agreement first above written.

556
557 GRANTEE: Solid Wastes of Willits, Inc

558 _____
559
560

561
562 Gerald W. Ward, President
563 Solid Wastes of Willits, Inc.
564 ~~P.O. Box 1425~~
565 ~~Willits, CA 95490~~

566
567
568 Date: _____
569

570
571 | ~~COUNTY~~CITY OF ~~MENDOCINO~~WILLITS

572
573
574
575 | ~~Carre Brown, Chair, BOARD OF SUPERVISORS~~Bruce Burton, Mayor

576
577
578 Date: _____
579

580 ATTEST:
581
582 | ~~Clerk of the Board~~City Clerk

583
584 By:

585
586
587 APPROVED AS TO FORM:
588 | ~~Jeanine B. Nadel~~H. James Lance, CountyCityCounselAttorney

589
590 By:

591
592 | ~~APPROVED AS TO INSURANCE REQUIREMENTS:~~
593 ~~Kristin McMenomey, Risk Manager~~

594
595 By: _____
596

597

EXHIBIT A

SOURCE REDUCTION and WASTE DIVERSION PROGRAMS

~~SWOW EXCEPTION #3~~

1) **SINGLE STREAM RECYCLING:** A form of “single stream” curbside recycling service shall be provided to all Single-Family Units, and to any housing units with individual solid waste collection service, including mobile home parks and Multi-Family Units that use separate Carts. Single stream recycling collection service shall be every ~~other~~ ~~other~~ week. The single stream recycling Cart will be 95 gallons or 65 gallons. The Cart will be of a style and color approved by the ~~Department~~City, and will be provided to every customer. Additional Carts will be provided if needed. Recyclable Materials to be collected include, but are not limited to, newspaper, mixed paper, office paper, cardboard, paste board, press board, magazines, aluminum cans, glass containers, small pieces of scrap metal weighing less than 10 pounds and plastic containers nos. 1-7. Customers may mix all Recyclable Materials together in the Cart. There shall be no additional charge for the aforementioned service.

~~2) 2)~~ **COMMERCIAL RECYCLING:** A form of Commercial Recycling will be provided to all Commercial Solid Waste customers, including Multi-Family Units that use Bins or Compactors. Commercial Recycling may be in the form of Single Stream Recycling Carts, or Bins. Where determined that there is sufficient volume one type of Recyclable Material (greater than one yard per week), the Grantee may require Commercial Solid Waste Generator to use Segregated Recyclable Material Bin(s) for the material(s) generated in sufficient volume. Otherwise, Commercial Recycling will be provided as Single Stream Recycling Carts and Bins. All Carts and Bins will be properly and neatly labeled. Collection will be at a minimum every other week. Recycling Carts will be 95 gallons. Recycling Bins may be of any size deemed necessary by Grantee for the specific Commercial Solid Waste Generator. The Bins and Carts will be of a style and color approved by the ~~Department~~City, and will be provided to every customer. Additional Bins and Carts will be provided if needed. Recyclable Materials to be collected include, but are not limited to, newspaper, mixed paper, office paper, cardboard, paste board, press board, magazines, aluminum cans, glass containers, small pieces of scrap metal weighing less than 10 pounds and plastic containers nos. 1-7. Customers using single stream recycling may mix all Recyclable Materials together into Carts and bins. There shall be no additional charge for cart recycling service and charges for bin recycling service are set forth in Exhibit B.

~~2)~~

~~3)~~

~~3) 3.3)~~ **CONSTRUCTION AND DEMOLITION WASTE:** Grantee shall offer recycling service for segregated unpainted wood, Green Waste, scrap metal, concrete, asphalt, gypsum board (also known as “dry wall”) and carpet padding to Construction and Demolition customers and other renters of roll-off boxes in sizes between 20 and 50 cubic yards. A Debris Box for these materials will be provided at a 20% discount.

—
—
~~4. MIXED ORGANIC WASTE:~~

- ~~4) Grantee shall offer all Residential and Commercial Customers Mixed Organic Waste collection in 65-gallon, 95-gallon Carts or in Bins in a style and color to be approved by the City, to be collected weekly. There shall be no additional charge for this service.~~

—
—
~~5. CANCELLATION OF RECYCLING OR MIXED ORGANIC WASTE SERVICE:~~

- ~~5) Grantee may cancel Recyclable Material or Mixed Organic Waste Service to any Customer if, after written warning, the Customer fails to prevent excessive contamination of the Container by unacceptable materials. Grantee shall notify City of any service cancellation.~~

EXHIBIT B

COUNTY/CITY-APPROVED RATES

			EXHIBIT B	(page 1 of 2)		
			SOLID WASTES OF WILLITS, INC.			
			REFUSE COLLECTION AREA NO. THREE			
			ANDERSON VALLEY			
			<u>RESIDENTIAL RATES (\$/MONTH)</u>			
			<u>EFFECTIVE September 1, 2010</u>			
<u>SERVICE</u>					<u>RATES</u>	
				<u>ROADSIDE</u>		<u>DRIVEWAY</u>
Residential Special Pickup (35 gallon)				\$ 19.00		20.47
Residential Special Pickup (95 gallon)				23.29		————
20 gallon cart 1 X week				30.61		37.22
35 gallon cart 1 X week				37.40		45.96
35 gallon cart every other week				29.24		29.24
35 gallon cart 1 X month				15.79		19.00
65 gallon cart 1 X week				50.95		59.11
65 gallon cart every other week				42.49		44.73
65 gallon cart 1 X month				19.09		22.29
95 gallon cart 1 X week				61.35		68.70
95 gallon cart every other week				50.58		57.33
95 gallon cart 1 X month				24.75		27.96
Call back charge				10.00		10.00
Extra 35 gallon trash				15.79		15.79
Restart fee				5.00		5.00
<p>Note: Service rates above include 20, 35, 65 and 95 gallon refuse carts provided to all customers in the Anderson Valley area. Included with refuse service is recyclable material collection services as set forth in Exhibit A at no additional charge.</p>						

		EXHIBIT B			(page 2 of 2)	
		SOLID WASTES OF WILLITS, INC.				
		REFUSE COLLECTION AREA NO. THREE				
		ANDERSON VALLEY				
		<u>COMMERCIAL RATES (\$/MONTH)</u>				
		EFFECTIVE September 1, 2010				
		EVERY				
		OTHER MONTHLY				
<u>SERVICE</u>	<u>1 x WEEK</u>	<u>2 x WEEK</u>	<u>3 x WEEK</u>	<u>WEEK</u>	<u>PICKUP</u>	
35 gallon cart	\$ 45.96	66.53	\$ —	29.24	20.44	
65 gallon cart	59.11	104.26	—	44.73	22.29	
95 gallon cart	64.81	113.85	—	57.33	27.96	
1 yard container	179.64	359.86	539.71	89.99	41.52	
1.5 yard container	238.73	477.48	716.23	119.35	86.62	
2 yard container	303.59	608.94	913.45	183.55	110.20	
3 yard container	406.44	731.61	1170.56	238.76	170.19	
4 yard container	523.34	942.01	1507.23	303.57	177.07	
6 yard container	742.12	1335.82	2137.30	367.31	183.41	
				8.00 per month		
				20.00 each		
				46.86		
				15.00		
				10.00 per month		
				225.00 each		
<p>Note: Service rates above include refuse carts and refuse containers provided to all customers in the Anderson Valley area. Included with refuse service is recyclable material collection services as set forth in Exhibit A at no additional charge, except as set forth above.</p>						

			INDUSTRIAL RATES (\$/PICKUP)			
			EFFECTIVE September 1, 2010			
	<u>SERVICE</u>					
	20% Discount on drop box prices below for clean woodwaste, yardwaste, scrap metal, concrete, asphalt and gypsum board					
	4 yard container		\$ 129.58			
	20 yard drop box		545.53			
	37 yard drop box		799.21			
	50 yard drop box		1022.87			
	Delivery fee—drop box		111.94			
	Delivery fee—4 yard		47.76			
	Overload charges			20.00/yard		

Exhibit B

Effective January 1, 2014
1.52%

RATE SCHEDULE
CITY OF WILLITS

COMMERCIAL REFUSE RATES

	1/WEEK	2/WEEK	3/WEEK	4/WEEK	5/WEEK	SPECIAL PU
1 YARD CONTAINER	\$ 193.78	\$ 340.72	\$ 519.84	\$ 698.93	\$ 878.11	\$106.89
1.5 YARD CONTAINER	216.02	386.04	586.55	786.75	988.68	126.08
2 YARD CONTAINER	261.66	477.67	723.54	970.69	1,217.02	148.31
3 YARD CONTAINER	261.98	651.55	1,042.47	N/A	N/A	196.92
4 YARD CONTAINER	453.61	816.48	1,307.61	N/A	N/A	286.23
6 YARD CONTAINER	699.49	1,259.05	2,014.47	N/A	N/A	413.78
35 GALLON CART	\$ 26.6	51.80	75.90	N/A	N/A	18.52
65 GALLON CART	53.11	103.54	N/A	N/A	N/A	22.58
95 GALLON CART	69.29	132.51	N/A	N/A	N/A	26.64

CONTAINER LOCKING FEE/MONTH	\$ 8.00
AFTER 8:00 am PICKUP CHARGE/MONTH	8.00
LOCKS EACH	20.00
CONTAINER/CART DELIVERY FEE	40.21
RECYCLE CONTAINER RENTAL/MONTH	-
RECYCLE ONLY SERVICE	6.00
RESTART FEE	15.00

RESIDENTIAL REFUSE RATES

	MONTH
NO REFUSE SERVICE (Residential Base)	\$ 5.00
20 GALLON CART	12.69
35 GALLON CART	22.45
65 GALLON CART	48.39
95 GALLON CART	60.84
20 GALLON CART - roll-out	17.46
35 GALLON CART - roll-out	26.56
65 GALLON CART - roll-out	53.11
95 GALLON CART - roll-out	69.29
35 GALLON CART - SPECIAL PICKUP	18.93
65 GALLON CART - SPECIAL PICKUP	23.09
95 GALLON CART - SPECIAL PICKUP	27.24

CALL BACK CHARGE/EACH	10.00
RESTART FEE	5.00

Recycling service and recycling carts shall be offered to commercial and residential customers at no charge in addition to refuse fees specified in this rate schedule.

INDUSTRIAL REFUSE RATES

	EACH	HEIGHT	WIDTH	LENGTH
4 YARD CONTAINER	\$ 144.98	4'	4'	4'
20 YARD DROP BOX	543.68	5' 5"	7' 5"	16'
30 YARD DROP BOX	657.12	5' 5"	7' 5"	20'
40 YARD DROP BOX	848.12	6'	7' 5"	22'
50 YARD DROP BOX	1,094.65	8'	7' 5"	22'
10 YARD COMPACTOR	663.90			
12 YARD COMPACTOR	716.31			
DELIVERY FEE	68.61			
4 YARD DELIVERY FEE	\$53.40 /EACH	OVERLOAD CHARGES	\$ \$20.00/yard	

EXHIBIT C

PERFORMANCE BONDING REQUIREMENTS

| The CountyCity has the right to require the Grantee to post a performance bond not to exceed the sum of \$1,000,000 which shall serve as security for the faithful performance by the Grantee of all the provisions and obligations of this Agreement.

| Due to the demonstrated performance of the Grantee in the Collection and Transportation of Solid Waste in ~~Mendocino CountyCity~~, the CountyCity hereby waives the requirement for the Grantee to post a performance bond. However, the CountyCity may, at any time during the Term of this Agreement, notify the Grantee in writing that this waiver has been rescinded and require the acquisition of a performance bond in the amount and with terms as specified by the CountyCity. CountyCity agrees that should this waiver be rescinded, the actual cost to the Grantee of the bond will be considered a new, CountyCity-imposed cost to the Grantee that may be recovered as a pass-through rate adjustment as described in Section 15 of this Agreement.

EXHIBIT D

PUBLIC EDUCATION AND COMMUNITY OUTREACH PROGRAMS

The Grantee shall perform the following services as part of the public education program. Grantee shall print literature or portions of literature in both English and Spanish if directed by CountyCity.

Residential Education Program (minimum requirements)

- Prepare and distribute a brochure describing how to prepare Recyclable Material and Mixed Organic Waste for Collection. Grantee shall inform residents as to the acceptable materials that can be included in the Recyclable Materials Containers and any common contaminants to be excluded from Collection.
- An annual newsletter shall be distributed to all residents promoting and explaining the programs. The newsletter shall be reviewed and approved by CountyCity staff and distributed to residents at the same time Residential bills are issued.
- A corrective action notice shall be prepared and used in instances where Customers set out inappropriate materials.
- Non-program related information on source reduction, reuse, and Recyclable Materials (e.g. junk mail reduction, household hazardous waste events, grass cycling, composting, etc.) shall be available.
- Specially designed public education materials and programs to reach Multi-Family residents shall be prepared.

Commercial Education Program (minimum requirements)

- Separate “how-to” brochures explaining the Recyclable Materials Collection programs that are tailored to each general business types (i.e., restaurants, office/Commercial buildings, strip malls, and large Commercial businesses).
- Prepare and distribute a Recyclable Materials resource guide to provide vendors’ names, numbers and contacts for purchasing recycled products, re-use donation locations, and other Recyclable Materials companies, to be updated annually.
- Prepare and distribute an annual newsletter to be distributed to all businesses promoting and explaining the programs. The newsletter shall be reviewed and approved by CountyCity staff.
- Prepare and distribute a corrective actions notice for use in instances where the resident sets out inappropriate materials.

All Customers

Grantee shall develop and implement a public education program designed to educate Generators regarding proper methods of handling and Disposing of Hazardous Waste and a load inspection program for Grantee's personnel to detect and discover Hazardous Waste placed by Generator for Collection by Grantee.

EXHIBIT E
~~MAP OF SOLID WASTE REFUSE COLLECTION AREA~~
~~COLD CREEK COMPOST AGREEMENT~~

AGREEMENT FOR COMPOSTING SERVICES

~~This Agreement is made and entered into as of the latest date of execution between Solid Waste of Willits, Inc. (hereinafter, "SWOW"), a California Corporation, and Cold Creek Compost, Inc. (hereinafter, "Cold Creek"), a California Corporation, who shall collectively be referred to as the "Parties."~~

- ~~— The term of this Agreement shall be _____, 2015 through December 31, 2022, unless amended in writing by the Parties.~~

- ~~— Cold Creek warrants and represents that it operates a fully permitted industrial compost facility at 6000 Potter Valley Road, Ukiah, CA 95482, which has capacity sufficient to perform its obligations hereunder and is subject to a valid ground lease on the facility which expires December 31, 2022.~~

- ~~— SWOW acknowledges that it owns and operates a solid waste, recyclables and organics collection system, located in Willits, California, serving the City of Willits (hereinafter, "City") pursuant to an exclusive City Franchise Contract (hereinafter, "Franchise Contract").~~

- ~~— Pursuant to the Franchise Contract, SWOW will collect mixed organic waste in carts and bins from residential and commercial customers including yard waste, food waste, food-contaminated paper, and miscellaneous paper not suitable for recycling as paper.~~

- ~~1. SWOW will perform all public information, monitoring, inspection and enforcement obligations set forth in the Franchise Contract to minimize contamination of the mixed organic waste collection by unacceptable materials.~~

- ~~— SWOW shall deliver all mixed organic waste collections from residential and commercial customers within the City to Cold Creek. SWOW may deliver additional acceptable organic waste to Cold Creek at its discretion and under the same payment terms as set forth herein. SWOW, at its discretion, may mix organic materials collected from City customers with other organic materials from other sources and deliver them together to Cold Creek. Cold Creek shall compost all organic waste materials into marketable finished compost.~~

- ~~—The acceptable materials to be received in the mixed organic waste collections from City residential and commercial customers shall be specified in the Franchise Contract. Cold Creek will accept other organic waste that may be delivered by SWOW and the complete list of acceptable materials is: agricultural materials including, but not limited to manure and animal stall bedding, poultry mortalities, grape pomace, diatomaceous earth and culled fruit, green material including, but not limited to yard trimmings, brush, branches and stumps, wood materials including, but not limited to sawmill waste, source separated construction and demolition materials including sheetrock (nails, doorknobs, joist hangers OK), food materials including, but not limited to meat, fish, and dairy, soiled paper and waxed cardboard, fishery waste, grease trap waste, pet feces and cat litter, liquid wastes including, but not limited to wine lees, olive sludge, brewery waste, and pond sludge.~~

- ~~—Any unacceptable materials delivered by SWOW to Cold Creek shall be disposed of by Cold Creek either by backhaul by SWOW to SWOW's own solid waste disposal facility or by disposal by Cold Creek at any solid waste disposal site, with the disposal fees billed to SWOW. If a load is determined by Cold Creek upon initial inspection to be excessively contaminated to the extent that the cost of removing contaminants exceeds the value of the organic material, Cold Creek may reject the load at Cold Creek's sole discretion.~~

- ~~—SWOW's deliveries of organic waste to Cold Creek shall be weighed at Cold Creek's truck scale to determine the net weight delivered. SWOW shall deliver in trucks with the capability to discharge their own load. Cold Creek may inspect each load prior to unloading.~~

- ~~—SWOW shall pay Cold Creek \$21.00 per ton for organic waste delivered for the first two (2) years of this Agreement, and thereafter \$26.00 per ton for one (1) year, adjusted up or down on each subsequent January 1 by a percentage factor equal to 0.9 of the change of the All Urban Consumers Consumer Price Index (CPI-U), all items, for the San Francisco-Oakland-San Jose, CA, Base Period 1982—1984 = 100, not seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor, and its value twelve months before.~~

- ~~—Cold Creek will invoice SWOW weekly with payments due in 30 days. Any payments due from SWOW and not made within 30 days of receipt of the invoice shall incur additionally a 1.5% late charge.~~

- ~~— Cold Creek shall be open for deliveries Monday through Friday, 7 a.m. to 3:30 p.m., and Saturday from 7 a.m. to 1 p.m., excluding the following holidays: Christmas, New Year's Day, Labor Day, Memorial Day, 4th of July, Thanksgiving~~
- ~~— Cold Creek, its heirs and assigns, agrees to indemnify, hold harmless and defend SWOW and the City of Willits, their officers, agents and employees from and against any/or all losses, damages, costs, charges, expenses, suits, actions, claims, judgments, liabilities, and attorney fees directly or indirectly, resulting from delivery and processing of all acceptable organic waste delivered to Cold Creek by SWOW, arising out of/or related to Cold Creek's leasehold, operation, remediation, closure or post closure of Cold Creek's facility.~~
- ~~— Cold Creek shall comply with all applicable laws pertaining to the operation of its compost facility including closure and post closure obligations and any financial assurances.~~
- ~~— Cold Creek shall maintain general liability insurance in an amount not less than \$2,000,000 aggregate.~~
- ~~— Either Party shall be relieved of its obligations hereunder for the duration of a Force Majeure or a Change in Law, if, as a result of a Force Majeure or a Change in Law, such party is unable to perform. A Force Majeure shall include only events outside of the Party's control and which are either Acts of God or the unforeseeable.~~
- ~~— Cold Creek acknowledges and declares that the City of Willits is and will be the Third Party beneficiaries of this Agreement, included without limitation.~~
- ~~— No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of both parties to this Agreement.~~
- ~~— The Parties stipulate and agree that any litigation relating to the enforcement or interpretation of this Agreement, arising out of either Parties' performance or relating in any way to the work, shall be brought in Superior Court in Mendocino County.~~
- ~~— In the event legal action is instituted by either Party to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney fees and actual costs in connection with such action.~~
- ~~— This Agreement and amendments and supplemental agreements hereto may be executed in counterparts.~~

~~IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives,
have affixed their hands on the day and year indicated:~~

~~Solid Wastes of Willits, Inc.~~

~~_____
_____~~

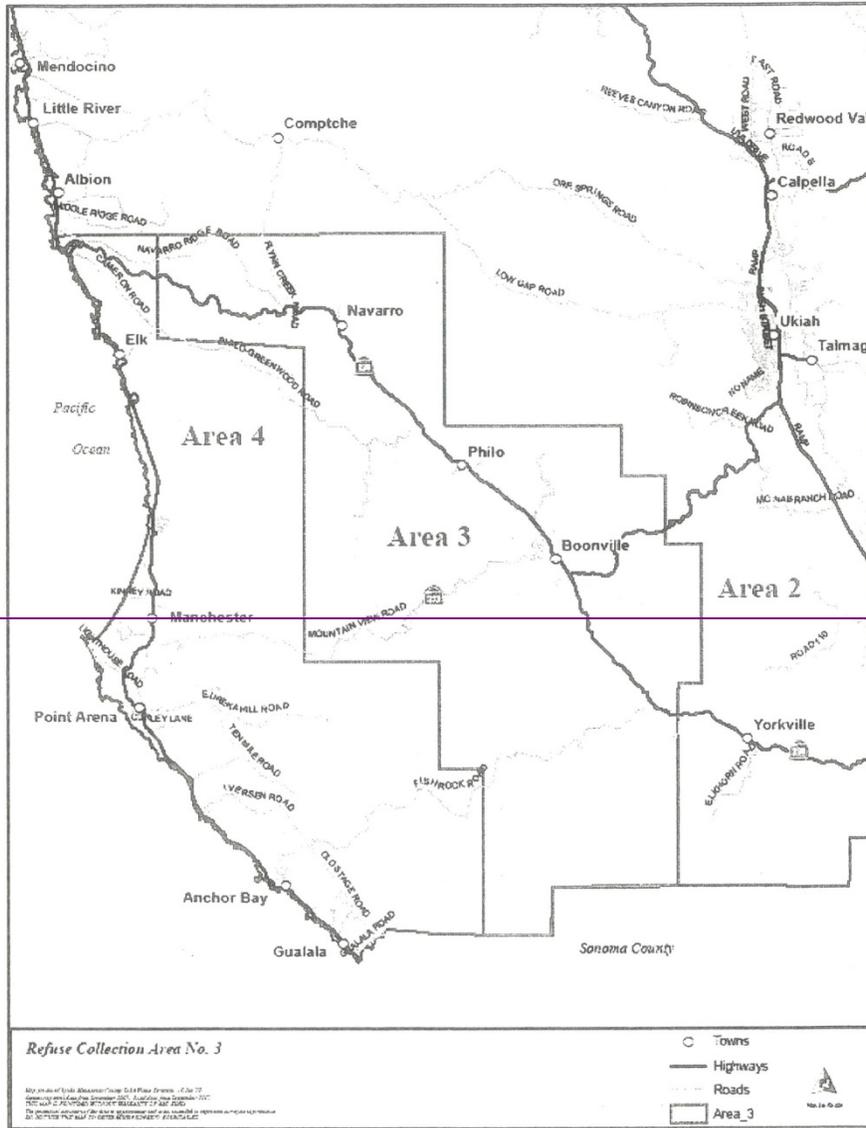
~~Gerald W. Ward, President
Solid Wastes of Willits, Inc.
P.O. Box 1425
Willits, CA 95490~~

~~Date: _____~~

~~COLD CREEK COMPOST, INC.~~

~~_____~~

~~Martin Mileck, President
Cold Creek Compost Inc.
6000 Potter Valley Road
Ukiah, CA 95482~~



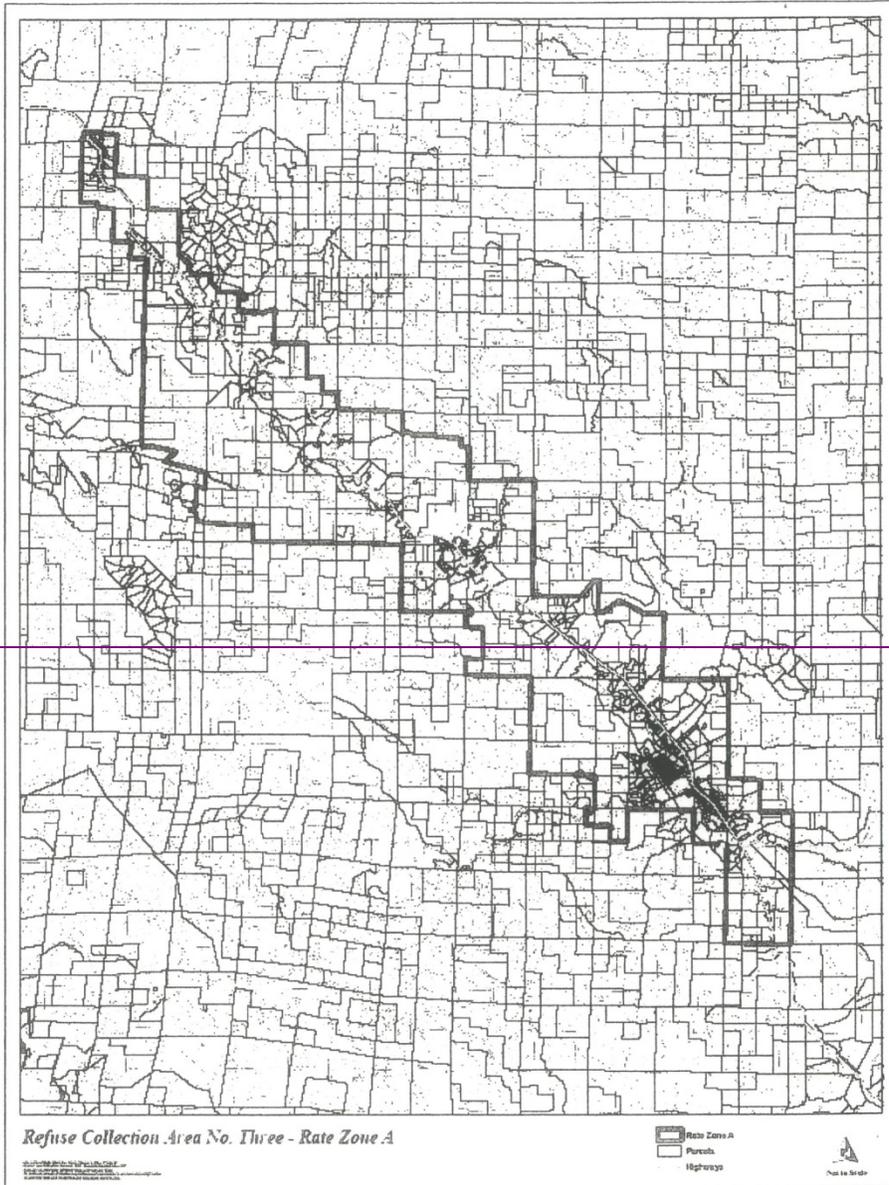


EXHIBIT EF
SCHEDULE FOR LIQUIDATED DAMAGES

Grantee may be assessed Liquidated Damages if Grantee fails to fulfill its obligations with regards to the events listed in this Exhibit in accordance with the terms and conditions of the Agreement with regards to the time frame for accomplishing each event and nature of the responsibility associated with the event unless otherwise stated in this Exhibit.

COLLECTION RELIABILITY

1.	Maintain Collection Schedule. For each failure over 5 during any Rate Period to Collect from all Customers on a route on the scheduled day (unless non-collection was warranted pursuant to this Agreement)	\$12.50/ Container
2.	Start New Customer. For each failure over 10 during Rate Period to commence service to a new Customer within 7 calendar days after order received and account number established	\$75/ event

COLLECTION QUALITY

3.	Leaks, Litter or Spills. For each occurrence over 10 during the Rate Period of unreasonable leaks, litter, or spills of Solid Waste, <u>Mixed Organic Waste</u> or Recyclable Materials near Containers or on public streets and failure to pick up or clean up such material immediately	\$150/ event
4.	Improper Container Placement. For each occurrence over 20 during the Rate Period of failure to replace Containers in original position, upright, with lids attached to or on Carts or Bins	\$75/ event
5.	Care of Private Property. For each failure over 24 during the Rate Period of not closing a Customer's gate, crossing planted areas, or damaging private property (including private vehicles)	\$150/ event
6.	Unauthorized Collection. For each occurrence over 10 the during Rate Period of Collecting Solid Waste and Recyclable Materials during unauthorized hours	\$300/ event
7.	Excessive Noise. For each occurrence over 12 during the Rate Period of excessive noise	\$150/ event
8.	Non-Collection Tags. For each failure over 12 during the Rate Period of not tagging Containers which have not been Collected explaining the reason for non-Collection	\$75/ event
9.	Cleaning Collection Vehicles. For each occurrence over 12 during the Rate Period of failure to clean Collection vehicles at least one time per week	\$75/ event
10.	Discourteous Behavior. For each occurrence of discourteous behavior by Collection vehicle personnel, Customer service personnel, or other employees of Grantee	\$250/ event

CUSTOMER SERVICE RESPONSIVENESS

11.	Call Returns. Failure to return 95 percent of calls received before noon of the following business day	\$250/ quarter
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REPORTING AND NOTICING

12.	Monthly Reports. Failure to submit monthly report (as described in Section 14.H) in the time frame specified in Section 14.L of this Agreement	\$50/ day report is overdue
13.	Annual Reports. Failure to submit annual reports (as described in Sections 14.I through 14.K) in the timeframe specified in Section 14.L of this Agreement.	\$150/ day report is overdue
14.	Report Hazardous Waste. For each failure to notify the appropriate authorities of known reportable quantities of Hazardous Waste within one business day.	\$250/ event

PUBLIC EDUCATION

15.	Failure to prepare and distribute to residents door hanger, flyer or mailer to Customers regarding their specific Collection day and observed Holiday's	\$75/ day for each day until mailer is sent
16.	Failure to prepare and mail annual newsletter to all residents by the end of each Rate Period	\$75/ day for each day until mailer is sent

BILLING

17	Failure to correctly bill a customer at the approved rate for the service	\$25 per occurrence

OTHER

18	Disposal of Recyclables. For each ton of Recyclable Materials <u>or Mixed Organic Waste</u> Disposed of without written approval of the <u>CountyCity</u>	\$250/ ton
19	Use of Unauthorized Facilities. For each ton of Solid Waste, <u>Mixed Organic Waste</u> or Recyclable Materials Disposed or Processed at a facility not approved for use under the provisions of this Agreement	\$250/ ton
20	Failure of Other Obligations. Failure to perform any of the obligations set forth in this Agreement not specifically stated above and not corrected or proceeding in good faith to correct within 24 hours upon 24 hour notification by <u>CountyCity</u> :	\$150/ for each obligation per day until obligation is performed

In placing initials at the places provided, each party specifically confirms the accuracy of the statements made above and the fact that each party has had many opportunities to consult with legal counsel and obtain an explanation of liquidated damage provisions of the time that the Agreement was made.

CountyCity Initial Here: _____ _____Grantee
Initial Here: _____

**AGREEMENT TO EXTEND THE TERM OF AND AMEND THE AGREEMENT FOR
TRANSFER STATION OPERATION AND
SOLID WASTE TRANSPORTATION AND DISPOSAL
BETWEEN THE CITY OF WILLITS
AND SOLID WASTES OF WILLITS, INC.**

This Agreement to amend the Transfer Station Operation and Solid Waste Transportation and Disposal is made this ____ day of _____, 2015 at Willits, California by Solid Wastes of Willits, Inc., (hereinafter "CONTRACTOR") and the City of Willits (hereinafter "CITY").

WHEREAS, in February and March, 2000, CONTRACTOR and CITY and other parties executed the Agreement for Transfer Station Operation and Solid Waste Transportation and Disposal (hereinafter, "Original Transfer Station Agreement") for the Willits Solid Waste Transfer Station and Recycling Center (hereinafter "SWTS"); and

WHEREAS, the Original Transfer Station Agreement will expire on December 3, 2015; and

WHEREAS, CITY has granted CONTRACTOR a new Franchise Agreement for Solid Waste Collection within the CITY; and

WHEREAS, in consideration for, and contingent upon, the aforementioned Franchise Agreement being formally approved and executed by both CITY and CONTRACTOR, CITY AND CONTRACTOR agree to extend and amend the Original Transfer Station Agreement with **an new** expiration date of December 3, 2030, as set forth herein, to constitute a new agreement (hereinafter, "New Transfer Station Agreement").

NOW, THEREFORE, for valuable and mutual consideration, it is agreed as follows:

1. CITY and CONTRACTOR hereby enter into a New Transfer Station Agreement that shall have the same terms and conditions of the Original Transfer Station Agreement except as follows:
 - A. "CITY shall generally replace "Agencies" insofar as the New Transfer Station Agreement shall be between only CONTRACTOR and CITY, and shall not include COUNTY and City of Willits Fort Bragg as parties. Any reference to the County of Mendocino and the City of Fort Bragg shall be inoperable.
 - B. Article 4, "Waste Flow to Transfer Station" shall be amended to include, and defined as "Waste Flow only from the incorporated area city limits of the City of Willits collected by CITY Franchise hauler."
 - C. The Construction Cost Component of the gate fee, currently \$2.55 per ton, shall expire on December 3, 2015, and the gate fee in effect at that date shall be reduced by this amount.

D. The initial term of the New Transfer Station Contract shall be December 3, 2015 to December 3, 2030, and will run concurrently with the CONTRACTOR'S Franchise Agreement, including extensions of that agreement, if any.

2. All other terms and conditions of the New Transfer Station Agreement shall be the same as the Original Transfer Station Agreement. CONTRACTOR and CITY mutually state their intention to produce a correct and updated text for the New Transfer Station Agreement, incorporating all amendments made since its original execution, and consider in good faith future amendments to the Transfer Station Agreement in concert with the County of Mendocino and City of Fort Bragg, which also possess are party to a separate agreement for use of the SWTS.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands on the day and year this Agreement first above written.

CONTRACTOR:

Gerald W. Ward, President
Solid Wastes of Willits, In

Date: _____

CITY OF WILLITS

Mayor

Attest:

City Clerk

Date: _____

Approved as to Form:

City Attorney

Date: _____



111 E. COMMERCIAL STREET
WILLITS, CALIFORNIA 95490
(707) 459-4601 TEL
(707) 459-1562 FAX

**WILLITS CITY COUNCIL
MINUTES
WEDNESDAY, MAY 13, 2015**

Mayor Burton called a regular meeting of the City Council to order at 6:31 p.m., in Council Chambers. The meeting was preceded by the pledge to the flag.

Roll Call: Councilmembers Larry Stranske, Madge Strong, Holly Madrigal, Ron Orenstein, and Mayor Bruce Burton were present.

Also present were staff members: Adrienne Moore, City Manager; Jim Lance, City Attorney; Gerry Gonzalez, Police Chief; Rod Wilburn, Public Works Director; Susie Holmes, Finance Director/City Treasurer; and Cathy Sanders, Deputy City Clerk.

OFF AGENDA ITEM

(Amendment to agenda requires a 4/5th vote of the City Council)

Moved by Madrigal/Seconded by Strong and carried unanimously to add the following item to the agenda:

ADDING 4F TO CONSENT CALENDAR

Approve Letter of Support for MTA Grant Application

2. PUBLIC COMMUNICATIONS

Gary Martin, representative for the Willits Senior Center informed the City Council that the Willits Senior Center is in need of a new roof, which will cost about \$88,000; therefore they are looking to raise money for this project. A "Go Fund Me" site has been established on the Internet, where interested parties can make a contribution to the project. Mr. Martin also asked the City of Willits for additional funding, and is asking the City Council to take this request into consideration. Dennis Miner informed the City Council that this year marks the 50th Anniversary of the beginning of the Vietnam War. Mr. Miner asked the City Council for a proclamation commemorating the memory of our fallen Willits Veterans on Memorial Day, and to support the Mendocino County Museum's planned Veterans display that will be available for public viewing in time for the 4th of July. Mr. Miner also asked the City Council to support a permanent memorial that will be placed outside the Mendocino County Museum in their honor on Veteran's Day, November 11, 2015.

3A. PRESENTATION OF THE WILLITS POLICE DEPARTMENT MISSION STATEMENT

Police Sergeant John Anderson presented the new mission statement on behalf of the Willits Police Department. The statement is as follows: ***"The Willits Police Department's Mission is to Deliver Quality Services and Resources While Providing Safety, Assistance, and Protection, Built on Trusting and Reliable Relationships"***. Councilmember Madrigal thanked our Police Officers for their presence at the Farmers Market. Councilmember Orenstein commented that's he's happy to see this Mission Statement, and is very proud of the Willits Police Department. Mayor Burton read a proclamation recognizing the Willits Police Department during National Police Week, May 10-16, 2015 and presented it to Sergeant Anderson on behalf of the Department.

Mayor Burton also recognized this being the 20 year anniversary of the passing of Mendocino County Sheriff Officer, Bob Davis who was killed in the line of duty. Mayor Burton played the song "Brothers in Arms" in his honor.

No action taken.

3B. NOTICED PUBLIC HEARING REGARDING THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS BY THE CITY OF WILLITS FOR THE PURPOSE OF FINANCING FACILITIES FOR THE BENEFIT OF FRANK R. HOWARD FOUNDATION AND/OR A RELATED OR SUCCESSOR ENTITY

Public Comment: None.

Moved by Stranske/Seconded by Madrigal and carried unanimously to adopt Resolution (No. 2015-08) Authorizing the Execution and Delivery of an Installment Sale Agreement, an Installment Purchase Agreement, a Trust Agreement, and a Certificate Purchase Agreement in connection with a financing to Benefit the Frank R. Howard Foundation, and certain other actions in connection therewith..

3C. DISCUSSION AND POSSIBLE APPROVAL OF FRANCHISE AGREEMENT AND TRANSFER STATION AGREEMENT WITH SOLID WASTES OF WILLITS (SWOW) (MATERIALS WILL BE DISTRIBUTED NO LATER THAN MAY 12, 2015)

City Attorney, Jim Lance recommended that the City Council defer action of this item until May 27th, due to the late distribution of the proposed Franchise Agreement.

Public Comment: Jerry Ward stated, he is ready to put this agreement to rest; and that there will not be a rate increase for the remainder of 2015 and 2016. Mike Sweeney commented that the City could always put the contract out to bid. He also feels that the garbage and recycle bins should have the same pick up schedule, and the City should seek an agreement for the mixed organic program.

No action taken.

3D. UPDATE ON THE CITY'S EMERGENCY WATER SUPPLY PROJECT

Public Works Director Wilburn informed the City Council that Weeks Drilling has agreed to drill the new well starting next week, and plans to have it completed by June 30th. Public Works, Water Department and Sewer Department Crews have been working on a leak on Bittenbender Lane, upon the completed repair of the leak, they will resume work on the Ground Water Treatment Building.

Public Comment: None.

No action taken.

4. CONSENT CALENDAR

The following item(s) are recommended for approval:

The following items are recommended for approval, as follows:

- a. City Council Minutes:
 - March 28, 2015 – Special Meeting – **Approved**
 - April 8, 2015 – **Approved**
 - April 22, 2015 – **Approved**

- c. Budget Amendment to the Fiscal Year 2014/15 Budget to Include Additional Legal Fees Incurred in the Brooktrails Township Community Services District vs. City of Willits Litigation (**Resolution No. 2015-09**) – **Approved**
- d. Resolution (**No. 2015-10**) Awarding a Contract to RAO Construction in an Amount Not To Exceed \$675,131 for the Construction of the Humboldt Street & Vicinity Rehabilitation Project, Phase II (Project No.2015-01) and Authorize City Manager to Execute the Contract and Approve Construction Change Orders Up to a Cumulative Total of 10% of the Total Contract Amount – **Approved**
- e. Construction Contract with Weeks Drilling & Pump Company to Construct the Elias Replacement Well for the Emergency Water Supply Project in an Amount Not to Exceed \$94,960 and Authorize City Manager to Execute Contract – **Approved**
- f. Approve Letter of Support for MTA Grant Application – **Approved**

Moved by Madrigal/Seconded by Strong and carried unanimously to approve Consent Calendar items (a,c-f) councilmember Orenstein pulled item B for discussion.

Removed for separate consideration:

- b. Service Agreement Renewal with Mendocino County Health & Human Services Agency, in an Amount Not to Exceed \$27,500, for Animal Sheltering Services – **Approved**

Moved by Orenstein/Seconded by Madrigal and carried unanimously to approve Consent Calendar items (b).

5. INFORMATIONAL REPORTS

Matters that do not require action by the City Council but are of public interest.

- a. Disbursements Journal(s):
 - Warrant Nos. 26352-26360, Totaling \$139,085.01
 - Warrant Nos. 26361-26422, Totaling \$86,543.27
- b. Building Inspection Activity Report – April 2015
- c. Business License Activity Report – April 2015
- d. Water Usage/Revenue Chart – April 2015

6. RIGHT TO APPEAL

None presented.

7. COMMISSIONS, AGENCIES AND AUTHORITIES

None presented.

8A. CITY MANAGER REPORTS

City Manager Moore and Councilmember Stranske attended a North Coast Railroad Authority (NCRA) meeting in Eureka today, requesting a letter of support for the Rails with Trails grant application. NCRA granted the City of Willits a letter of support. Ms. Moore will be attending a meeting tomorrow with Kathy Hopper (grant writer) for a final review of the application, as the application has to be submitted to Caltrans by June 1st. Councilmember Stranske commented that NCRA asked who was going to maintain the trail and he responded that the City will be. Ms. Moore thanked Tina Tyler O'Shea for gathering the Bike and Pedestrian count that was needed for the application, the City is very grateful for her help; the Budget Workshop is moving from Thursday, May 21st to Tuesday, May 26th in the City Hall Council Chamber at 9:00 a.m. REACH Air Medical Services held a demo event over the weekend so that the public could see and hear how quiet the helicopter really is.

Public Comment: None.

No action taken.

9. DEPARTMENT RECOMMENDATIONS

- a. Administration
 - City Clerk did not report.
 - Finance did not report.
 - Human Resources did not report.
 - City Attorney Lance commented that agenda item 14b, Remco, will not be discussed in Closed Session this evening, but that item 14c will be discussed, as the City has been served with a new lawsuit from “Keep the Code”, regarding the Mitigated Declaration for REACH Air Medical Services.
- b. Public Safety did not report.
- c. Community Development did not report.
- d. Public Works & Engineering
 - Public Works Director Wilburn reported the reservoir is currently at 1,165 acre feet, slightly down from last year; RAO Construction is scheduled to start the Humboldt Street & Vicinity Rehabilitation Project, Phase II on June 1st.
- e. Water & Wastewater Systems - no further reports.

10. CITY COUNCIL AND COMMITTEE REPORTS

- a. Mendocino Council of Governments (MCOG) met and discussed Auditors report, stating that funding was up from last year; Round Valley Indian Tribe easement for walk able trails.
- b. Local Agency Formation Commission (LAFCO) met and discussed budget issues.
- c. Mendocino Transit Authority (MTA) met but Councilmember Strong was unavailable to attend.
- d. Mendocino Solid Waste Management Authority-Joint Powers Authority (MSWMA-JPA) did not meet. Next scheduled meeting is June 18th.
- e. Economic Development and Financing Corporation (EDFC) will be meeting tomorrow, May 14th.
- f. League of California Cities did not meet.
- g. Water & Wastewater Systems Committee did not meet.
- h. Revit-ED Committee did not meet.
- i. Finance Committee did not meet.
- j. Ad Hoc Committees:
 - Caltrans Bypass Project – did not meet.
 - Solid Waste of Willits Franchise Agreement – Mayor Burton gave direction to disband this committee.
 - Solar Array Project – did not meet, the committee is currently on hold.
 - Main Street Improvement – did not meet.
 - Willits Center of the Arts – did not meet.
- k. Other Committee Reports:
 - Museum Advisory Board – Councilmember Strong was saddened to report that Judy Pruden, longtime Board Member unexpectedly passed away. On May 16th the Mendocino County Museum will open the Civil War Centennial Exhibit.

11. COUNCIL MEMBER REPORTS AND RECOMMENDATIONS

Councilmember Madrigal would like to see an AD Hoc Committee formed to look into potential funding for our emergency water project. She attended an informational meeting presented by the North Coast Resource Partnership committee to discuss their funding options.

Councilmember Madrigal would like to further discuss these options with members of the council and staff. City Manager Moore asked that we defer this discussion to the next council meeting, as more information will be available at that time. Councilmember Strong reported that the Board of Superiors also adopted a Resolution opposing the use of pesticides by Caltrans in

the Little Lake Valley Mitigation Areas. Mayor Burton mentioned that Our Daily Bread will no longer be serving out of their current location, and is in the process of finding a new home.

No action taken.

12. ENACTMENT OF ORDINANCES

None presented.

13. GOOD & WELFARE

Lynn Kennelly, Executive Director of the Willits Chamber of Commerce encouraged everyone to attend the upcoming Community Festival & Car Show that will be taking place on Sunday, May 24th from 10:00 a.m. to 3:00 p.m. at the Recreation Grove Park. The Chamber will so be hosting a Classic Metal Mixer at Baechtel Creek Inn & Spa on Saturday night, May 23rd from 5:30 p.m. to 7:00 p.m. Mayor Burton commented that he will be displaying his 1912 Model T Speedster at this year's car show. Councilmember Strong informed everyone of the WHAT Walk that will be taking place on May 31st, and encouraged everyone to come and participate. Councilmember Madrigal along with WELL will be hosting a Bicycle Show on June 18th at the City Park.

ADJOURNED TO CLOSED SESSION AT 8:33 P.M.

14. CLOSED SESSION NOTICE

- a. Conference with Labor Negotiators Pursuant to Government Code §54957.6 – Employee Organization(s): All
- b. Conference with Legal Counsel Pursuant to Government Code §54956.9 – Existing Litigation: People of the State of California and the City of Willits v. Remco Hydraulics, Inc., et al. (United States District Court – Northern District of California, Case No. C-96-6283 SI 12/22/2000) - PULLED
- c. Conference with Legal Counsel Pursuant to Government Code §54956.9 – Initiation of Litigation: Keep the Code v. City of Willits and REACH Air Medical Services (Superior Court of the State of California – County of Mendocino, Case No. TBD)

Council reconvened to open session at 9:43 p.m., with no action to report from Closed Session.

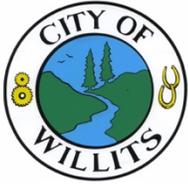
Moved by Stranske/seconded by Madrigal and carried unanimously to adjourn the meeting at 9:43 p.m.

BRUCE BURTON, Mayor

ATTEST:

CATHY SANDERS, Deputy City Clerk

COUNCIL MEETING RECORDINGS: City Council meetings are video recorded and broadcast live on the 2nd and 4th Wednesday of each month on Public Access Channel 3 and rebroadcast on Saturday and Sunday at 5:00 p.m. on Government Channel 64. DVD's are available for check-out or may be purchased (with advance notice) for \$15.00 at City Hall.



AGENDA SUMMARY REPORT

To: Honorable Mayor and Council Members

From: Council Member Holly Madrigal

Agenda Title: LETTER OF SUPPORT FOR GRANT PROPOSAL FOR RCHDC (RURAL COMMUNITIES HOUSING DEVELOPMENT CORPORATION) APPLICATION TO NCRP (NORTH COAST RESOURCE PARTNERSHIP) 2015 GRANT PROGRAM FOR WATER EFFECIENCY UPGRADES TO RCHDC OWNED AND OPERATED PROPERTIES. TOTAL GRANT REQUEST IS FOR \$300,000 TO APPLY TO OVER 22 PROPERTIES THROUGHOUT MENDOCINO, DEL NORTE, LAKE AND TRINITY COUNTIES

Type: Presentation Consent Regular Agenda Public Hearing Urgent Time: N/A

Summary of Request: This letter of support is on behalf of RCHDC (Rural Communities Housing Development Corporation), whom is applying for an approximate \$300,000 grant with the NCRP (North Coast Resource Partnership) to improve the water use on their owned and operated properties, including the units on Holly Street, within the City of Willits. RCHDC's application is for *"Landscape & Irrigation Water Conservation Improvements for Low Income Seniors and Multi-family Housing Complexes"*.

Councilmember Madrigal was contacted by Richard Shoemaker, who is assisting RCHDC in this grant application, to join with other local agencies within the affected project areas to voice support. As the City of Willits has been negatively affected by the current state-wide drought, it seemed appropriate to support local efforts to reduce water waste, especially in outdoor landscaping and irrigation.

RCHDC's mission is: "To provide decent, affordable housing to low income persons." RCHDC develops, manages and owns housing projects for low-income families, and low income elderly. It owns and/or operates 30 housing complexes in Del Norte, Humboldt, Mendocino, Siskiyou Tehama and Lake Counties. It also operates a self-help housing program serving Lake, Mendocino, and Humboldt Counties.

The North Coast Resource Partnership is a regional group tasked with distributing funds for water infrastructure and resource related projects. The City of Willits may choose at some point to develop our own grant application but has not done so at this time.

The letter of support (attached) will be included in RCHDC's grant application due May 29th 2015. Also attached is the informational form used by Assemblyman Jim Wood's office to outline the request for support. More information can be provided by Richard Shoemaker upon request.

Recommended Action: Approve sending a letter of support for the NCRP grant request on behalf of RCHDC.

Alternative(s): Do approve of sending the letter.

Fiscal Impact: None.

Personnel Impact: Minimal.

Reviewed by: City Manager City Attorney Finance Director Human Resources Risk

Council Action: Approved Denied Other: _____

Records: Agreement Resolution # _____ Ordinance # _____ Other _____

May 27, 2015

To Whom It May Concern:

The City of Willits supports the Rural Communities Housing Development Corporation's (RCHDC) application to the North Coast Resource Partnership's 2015 Integrated Regional Water Management Grant Program.

RCHDC's application is for "*Landscape & Irrigation Water Conservation Improvements for Low Income Seniors and Multi-family Housing Complexes*".

RCHDC's mission is: "To provide decent, affordable housing to low income persons." RCHDC develops, manages and owns housing projects for low-income families, and low income elderly. It owns and operates many housing units within the City of Willits and Mendocino County.

Like much of California the City of Willits experienced serious drought impacts in 2014 requiring water rationing from all of its residents. The community rose to the occasion cutting water use dramatically. We lend our support to RCHDC because we understand that more efficient water usage in multi-family dwellings benefits everyone. Further, we trust RCHDC as an organization because they have a track record of economic responsibility and diligence.

RCHDC's success in carrying out its mission is evidenced by the following:

- It has developed and built over 600 units of multi-family low-income housing for elderly and families.
- It manages over 1,000 units of multi-family low-income housing for both elderly and low income families.
- It has built over 400 sweat equity, owner Built homes under its Home Ownership program.
- Furnishes housing for 2,960 residents with an average income of \$14,051 per household.

With water shortages facing all Californians, RCHDC will assure that its housing developments are conserving water at the highest level possible through modern and efficient irrigation systems serving landscapes that conserve rather than consume too much water. Additional funding is required to meet this organizational mandate.

A successful grant award will assure that the work they have started on pilot projects will be completed throughout their other locations including the properties within the City of Willits. An added benefit to this application is that the detailed analytical method that they are implementing may be used as a model for other high-density housing projects to make serious reductions in water use.

Increased water efficiency in local landscaping is the new status quo and we urge approval of the RCHDC grant to forward these efforts within the City of Willits as well as all the properties under the control of the organization in Mendocino, Lake, Del Norte and Trinity Counties.

Sincerely,

Mayor, Bruce Burton

Request for support for grant and project

- Name of person/organization seeking support
 - Richard Shoemaker
 - Rural Communities Housing Development Corporation
- Supply a draft letter. (Understand this letter may be edited)
- Whom/what is the support/opposition being sought for? Please supply a brief description.
 - North Coast Resource Partnership
- What is the timeline? (This is very important). Please let us know what your time frame is and try to give us at least two weeks lead-time.
 - Application is due 5/29/15 letter not needed before that but stated intent to support the application is all that is needed prior to deadline date.
- Supply support documentation if available (articles, resumes, printed material on a project or person, etc)
- Who else is supporting your request and has already written a letter? (organizations, elected officials, members of the community)
 - We have no other letters in hand
- Who else is being asked to support your request but has not as yet submitted a letter (same as above) but are asking the City of Ukiah, The City of Willits, City of Fortuna, Crescent City, State Senator Mike McGuire, Supervisors of Mendocino Co, Del Norte & Humboldt counties.
- Please indicate how much the project will cost and who would most directly be affected (positively or negatively) by it.
 - We have prioritized 22 low income apartment complexes with costs ranging from \$35,000 to a few thousand. Our current request for funding will be at an approximate level of \$300,000.
 - Each project will conserve amounts of water ranging from 65 acre feet annually to 2 or 3 acre feet annually. So users of waters in the communities in which these complexes are located will benefit from more water being available. The program will be available to be used as a model for other low income housing projects throughout the state.
 - No one should be negatively affected.
- Please list name, title and address of anyone you want to receive a cc: of this letter. (please include yourself)
 - Katherine Gledhill kgledhill@westcoastwatershed.com
 - Richard Shoemaker, 825 N. State St, Ukiah CA 95482
 - Daniel McIntire, RCHDC, 499 Leslie St., Ukiah, 95482
 - We will distribute to others as needed
- Please supply a name and telephone number of someone who can be called and will be available to answer questions about information you have supplied on this form.
 - Richard Shoemaker, 707 489-6288
 - Daniel McIntire, 707- 463-1975

Thank you for contacting us. The more lead-time our office has the more likely we will be able to honor your request. We will get back to you with an answer either way.

Please email this form back to Ruth Valenzuela, at Ruth.Valenzuela@asm.ca.gov. If you have any questions, please call 707-463-5770.

Disbursements Journal

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26423	05/06/15	COUNTY OF MENDOCINO	4394 ENCROACHMENT PERMIT	400.00	523198	150506		P N H 503.5030.2001.003
26424	05/08/15	MENDO-LAKE CREDIT UN	104 DIRECT DEPOSIT	350.00	523199	150508		P N H 690.237
26425	05/08/15	AFLAC	4036 125 PLAN POLICY PRE	1,316.28	523200	7067		P N H 690.246
26426	05/08/15	MASSMUTUAL RETIREMEN	4870 DEFERRED COMPENSATI	1,490.00	523201	150508		P N H 690.236
26427	05/08/15	PERS	256 EMPLOYER CONTRIBUT	24,211.97	523202	150508		P N H 690.229
26427	05/08/15	PERS	256 EMPLOYEE CONTRIBUTI	8,004.72	523202	150508		P N H 690.230
				32,216.69	*CHECK TOTAL			
26428	05/12/15	MARINES' MEMORIAL CL	4356 LODGING REMIF CHIEFS	462.68	523203	932173		P N H 100.1020.2105.000
26429	05/12/15	DONAHUE/JAKE	4338 PER DIEM 5/13/2015	40.00	523204	150512		P N H 100.1020.2105.000
26429	05/12/15	DONAHUE/JAKE	4338 PER DIEM 5/14/2015	32.00	523204	150512		P N H 100.1020.2105.000
26429	05/12/15	DONAHUE/JAKE	4338 PER DIEM 5/15/2015	12.00	523204	150512		P N H 100.1020.2105.000
				84.00	*CHECK TOTAL			
26430	05/12/15	GONZALEZ/GERARDO	395 PER DIEM 5/13/2015	40.00	523205	150512		P N H 100.1020.2105.000
26430	05/12/15	GONZALEZ/GERARDO	395 PER DIEM 5/14/2015	32.00	523205	150512		P N H 100.1020.2105.000
26430	05/12/15	GONZALEZ/GERARDO	395 PER DIEM 5/15/2015	12.00	523205	150512		P N H 100.1020.2105.000
				84.00	*CHECK TOTAL			
GENERAL CHECK FORM			TOTAL	36,403.65				

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S	ACCOUNT
GENERAL CHECK FORM									
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	582.00	523068	5040749		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	84.00	523069	5040776		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	108.00	523070	5040795		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	88.00	523071	5040796		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	194.00	523072	5041285		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	108.00	523073	5041699		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	88.00	523074	5041698		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	84.00	523075	5041802		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	194.00	523076	5041825		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	108.00	523077	5042169		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	88.00	523078	5042170		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	84.00	523079	5042247		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	539.00	523080	5042464		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	624.00	523081	5042465		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	194.00	523082	504270		P N W	501.5013.2061.012
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	88.00	523083	5042994		P N W	501.5013.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	108.00	523084	5042979		P N W	501.5013.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	84.00	523085	5043124		P N W	501.5013.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	194.00	523086	5043399		P N W	501.5013.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 WATER TEST	160.00	523087	5040746		P N W	503.5033.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 WATER TEST	55.00	523088	5040824		P N W	503.5033.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 WATER TEST	105.00	523089	5041506		P N W	503.5033.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 WATER TEST	157.00	523090	5042265		P N W	503.5033.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 WATER TEST	110.00	523091	5042334		P N W	503.5033.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 WATER TEST	105.00	523092	5043050		P N W	503.5033.2061.015
26431	05/15/15	ALPHA ANALYTICAL LAB	7 WATER TEST	610.00	523093	5043406		P N W	503.5033.2061.015
				4,943.00	*CHECK TOTAL				
26432	05/15/15	ALTERNATIVE POWER SO	4821 STREET SWEEPER PARTS	602.09	523094	127		P N W	201.2011.2041.000
26433	05/15/15	ANTHEM BLUE CROSS	627 MEDICAL INS PREMIU	71,907.70	523186	506673B		P N W	690.231
26434	05/15/15	ARAMARK UNIFORM SERV	4065 MATS/MOPS/RAGS	593.63	523095	150430		P N W	100.1016.2199.000
26434	05/15/15	ARAMARK UNIFORM SERV	4065 MATS/RAGS	580.61	523095	150430		P N W	501.5013.2199.000
26434	05/15/15	ARAMARK UNIFORM SERV	4065 MATS	18.26	523095	150430		P N W	100.1040.2081.030
26434	05/15/15	ARAMARK UNIFORM SERV	4065 MATS	18.26	523095	150430		P N W	100.1042.2081.030
				1,210.76	*CHECK TOTAL				
26435	05/15/15	AT&T	4123 POLICE DEPT PHONE	554.56	523096	6549028		P N W	100.1020.2015.000
26435	05/15/15	AT&T	4123 PUBLIC WORKS	92.21	523096	6549028		P N W	100.1040.2015.000
26435	05/15/15	AT&T	4123 ENGINEERING	92.21	523096	6549028		P N W	100.1042.2015.000
26435	05/15/15	AT&T	4123 POOL	15.59	523096	6549028		P N W	100.1030.2015.000
26435	05/15/15	AT&T	4123 SEWER PLANT	102.83	523096	6549028		P N W	501.5013.2015.000
26435	05/15/15	AT&T	4123 WATER PLANT	67.97	523096	6549028		P N W	503.5030.2015.000
26435	05/15/15	AT&T	4123 AIRPORT	34.70	523096	6549028		P N W	500.5001.2110.000
26435	05/15/15	AT&T	4123 WCAC	32.11	523096	6549028		P N W	600.601
26435	05/15/15	AT&T	4123 4601-2-3 40%	396.32	523096	6549028		P N W	100.1002.2015.000
26435	05/15/15	AT&T	4123 24%	237.79	523096	6549028		P N W	265.2650.2015.000
26435	05/15/15	AT&T	4123 12%	118.89	523096	6549028		P N W	265.2650.2015.000
26435	05/15/15	AT&T	4123 12%	118.89	523096	6549028		P N W	100.1015.2015.000

Disbursements Journal

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26435	05/15/15	AT&T	4123 12%	118.89	523096	6549028		P N W 100.1010.2015.000
26435	05/15/15	AT&T	4123 PLANNING 9341 2/3	23.20	523096	6549028		P N W 265.2650.2015.000
26435	05/15/15	AT&T	4123 1/3	11.60	523096	6549028		P N W 100.1010.2015.000
				2,017.76	*CHECK TOTAL			
26436	05/15/15	B & B INDUSTRIAL SUP	9 HOT FLAT BAR	46.27	523098	168937		P N W 501.5015.2041.000
26437	05/15/15	BACKFLOW DISTRIBUTOR	4834 BACKFLOW TEST KIT	145.90	523099	31882		P N W 503.5031.2041.000
26438	05/15/15	BLEVINS/SHERILYNN	.09408 WATER DEPOSIT REFUND	25.83	523102	10401700017		P N W 503.111
26439	05/15/15	BOWERS/JOSH	4239 WEBSITE MAINT MAY 201	383.50	523100	90		P M W 100.1002.2081.030
26439	05/15/15	BOWERS/JOSH	4239 WEBSITE MAINT APRIL 2	399.75	523101	85		P M W 100.1002.2081.030
				783.25	*CHECK TOTAL			
26440	05/15/15	BROOKTRAILS TOWNSHIP	491 AIRPORT WATER/SEWER	227.16	523097	CIT0001		P N W 500.5001.2111.000
26441	05/15/15	BROWN INDUSTRIES, IN	4723 SERVICE PINS	186.00	523103	115-08384		P N W 100.1005.2199.000
26442	05/15/15	CALIFORNIA SURVEYING	410 PLOTTER INK	990.77	523109	111270/1		P N W 100.1042.2055.000
26443	05/15/15	CANON SOLUTIONS AMER	4784 COPIER USAGE	174.14	523110	14914808		P N W 100.1042.2095.000
26443	05/15/15	CANON SOLUTIONS AMER	4784 COPIER USAGE	174.14	523110	14914808		P N W 100.1040.2095.000
26443	05/15/15	CANON SOLUTIONS AMER	4784 COPIER MAINT	42.87	523111	4015890064		P N W 503.5033.2055.000
				391.15	*CHECK TOTAL			
26444	05/15/15	CB&I ENVIRONMENTAL	4257 GRNDWTR MON REPORTS	1,034.25	523104	870480R800501		P N W 213.2133.2081.030
26445	05/15/15	CERATTO/MICHAEL	4787 WCAC JANITORIAL	150.00	523107	882792		P M W 600.601
26446	05/15/15	COAST HARDWARE	31 SPRAY PAINT/CAULK	32.71	523108	150430		P N W 100.1022.2044.000
26446	05/15/15	COAST HARDWARE	31 BLDG MAINT	15.13	523108	150430		P N W 100.1050.2101.045
26446	05/15/15	COAST HARDWARE	31 MISC TOOLS/SUPPLIES	34.78	523108	150430		P N W 503.5031.2041.000
26446	05/15/15	COAST HARDWARE	31 KEY/KEY TAG	22.98	523108	150430		P N W 100.1022.2044.000
				105.60	*CHECK TOTAL			
26447	05/15/15	COMCAST	4575 CITY HALL INTERNET	128.90	523105	150504		P N W 100.1003.2041.000
26448	05/15/15	COMPUTER WORKS OF UK	4230 IT SERVICES	1,058.54	523106	3566		P M W 100.1003.2041.000
26448	05/15/15	COMPUTER WORKS OF UK	4230 IT SERVICES	248.02	523106	3566		P M W 100.1002.2055.000
26448	05/15/15	COMPUTER WORKS OF UK	4230 IT SERVICES	28.13	523106	3566		P M W 100.1040.2081.030
26448	05/15/15	COMPUTER WORKS OF UK	4230 IT SERVICES	56.25	523106	3566		P M W 503.5030.2055.000
				1,390.94	*CHECK TOTAL			
26449	05/15/15	COUNTY OF MENDOCINO	197 SERAF PRIN LOAN PAY	6,000.00	523189	150514		P N W 265.203
26450	05/15/15	COUNTY OF MENDOCINO	4440 PRINC DEBT SVC FY 1	3,148.00	523187	SOC WI 14-15		P N W 100.1040.2081.021
26450	05/15/15	COUNTY OF MENDOCINO	4440 PRINC DEBT SVC FY 1	4,455.00	523187	SOC WI 14-15		P N W 100.1040.2081.022

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26450	05/15/15	COUNTY OF MENDOCINO	4440 ANIMAL SHELTER SVC	19,947.00	523188	SHELTERWI14-15		P N W 100.1040.2081.021
				27,550.00	*CHECK TOTAL			
26451	05/15/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	191.51	523112	150430		P N W 100.1002.2055.000
26451	05/15/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	237.57	523112	150430		P N W 503.5033.2055.000
26451	05/15/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	124.42	523112	150430		P N W 100.1042.2055.000
26451	05/15/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	52.85	523112	150430		P N W 100.1040.2055.000
26451	05/15/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	124.05	523112	150430		P N W 501.5010.2055.000
				730.40	*CHECK TOTAL			
26452	05/15/15	DEEP VALLEY SECURITY	40 POLICE ALARM SYS MAY2	140.00	523113	276434		P N W 100.1020.2081.030
26452	05/15/15	DEEP VALLEY SECURITY	40 SECURITY	43.95	523114	276611		P N W 100.1040.2081.030
26452	05/15/15	DEEP VALLEY SECURITY	40 SECURITY	43.95	523114	276611		P N W 100.1042.2081.030
				227.90	*CHECK TOTAL			
26453	05/15/15	EEL RIVER FUELS	28 DYED DIESEL	1,128.46	523115	396378		P N W 501.5013.2044.000
26453	05/15/15	EEL RIVER FUELS	28 FUEL	1,122.64	523116	396208		P N W 100.125
26453	05/15/15	EEL RIVER FUELS	28 DIESEL	63.29	523117	396207		P N W 100.126
26453	05/15/15	EEL RIVER FUELS	28 FUEL	1,458.57	523118	392938		P N W 100.125
26453	05/15/15	EEL RIVER FUELS	28 DIESEL	139.13	523119	392877		P N W 100.126
26453	05/15/15	EEL RIVER FUELS	28 FUEL	1,248.23	523190	396969		P N W 100.125
26453	05/15/15	EEL RIVER FUELS	28 DIESEL FUEL	109.03	523191	396967		P N W 100.126
				5,269.35	*CHECK TOTAL			
26454	05/15/15	FISHER WIRELESS	4105 RADIO ANTENNA	14.60	523120	224025		P N W 100.1020.2041.000
26455	05/15/15	GAMBLE/BRANDI	4480 TAXI REIMBURSEMENT	23.00	523121	5208873		P N W 100.1020.2105.000
26455	05/15/15	GAMBLE/BRANDI	4480 TAXI REIMBURSEMENT	28.75	523122	AOYQ		P N W 100.1020.2105.000
				51.75	*CHECK TOTAL			
26456	05/15/15	GOLDEN STATE OVERNIG	4728 EVIDENCE SHIPPING	6.81	523123	2816832		P N W 100.1022.2101.031
26457	05/15/15	HACH COMPANY	70 SEWER MAINT	984.60	523124	9356441		P N W 501.5013.2041.000
26458	05/15/15	HAINES & COMPANY INC	601 REV DIRECTORY SUBSCRI	230.67	523197	395773		P N W 100.1020.2050.000
26459	05/15/15	HARRIS/JOY	.09409 WATER DEPOSIT REFUND	25.83	523125	10202890005		P N W 503.111
26460	05/15/15	HDS WHITE CAP CONST	4399 SAFETY VEST	89.68	523127	50002630848		P N W 100.1041.2101.033
26460	05/15/15	HDS WHITE CAP CONST	4399 SAFTY VEST	89.68	523128	50002630850		P N W 100.1041.2101.033
26460	05/15/15	HDS WHITE CAP CONST	4399 SAFETY VEST	35.88	523129	50002630849		P N W 100.1041.2101.033
				215.24	*CHECK TOTAL			
26461	05/15/15	HENRY/JUSTINE	.09410 WATER DEPOSIT REFUND	18.52	523126	10402809603		P N W 503.111
26462	05/15/15	KILLION/FRED	4607 CITY HALL JANITORIAL	800.00	523130	150511		P M W 100.1016.2061.020
26462	05/15/15	KILLION/FRED	4607 EVENT CLEAN UP	25.00	523130	150511		P M W 600.602
				825.00	*CHECK TOTAL			

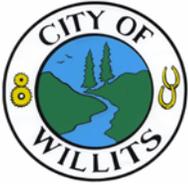
WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26463	05/15/15	L.N. CURTIS & SONS	4716 WATER MAINT	594.79	523135	1354419-00		P N W 503.5031.2041.000
26464	05/15/15	LANCE/JAMES H.	4054 BROOKTRAILS LEGAL	2,852.50	523131	3107		P M W 501.5017.6001.000
26464	05/15/15	LANCE/JAMES H.	4054 LEGAL SERVICES	7,590.00	523132	3106		P M W 100.1004.2081.030
				10,442.50	*CHECK TOTAL			
26465	05/15/15	LES SCHWAB TIRES INC	4015 MULTI TRAC C/S TURF T	217.75	523136	6370087521		P N W 100.1050.2041.000
26465	05/15/15	LES SCHWAB TIRES INC	4015 EQUIP MAINT	541.85	523137	63700088437		P N W 100.1041.2041.000
				759.60	*CHECK TOTAL			
26466	05/15/15	LI/RUI PING	.09411 WATER DEPOSIT REFUND	15.91	523133	10101700003		P N W 503.111
26467	05/15/15	LITTLE LAKE AUTO PAR	46 VEHICLE MAINT	12.96	523138	287470		P N W 100.1041.2041.000
26467	05/15/15	LITTLE LAKE AUTO PAR	46 SPARK PLUG	10.96	523139	287785		P N W 501.5011.2041.000
26467	05/15/15	LITTLE LAKE AUTO PAR	46 OIL CHANGE SUPPLIES	72.75	523140	288476		P N W 501.5011.2041.000
26467	05/15/15	LITTLE LAKE AUTO PAR	46 EQUIP MAINT	8.64	523141	289935		P N W 201.2011.2041.000
26467	05/15/15	LITTLE LAKE AUTO PAR	46 MARINE COLOR CODED	5.68	523142	290575		P N W 501.5013.2041.000
26467	05/15/15	LITTLE LAKE AUTO PAR	46 VEHICLE MAINT	71.01	523143	290968		P N W 100.1041.2041.000
26467	05/15/15	LITTLE LAKE AUTO PAR	46 OIL CHANGE SUPPLIES	149.84	523144	291033		P N W 501.5011.2041.000
26467	05/15/15	LITTLE LAKE AUTO PAR	46 VEHICLE MAINT	8.64	523145	291164		P N W 100.1041.2041.000
26467	05/15/15	LITTLE LAKE AUTO PAR	46 TURN SIGNAL FLASHER	14.91	523146	291348		P N W 501.5011.2041.000
26467	05/15/15	LITTLE LAKE AUTO PAR	46 VEHICLE MAINT	18.37	523147	291351		P N W 501.5011.2041.000
				373.76	*CHECK TOTAL			
26468	05/15/15	LOGAN/KIRSTEN	.09412 WATER DEPOSIT REFUND	9.36	523134	10104730003		P N W 503.111
26469	05/15/15	MATHESON TRI-GAS INC	4194 WATER PLANT CHEMICALS	94.24	523151	11190367		P N W 503.5033.2101.034
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	15.51	523148	150430		P N W 100.1016.2025.000
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	281.02	523148	150430		P N W 100.1050.2101.045
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	92.68	523148	150430		P N W 200.2003.2101.045
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	46.39	523148	150430		P N W 202.2020.2101.045
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	259.03	523148	150430		P N W 501.5011.2041.000
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	223.69	523148	150430		P N W 501.5013.2041.000
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	63.40	523148	150430		P N W 503.5031.2101.038
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	447.21	523148	150430		P N W 503.5031.2041.000
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	263.14	523148	150430		P N W 503.5033.2041.000
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	635.20	523148	150430		P N W 651.6510.2199.000
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	19.46CR	523148	150430		P N W 651.0651.7250.000
26470	05/15/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	32.06	523148	150430		P N W 100.1041.2101.033
				2,339.87	*CHECK TOTAL			
26471	05/15/15	MOORE/ADRIENNE	4325 NCRA BRD MTG MILEAGE	154.10	523192	150513		P N W 100.1010.2105.000
26472	05/15/15	MUNICIPAL MAINTENANC	4305 BALL BEARING/SEALING/	441.30	523152	0100132-IN		P N W 501.5013.2041.000
26473	05/15/15	MUNISERVICES, LLC	1441 SUTA SERVICES	79.01	523149	37290		P N W 100.1003.2081.030
26473	05/15/15	MUNISERVICES, LLC	1441 SUTA SERVICES	126.47	523150	37291		P N W 100.1003.2081.030
				205.48	*CHECK TOTAL			

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26474	05/15/15	NELSON/PENNY	.09413 WATER DEPOSIT REFUND	51.80	523153	10103380003		P N W 503.111
26475	05/15/15	NOR-CAL RECYCLED ROC	4067 SLURRY	1,554.30	523154	9628		P N W 503.5031.2101.038
26476	05/15/15	P G & E COMPANY	114 ENGINEERING	61.43	523155	150419		P N W 100.1042.2110.000
26476	05/15/15	P G & E COMPANY	114 PARKS	209.17	523155	150419		P N W 100.1050.2110.000
26476	05/15/15	P G & E COMPANY	114 SEWER	27.83	523155	150419		P N W 501.5013.2110.000
26476	05/15/15	P G & E COMPANY	114 WATER	20.26	523155	150419		P N W 503.5033.2110.000
26476	05/15/15	P G & E COMPANY	114 PUBLIC WORKS	61.43	523155	150419		P N W 100.1040.2110.000
26476	05/15/15	P G & E COMPANY	114 CITY HALL	1,167.90	523156	150428		P N W 100.1016.2110.000
26476	05/15/15	P G & E COMPANY	114 PD RADIO	10.51	523156	150428		P N W 100.1020.2110.000
26476	05/15/15	P G & E COMPANY	114 PUBLIC WORKS	487.15	523156	150428		P N W 100.1040.2110.000
26476	05/15/15	P G & E COMPANY	114 ENGINEERING	103.33	523156	150428		P N W 100.1042.2110.000
26476	05/15/15	P G & E COMPANY	114 PARKS	1,116.22	523156	150428		P N W 100.1050.2110.000
26476	05/15/15	P G & E COMPANY	114 STREET LIGHTS	5,500.80	523156	150428		P N W 201.2010.2110.000
26476	05/15/15	P G & E COMPANY	114 AIRPORT	299.58	523156	150428		P N W 500.5001.2110.000
26476	05/15/15	P G & E COMPANY	114 SP COLLECTION	46.97	523156	150428		P N W 501.5011.2110.000
26476	05/15/15	P G & E COMPANY	114 SEWER	11,969.44	523156	150428		P N W 501.5013.2110.000
26476	05/15/15	P G & E COMPANY	114 WATER	1,080.61	523156	150428		P N W 503.5033.2110.000
				22,162.63	*CHECK TOTAL			
26477	05/15/15	PERPETUAL ENERGY SYS	4254 WATER PLANT SOLAR	12,065.56	523157	WIL-1504		P N W 503.5033.2110.000
26478	05/15/15	PETERSEN/PETE	4896 BOOT ALLOWANCE	100.00	523193	150511		P N W 501.5011.2010.000
26478	05/15/15	PETERSEN/PETE	4896 BOOT ALLOWANCE	100.00	523193	150511		P N W 501.5013.2010.000
				200.00	*CHECK TOTAL			
26479	05/15/15	PETTY CASH	123 TRASH BAG/ZIPLOC BAG/W	39.20	523158	150501		P N W 503.5031.2041.000
26479	05/15/15	PETTY CASH	123 WORKSHIP REFRESHMENTS	21.74	523158	150501		P N W 100.1001.2055.000
26479	05/15/15	PETTY CASH	123 BIRTHDAY CARDS	14.60	523158	150501		P N W 100.1002.2055.000
				75.54	*CHECK TOTAL			
26480	05/15/15	R E M I F	135 DENTAL INS PREMIUM	5,049.00	523194	150601		P N W 690.231
26480	05/15/15	R E M I F	135 VISION INS PREMIUM	907.50	523194	150601		P N W 690.231
26480	05/15/15	R E M I F	135 EAP INS PREMIUM MAY 1	232.56	523194	150601		P N W 690.231
26480	05/15/15	R E M I F	135 LIFE INS PREMIUM	488.18	523194	150601		P N W 690.231
				6,677.24	*CHECK TOTAL			
26481	05/15/15	RAMMING/TIM	127 BUILDING PERMITS	917.98	523159	3292		P M W 100.1015.2055.000
26481	05/15/15	RAMMING/TIM	127 WATER BILLS	769.85	523160	3256		P M W 503.5030.2055.000
				1,687.83	*CHECK TOTAL			
26482	05/15/15	RAMSEY/DAN	4773 AIRPORT MGMT SVCS	1,833.00	523161	150430		P M W 500.5001.2081.030
26482	05/15/15	RAMSEY/DAN	4773 GRNDS MAINT SUPPLIES	91.14	523161	150430		P M W 500.5001.2045.000
				1,924.14	*CHECK TOTAL			
26483	05/15/15	REDWOOD TOXICOLOGY I	291 LAB SCREENING APRIL 2	298.74	523162	193020154		P N W 100.1020.2061.014

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26484	05/15/15	S & S AUTO	1434 VEHICLE MAINT UNIT 253	50.00	523165	31018		P M W 100.1022.2044.000
26485	05/15/15	SAWYERS/WARREN	.09414 WATER DEPOSIT REFUND	16.80	523166	10303950002		P N W 503.111
26486	05/15/15	SILVA SEPTIC INC	4577 PORTABLE RESTROOM REN	210.84	523171	59439		P N W 501.5011.2095.000
26487	05/15/15	SIRCHIE FINGER PRINT	762 EVIDENCE SHIPPLING	96.03	523164	205115-IN		P N W 100.1022.2101.031
26488	05/15/15	SOLID WASTE OF WILLI	330 BIN SERVICE	216.02	523167	92		P M W 501.5013.2199.000
26488	05/15/15	SOLID WASTE OF WILLI	330 DISPOSAL FEE	32.29	523168	12014		P M W 501.5013.2199.000
26488	05/15/15	SOLID WASTE OF WILLI	330 DISPOSAL FEE TIRES	31.50	523169	W312645		P M W 501.5013.2199.000
				279.81	*CHECK TOTAL			
26489	05/15/15	SONOMA MEDIA INVESTM	4846 CLASSIFIED ADD	103.00	523163	10823629		P N W 100.1022.2101.031
26490	05/15/15	STATE OF CALIFORNIA	191 DAM FEES	19,106.00	523172	1800091591		P N W 503.5030.2001.002
26491	05/15/15	STATE WATER RES CONT	468 GRADE 1 CERT N. CALDW	170.00	523195	150515		P N W 501.5013.2001.002
26491	05/15/15	STATE WATER RES CONT	468 GRADE 1 CERT P. PETER	170.00	523196	150515		P N W 501.5013.2001.002
				340.00	*CHECK TOTAL			
26492	05/15/15	TGIF REPAIRS INC	4208 RUSH EVALUATION OF SCA	25.00	523173	4612		P N W 100.1020.2041.000
26493	05/15/15	THOMSON REUTERS - WE	4122 LEGAL UPDATES	424.64	523174	831759020		P N W 100.1004.2050.000
26494	05/15/15	THRIFTY SUPPLY COMPA	403 BLDG MAINT	187.08	523176	2130329-01		P N W 100.1050.2101.045
26495	05/15/15	TOSHIBA	4263 CITY HALL COPIER USAG	562.02	523175	278226683		P N W 100.1002.2095.000
26495	05/15/15	TOSHIBA	4263 PLANNING COPIER USAGE	39.63	523175	278226683		P N W 100.1010.2055.000
26495	05/15/15	TOSHIBA	4263 CODE ENF COPIER USAGE	39.63	523175	278226683		P N W 100.1011.2055.000
26495	05/15/15	TOSHIBA	4263 BUILDING COPIER USAGE	39.63	523175	278226683		P N W 100.1015.2055.000
26495	05/15/15	TOSHIBA	4263 SA COPIER USAGE	39.63	523175	278226683		P N W 265.2650.2055.000
				720.54	*CHECK TOTAL			
26496	05/15/15	US SECURITY SUPPLY	4866 DOOR KNOB/CORE	578.55	523170	IN128639		P N W 503.5033.2045.000
26497	05/15/15	UTILITY SUPPLY OF AM	3997 CALIBRATION CYLINDER	122.72	523177	633786		P N W 503.5033.2041.000
26498	05/15/15	VERIZON WIRELESS	4828 PUBLIC WORKS	3.68	523178	9744002974		P N W 100.1040.2015.000
26498	05/15/15	VERIZON WIRELESS	4828 CODE ENFORCEMENT	14.36	523178	9744002974		P N W 100.1011.2015.000
26498	05/15/15	VERIZON WIRELESS	4828 SEWER	55.35	523178	9744002974		P N W 501.5013.2015.000
26498	05/15/15	VERIZON WIRELESS	4828 WIFI HOTSPOT	38.01	523178	9744002974		P N W 100.1030.2101.045
				111.40	*CHECK TOTAL			
26499	05/15/15	WESTAMERICA BANK	4161 PRINCIPAL	4,039.10	523184	150426		P N W 501.5011.3001.000
26499	05/15/15	WESTAMERICA BANK	4161 INTEREST	271.69	523184	150426		P N W 501.5011.3002.000
				4,310.79	*CHECK TOTAL			

Disbursements Journal

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
		GENERAL CHECK FORM						
26500	05/15/15	WILLITS KIDS CLUB	3981 PAYROLL DEDUCTION	20.00	523179	150508		P N W 690.248
26501	05/15/15	WILLITS ONLINE LLC	4108 SEWER PLANT INTERNET	189.00	523180	403072		P N W 501.5013.2015.000
26502	05/15/15	WILLITS POWER	1245 PULL ROPE	2.16	523182	307879		P M W 100.1041.2041.000
26503	05/15/15	WILLITS RENTAL CENTE	4100 ABRASIVE PADS	48.66	523183	1500063		P N W 100.1041.2101.045
26504	05/15/15	WOLD/MICHAEL	.09415 WATER OVERPAYMENT REF	179.09	523181	10102860003		P N W 503.0503.6600.000
26505	05/15/15	ZFA STRUCTURAL ENGIN	4220 MILL CREEK BRG PIPE	1,109.25	523185	22098		P N W 503.5034.2061.012
		GENERAL CHECK FORM	TOTAL	218,798.05				



Item No. **5b**

Meeting Date: **May 27, 2015**

AGENDA SUMMARY REPORT

To: Honorable Mayor and Council Members

From: Cathy Sanders, Deputy City Clerk

Agenda Title: RECEIVE APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE: PETER'S SUSHI & CHINESE HOUSE, LOCATED AT 383 SOUTH MAIN STREET, WILLITS (TRANSFER FROM LUCKY STAR RESTAURANT)

Summary of Request: An application for an Alcohol Beverage License has been received from the Alcoholic Beverage Control for Peter's Sushi & Chinese House, located at 383 South Main Street, Willits. City staff notes no issues with the application. The owner of Peter's Sushi & Chinese House does hold a current business license through the City.

Recommended Action: Receive with no comment the ABC application received from Peter's Sushi & Chinese House.

Alternative(s): None recommended by staff.

Fiscal Impact: None.

Personnel Impact: None.

Reviewed by: City Manager City Attorney Finance Director Human Resources Risk

Council Action: Approved Denied Other: _____

Records: Agreement Resolution # _____ Ordinance # _____ Other _____

APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE(S)

ABC 211 (6/99)

TO: Department of Alcoholic Beverage Control
 50 D ST
 ROOM 130
 SANTA ROSA, CA 95404
 (707) 576-2165

File Number: **557143**
 Receipt Number: **2293135**
 Geographical Code: **2304**
 Copies Mailed Date: **May 5, 2015**
 Issued Date:

DISTRICT SERVING LOCATION: **SANTA ROSA**

First Owner: **PETER'S SUSHI & CHINESE HOUSE**

Name of Business:

Location of Business: **383 S MAIN ST
 WILLITS, CA 95490-3951**

County: **MENDOCINO**

Is Premise inside city limits? **Yes** Census Tract **0107.00**

Mailing Address: **739 WASHINGTON ST
 (If different from STE 300
 premises address) SAN FRANCISCO, CA 94108-1334**

Type of license(s): **41**

Transferor's license/name: **542672 / LUCKY STAR RESTAURANT** Dropping Partner: Yes___ No___

<u>License Type</u>	<u>Transaction Type</u>	<u>Fee Type</u>	<u>Master</u>	<u>Dup</u>	<u>Date</u>	<u>Fee</u>
41 - On-Sale Beer And Wine	PERSON-TO-PERSON TRANSFER	NA	Y	0	05/05/15	\$150.00
41 - On-Sale Beer And Wine	ANNUAL FEE	NA	Y	0	05/05/15	\$350.00
NA	STATE FINGERPRINTS	NA	N	2	05/05/15	\$78.00
NA	FEDERAL FINGERPRINTS	NA	N	2	05/05/15	\$48.00
Total						\$626.00

Have you ever been convicted of a felony? **No**

Have you ever violated any provisions of the Alcoholic Beverage Control Act, or regulations of the Department pertaining to the Act? **No**

Explain any "Yes" answer to the above questions on an attachment which shall be deemed part of this application.

Applicant agrees (a) that any manager employed in an on-sale licensed premises will have all the qualifications of a licensee, and (b) that he will not violate or cause or permit to be violated any of the provisions of the Alcoholic Beverage Control Act.

STATE OF CALIFORNIA County of MENDOCINO Date: May 5, 2015

Under penalty of perjury, each person whose signature appears below, certifies and says: (1) He is an applicant, or one of the applicants, or an executive officer of the applicant corporation, named in the foregoing application, duly authorized to make this application on its behalf; (2) that he has read the foregoing and knows the contents thereof and that each of the above statements therein made are true; (3) that no person other than the applicant or applicants has any direct or indirect interest in the applicant or applicant's business to be conducted under the license(s) for which this application is made; (4) that the transfer application or proposed transfer is not made to satisfy the payment of a loan or to fulfill an agreement entered into more than ninety (90) days preceding the day on which the transfer application is filed with the Department or to gain or establish a preference to or for any creditor or transferor or to defraud or injure any creditor of transferor; (5) that the transfer application may be withdrawn by either the applicant or the licensee with no resulting liability to the Department.

Effective July 1, 2012, Revenue and Taxation Code Section 7057, authorizes the State Board of Equalization and the Franchise Tax Board to share taxpayer information with Department of Alcoholic Beverage Control. The Department may suspend, revoke, and refuse to issue a license if the licensee's name appears in the 500 largest tax delinquencies list. (Business and Professions Code Section 494.5.)

Applicant Name(s)

Applicant Signature(s)

PETER'S SUSHI & CHINESE HOUSE

**WILLITS BYPASS PROJECT
2015 CONSTRUCTION SEASON
May 2015 UPDATE**

The following is a summary of the construction activities that have been completed up to May 20, 2015

- **Contractor has completed approximately 67% of work on the project.**

Southern Segment (Beginning of Project to Center Valley Road) – STA "A" 96+00 to 149+00 (3.3 miles):

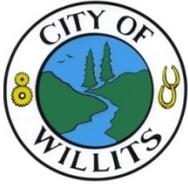
- Repair to winter damage slopes near the south interchange is complete.
- Construction of crossover detour for northbound freeway traffic to U1 line is complete.
- Haehl Creek realignment and fish passage improvement work is complete.
- An active treatment system has been installed and is being operated during storms to remove turbidity from storm water run-off.
- Right and Left bridges for 101/20 Separation are complete, except for concrete barriers, joint seals, and deck grooving. These items of work will not begin until late in 2015 or early 2016.
- Haehl Creek Bridge foundations and abutments are complete. Due to a short work window and temporary suspension of Army Corps permit in June 2014, work on Haehl Creek Bridges was suspended for winter. Work resumed on May 18, 2015, and will be completed in October 2015.
- Northbound onramp E20/N101 Connector Bridge is complete, except for concrete barriers, joint seals, and deck grooving.
- East Hill Road Undercrossing Bridge is complete except for concrete barriers, joints, and deck grooving.
- North Haehl Creek Bridge is complete except for concrete barriers, joint seals, and deck grinding.
- Pond relocation at Rutledge property is complete.
- Baechtel Creek Retaining Wall is complete. Concrete barrier, backfill and embankment will be completed in 2015.
- Embankment between Haehl Creek and Center Valley Road started, but is suspended until summer 2015.
- Erosion control materials are being monitored and maintained at all locations.

Floodway Viaduct - STA "A" 149+00 to 167+50 (1.2 miles):

- Frame 1 was reconstructed and deck concrete placement will occur this month.
- Frames 2, 3, 4, and 5 are complete except for concrete barriers, deck grooving, and surface finishing. Hinges 8, 13, and 17 are complete.
- Frames 6, 7, and 8 are under construction.
- Completion of the Viaduct by September 2015 is anticipated.
- City of Willits and Caltrans continue to coordinate work near WWTP facilities at Frames 6, 7, and 8.

North Segment (Viaduct to End of Project – STA "A" 167+50 to 191+10 (1.5 miles):

- Excavation and foundation pile driving has begun at Bridge 10-0171- Quail Meadows Overhead.
- Redesign of the North interchange is complete.
- Construction of embankment from MFP borrow resumed on April 22, 2015.
- Utility relocation work is ongoing.
- Work on Quail Meadows Undercrossing and three Upp Creek Bridges will begin in June 2015.
- Completion of all mainline and interchange bridges in October 2015 is anticipated.
- Erosion control is being monitored and maintained at all locations.



Item No. 9d(1)

Meeting Date: May 20, 2015

AGENDA SUMMARY REPORT

To: Honorable Mayor and Council Members

From: Rod Wilburn, Public Works Director

Agenda Title: DISCUSSION AND POSSIBLE ACTION TO APPROVE THE DELLA AVENUE WATER MAIN REPLACEMENT PROJECT TO BE COMPLETED IN FISCAL YEAR 2014/2015

Type: Presentation Consent Regular Agenda Public Hearing Urgent Time: 15 min.

Summary of Request: The Della Avenue Water Main Replacement Project has been a priority project for some years and was scheduled for construction in Fiscal Year 2015/2016. The existing water main on Della Avenue is 4-inch diameter wrapped steel that has surpassed its design life. Staff has communicated that past repairs have shown substantial corrosion built up inside the pipe so that the pipe essentially functions like a 2-inch diameter pipe. Last Fall, the City was notified by the County of Mendocino Department of Transportation that they were planning a “new asphalt overlay” project for Della Avenue in the Spring of 2015. Subsequent to the completion of the overlay project they would not issue an encroachment permit for any “substructure construction” for a period of five years. The County asked us to complete any water or sewer improvements planned for the next five years before they completed the overlay project. Based on our Five-Year Plan for Fixed Assets/Capital Improvements Projects, the Della Avenue Water Main Replacement was estimated to cost \$400,000. Upon initial review, staff felt that completing the planning and design of this project by Spring of 2015 was not feasible considering the other water system related projects such as the Emergency Water Supply Project and the Main Street Water Line Project.

The condition of the Della Avenue Water Main and likelihood of leaking or more significant failures has prompted staff to review the project further and consider alternatives for construction. The cost estimate was revised for the 2015/2016 Budget and determined to be \$265,000 if the project was put out for informal bids to qualified contractors. However, the timing of the water main replacement is critical because the pavement overlay contract has been awarded and any delays in the paving project could result in cost increases for which the City could be responsible.

Staff has developed a plan for completion of this water main replacement by June 30, 2015. This plan includes using Mendocino Construction Services (MCS) for grinding the pavement for the trench, trench excavation and trucking the trench excavation spoils to a disposal site. The remainder of the work would be completed by City staff and the pipe, fittings, hydrants, backfill material, etc. would be purchased directly by the City. City staff, including members of the Public Works Maintenance, Water Department, Sewer Department, and Engineering would be responsible for installing the pipe, valves, fire hydrants, new water services, new water meters as necessary, new sewer laterals (2), traffic control and backfilling the trench. The estimated cost to complete the project with this approach is \$138,000, which includes a 10% contingency.

Recommended Action: Approve the project and authorize the City Manager to execute a time and materials contract with Mendocino Construction Services for the grinding, excavation and trucking of trench spoils for an estimated cost of \$43,250.

Alternative(s): None.

Fiscal Impact: The Emergency Water Supply Project is currently projected to come in under budget because the City is using Force Account to complete a major portion of the treatment plant. The amount budgeted in 503-5031-4003-038 for FY 14-15 was \$1,022,371 and \$265,858 has been spent through April 30, 2015. The estimated cost to complete the project is \$412,000 of which \$300,000 is estimated to be spent through the end of FY 14-15. This leaves a balance of \$456,513 in FY 14-15 of which we propose to reclassify \$138,000 in 503-5031-4003-001 for the Della Avenue Water Main Replacement Project.

Reviewed by: City Manager City Attorney Finance Director Human Resources Risk

Council Action: Approved Denied Other: _____

Records: Agreement Resolution # _____ Ordinance # _____ Other _____