

## AMENDMENT TO SOLID WASTE FRANCHISE AGREEMENT

This Amendment (“Amendment”) to that certain Franchise Agreement For Integrated Solid Waste Management Services (“Agreement”) entered into on or about May 31, 2011 by and between USA Waste Of California, Inc., a Delaware corporation, dba Waste Management of Los Angeles (“Company”) and the City Of Manhattan Beach, a municipal corporation (“City”), is entered into as of this \_\_\_\_ of July, 2015. Collectively, City and Company are referred to herein as the “Parties”.

### RECITALS

A. The California State Legislature passed Assembly Bill AB 1826 into law September 2014, which requires a commercial food waste program to be in place by 2016.

B. The Agreement includes provisions for pilot programs for residential food waste diversion and commercial food waste diversion, and the Parties desire to amend the Agreement to provide for more comprehensive residential food waste diversion and commercial food waste diversion programs, including compliance with AB 1826;

NOW, THEREFORE, in consideration of the Parties’ performance of the promises, covenants, and conditions stated herein, the Parties hereby amend the Agreement as follows:

SECTION 2. All defined terms herein, as indicated by initial capitalization, shall have the meanings ascribed to them in the Agreement, unless otherwise indicated.

SECTION 3. “Section 1.30 Food Waste” is edited to include the following bullet in the definition:

- Fats, oils and grease.

SECTION 4. The following shall be added as Section 1.38:

“1.38 Organics Waste

“Organics Waste” means Green Waste or Food Waste, whether individually or in combination.”

SECTION 5. Section 3.2.7 shall be replaced in its entirety with the following:

“3.2.7 Residential Food Waste Program

Company will begin Residential Food Waste Collection on August 1, 2015. This program requires Company to Collect, process and divert Food Waste from

Residential Premises. Food Waste Collection will be made available to all Residential customers, including both Single and Multi-family Customers, whether the Customer uses Bins or Carts for Refuse Collection.

Food Waste will be Collected in Residential Customer's Green Waste Carts. Residential Customers, including Multi-Family Cart and Bin Customers and Sand Section Customers, that do not have a Green Waste Cart can request a Green Waste Cart. Alternatively, space-constrained Customers or Customers that do not produce Green Waste may request an 18-gallon Food Waste Cart. All Food Waste must be bagged before being placed in the Residential Customers' Green Waste or Food Waste Cart. Residential Customers shall provide their own bags or liners for the containment of the Food Waste. Company will not require a specific type of bag.

Company shall provide each Residential Customer with a kitchen Food Waste pail by August 1, 2015 to facilitate transfer of Food Waste to the Green Waste/Food Waste Cart. Company shall provide initial and replacement pails at no additional cost to City or Customers. Ownership of kitchen pails shall remain with Company at all times.

Company shall provide on-going public education and outreach to customers regarding the program, including but not limited to instructions on how to bag Food Waste, and what materials may be placed in the Food Waste bags. Company shall initially provide door hangers, to be approved by City, and shall continue to provide Customer outreach throughout the Term.

Company will divert Collected Food Waste from Disposal, providing end uses that maximize diversion credit in accordance with CalRecycle guidelines.

Residential Food Waste customers that place unacceptable Food Waste materials into the Green/Food Waste Container will be handled in accordance with the procedures set forth in Section 3.4 regarding the placement of non-Recyclable Materials into the Recycling Container.”

**SECTION 6.** Section 3.2.8 shall be replaced in its entirety with the following:

“3.2.8 Commercial Food Waste Program

3.2.8.1 Collection

Beginning August 1, 2015, Company will Collect, process and divert Organics Waste from Commercial Premises. Company shall provide a program sufficient to enable the City and Customers to meet or exceed the requirements of Public Resources Code Sections 42649.81 and 42649.82.

All Commercial Customers may participate. Company shall tailor the appropriate program to fit the waste generation and space constraints of each Customer. Company shall offer the following options, all inclusive in this program:

- Yellow Bag Program: Customers who do not have the space for an additional Container will have the option to receive heavy duty yellow bags supplied by Company to collect Food Waste and place the bags in Customer's Refuse Container. This Refuse will be sorted to recover the yellow bags.
- Food Waste Cart: Businesses who have the space for an additional Cart will have the option to receive a 64-gallon or 96-gallon Commercial Food Waste cart for Collection (green cart with yellow lid) at no charge to Customer.
- 2-yard Food Waste Bin: Select businesses that have the space and need for a larger Container have the option to receive a 2-yard Food Waste Bin for Collection (green bin with yellow lid) at no charge to Customer.

### 3.2.8.3 Site Visits, Education and Outreach

By August 1, 2015, Company will provide an outreach plan to the City for approval identifying the site visit schedule for which to send a Company representative to visit each Commercial Customers' Premises for the purpose of assessing levels of Food Waste and Green Waste generation, assessing when Organics Waste collection service must be established to meet the requirements of Public Resources Code Section 42649.81, and encouraging all Commercial Customers to establish Organics Waste collection service in advance of the date when mandatory service is required. Company will contact Commercial Customers and provide site visits according to the approved schedule. Company will also provide a site visit to any Commercial Customer that requests a site visit, even if ahead of schedule. Thereafter, the Company representative will follow up with Commercial Customers beginning January 1, 2016 in accordance with priorities based on the commencement date for mandatory Organics Waste service per Public Resources Code Section 42649.81, including selecting appropriate Containers and Container sizing, identifying acceptable Food Waste materials for collection and processing as set forth in Section 1.30, and attempting to resolve any logistical detriments to providing Organics Waste collection service.

Company will incorporate education regarding Organics Recycling and the State requirements into materials produced under Section 4.3, and will develop its own Organics-specific instructional materials for use in educating participating Customers. All participants receive ongoing, on-site training from Company for management, kitchen staff, service employees, janitors, etc. Company will create and distribute a letter to all commercial customers. Additional materials may include instructional posters, brochures, or other formats as mutually agreed to between City and Company. As with all outreach material, all items must be submitted for review and approval by City prior to distribution.

### 3.2.8.4 Contamination

Commercial Customers that place unacceptable Food Waste or Green Waste materials into the Food Waste or Green Waste Container(s) will be handled in accordance with the procedures set forth in Section 3.4 regarding the placement of non-Recyclable Materials into the Recycling Container.

#### 3.2.8.5 Processing

Company shall process recovered Food Waste in a manner that maximizes diversion credit for the City in accordance with CalRecycle regulations.”

### SECTION 7. Section 3.2.9 shall be added as follows:

#### “3.2.9 Records and Reports

Company shall maintain records and provide reports to the City, at no additional cost, of:

- Commercial and Multi-Family Customers that do and do not participate in an Organics program, whether the Organics program is provided by Company or another party, and whether the program is for Food Waste or Green Waste (such as a landscaper that composts or otherwise diverts Organics Waste);
- Which Customers are required to participate in an Organics Recycling program per Public Resources Code Section 42649.81;
- Records of Customer site visits;
- Source separated Food Waste tonnage Collected;
- Food Waste Tonnage recovered from the Residential waste stream through the bag program;
- Food Waste tonnage recovered from the Commercial wastes stream through the bag program; and,
- Additional information that may be requested by the State/CalRecycle related to Organics programs.

#### 3.2.10 Food Waste Recycling Program Cost

The full compensation to Company to provide the Residential Food Waste program as described in Section 3.2.7 and the Commercial Food Waste program as described in Section 3.2.8 is included in the rates effective August 1, 2015. Yellow commercial bags, source separated Collection of Food Waste Carts and Bins, public outreach, and all other elements of this program are to be provided at no additional cost. Participation in this program is anticipated to increase over time and has been factored into the rates and no further compensation

adjustment shall be implemented. This adjustment does not impact the weightings used in future annual rate adjustments under Section 5.4, and the weightings determined as of the July 1, 2015 rate adjustment will be applied to the next annual rate adjustment.”

SECTION 8. Except as specifically amended by this Amendment, terms and conditions set forth in the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF this \_\_\_\_\_ Amendment to Solid Waste Franchise Agreement is entered into this \_\_\_\_ day of July, 2015.

CITY OF MANHATTAN BEACH

USA WASTE OF CALIFORNIA, INC.,  
a Delaware corporation

By: \_\_\_\_\_  
Mark Danaj, City Manager

By: \_\_\_\_\_

Its: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Liza Tamura, City Clerk

APPROVED AS TO FORM:  
Richards, Watson & Gershon

\_\_\_\_\_  
Quinn M. Barrow, City Attorney