

EXCLUSIVE FRANCHISE AGREEMENT

FOR COMPREHENSIVE SOLID WASTE SERVICES

BETWEEN

THE CITY OF BELL

AND

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**EXCLUSIVE FRANCHISE AGREEMENT
FOR COMPREHENSIVE SOLID WASTE SERVICES**

THIS AGREEMENT is made and entered into effective the _____ day of _____ 2012, by and between the CITY OF BELL, a municipal corporation, hereinafter referred to as City, and _____, a California Corporation hereinafter referred to as Franchisee. City and Franchisee agree each with the other, that a period of seven (7) years from and after July 1, 2012, is the established term of this Agreement. Franchisee shall have sole right to collect, haul, and dispose of all solid waste and conduct a comprehensive recycling program in the City, through June 30, 2019, in accordance with the following terms and conditions. This exclusive franchise may be extended for up to three additional one (1) year terms at the mutual consent of the City and the Franchisee.

RECITALS

WHEREAS, Article XI, § 7 of the California Constitution authorizes cities to protect public health and safety by taking measures in furtherance of their authority over police and sanitary matters; and

WHEREAS, as further described below, due to the complex legal nature of solid waste collection and the need for an integrated waste management system which disposes of waste in a healthful and economic fashion, reduces generation and promotes reuse and recycling, limits the potential for waste to degrade water sources or contaminate the environment, City finds it necessary to award an exclusive franchise to a single franchisee, and for such privilege, and in consideration of Franchisee's obligations hereunder, City shall collect a franchise fee as provided herein; and

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989, ("**AB 939**" or the "**Act**") established a Solid Waste management process which requires cities and other local jurisdictions to implement plans for source reduction, reuse and recycling as integrated waste management practices for Solid Waste attributed to sources within their respective jurisdictions; and

WHEREAS, California Public Resources Code § 40059 provides that aspects of Solid Waste handling of local concern include but are not limited to frequency of collection, means of collection and transportation, level of services, charges and fees, and nature, location and extent of providing solid waste services, and whether the services are to be provided by means of nonexclusive, partially exclusive or wholly exclusive franchise, contract, license or otherwise which may be granted by local government under terms and conditions prescribed by the governing body of the local agency; and

WHEREAS, the Federal Clean Water Act of 1972 establishes water quality standards for all contaminants in surface waters, requires the implementation of wastewater pollution control programs, and authorizes the National Pollutant Discharge Elimination System (NPDES) permit system to control water pollution by regulating point sources that discharge pollutants into waters of the United States, which stormwater programs are administered regionally through rules, regulations and mandates promulgated by the Los Angeles Regional Water Quality Control Board; and

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WHEREAS, City is obligated to protect the public health and safety of the residents and businesses in the City, and arrangements made by solid waste enterprises and recyclers for the collection of Residential and commercial Solid Wastes should be made in a manner consistent with the exercise of the City's police power for the protection of public health and safety; and

WHEREAS, City and Franchisee are mindful of the provisions of the laws governing the safe collection, transport, recycling and disposal of Residential and commercial Solid Waste, including AB 939, the Resource Conservation and Recovery Act ("**RCRA**"), 42 U.S.C. §§ 6901 *et seq.*, the Comprehensive Environmental Response, Compensation and Liability Act ("**CERCLA**"), 42 U.S.C. §§ 9601 *et. seq.*; the Electronic Waste Recycling Act of 2003 (SB 20, Chapter 526, Statutes of 2003; SB 50, Chapter 863, Statutes of 2004; AB 575 Chapter 59, Statutes of 2011), laws governing Universal Waste, including, but not limited to, Universal Waste Electronics Devices ("**UWED**"), non-empty aerosol cans, fluorescent tubes, high intensity discharge lamps, sodium vapor lamps, and any other lamp exhibiting a characteristic of a hazardous waste, batteries (rechargeable nickel-cadmium batteries, silver button batteries, mercury batteries, small sealed lead acid batteries, alkaline batteries, carbon-zinc batteries and any other batteries which exhibit the characteristic of a hazardous waste), mercury thermometers, mercury-containing switches; and

WHEREAS, City and Franchisee desire to leave no doubts as to their respective roles and to make it clear that by entering into this Agreement, City is not thereby becoming a "generator" or an "arranger" as those terms are used in the context of CERCLA § 107(a)(3) and that it is the Franchisee, an independent entity, not City, which will arrange to collect Solid Waste from single family dwellings, multiple family dwellings, City and Commercial Customers in the City, transport for recycling and disposal and dispose of Solid Wastes which may contain small amounts of household products with the characteristics of hazardous wastes, collect and compost Green Waste and collect and recycle Recyclable Materials from single family dwellings, multiple family dwellings, City, and commercial customers in the City of Bell, and collect and recycle or dispose of Construction and Demolition Materials ("**C&D Materials**"); and

WHEREAS, City and Franchisee agree that, subject to City's exercise of its reserved flow control right under of this Agreement, the Franchisee will only utilize landfill or transformation facility destinations for the non-recyclable residential and commercial Solid Waste and Construction and Demolition Materials which Franchisee will arrange to collect, that City's Chief Administrative Officer has approved in writing. The Franchisee is free at all times to petition the City for the inclusion or addition of any lawfully permitted facility and nothing in this Agreement or other action of the City shall be construed to give rise to any inference that the City has any title, ownership or right of possession of such Solid Waste; and

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WHEREAS, Franchisee represents and warrants to City that Franchisee has the experience and qualifications to conduct recycling and waste diversion programs, to provide City with information sufficient to meet the City's reporting requirements to CalRecycle and any other State, County, or additional agencies with jurisdiction over the portion of the City's waste stream that is collected by the Franchisee, and that Franchisee shall submit any such data required by the City to meet its reporting obligations in a format approved by the City; and

WHEREAS, Franchisee represents that it employs qualified persons responsible for the day-to-day collection, safe transport, and disposal of Solid Wastes and that such persons will operate equipment and otherwise conduct all activities in a safe manner which shall minimize the adverse effects of collection vehicles on air quality and traffic, and that Franchisee has the ability to indemnify City in accordance with this Agreement; and

WHEREAS, the City Council finds and determines pursuant to California Public Resources Code § 40059(a)(1) that the public interest, health, safety and well-being, including the minimization of adverse impacts on air quality and traffic from excessive numbers of collection vehicles, the implementation of measures consistent with the City's Source Reduction and Recycling Element, would be served if Franchisee were to be awarded an exclusive Franchise for collection, recycling, diversion and disposal of Solid Waste from Customers in the City,

NOW THEREFORE, in consideration of the promises and covenants contained herein, the above recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**ARTICLE I
DEFINITIONS; DELEGATION OF AUTHORITY.**

1.1 General. Whenever any term used in this Agreement has been defined by the provisions of Chapter 8.24 of the Municipal Code or by Division 30, Part I of the California Public Resources Code, the definitions in the Municipal Code or the Public Resources Code shall apply unless the term is otherwise defined in this Agreement, in which case this Agreement shall control.

1.2 Definitions. Except as provided in Section 1.1, words beginning with lower case letters are being used with their common ordinary meanings, not as defined terms. Otherwise, the following capitalized words and terms shall have the following respective meanings:

1.2.1 AB 939. "AB 939" means the California Integrated Waste Management Act of 1989, Public Resources Code Section 40000 *et seq.* and regulations promulgated thereunder, as amended from time, to time.

1.2.2 AB 939 Program Fee. "AB 939 Program Fee" shall mean that annual fee established by the City and collected from the Franchisee to fund the administrative and related costs of the City for compliance with the Waste Diversion mandates of the State, which fee shall be in the amount of one percent (1%) of Franchisee's Gross Receipts and is further described in Section 3.6.

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1.2.3 Agreed Upon Procedure. "Agreed Upon Procedure" shall mean the procedures and methodology approved by the City's Chief Administrative Officer for review and audit of Franchisee's financial records in connection with this Agreement.

1.2.4 Agreement. "Agreement" means this Agreement for Provision of Comprehensive Solid Waste Services.

1.2.5 Bin. "Bin" means any Solid Waste container of a capacity exceeding 100 gallons (i.e., a "dumpster") and provided to customers by Franchisee.

1.2.6 Bulky Waste. "Bulky Waste" means any large or small household appliance, electronic waste, universal waste, furniture, tires, carpet, mattress or similar large item discarded as Municipal Solid Waste from a Single-Family Residential Unit or Multi-Family Residential Unit.

1.2.7 Cart. "Cart" means any molded Container provided by City or Franchisee of a size not to exceed 100 gallons with two or more wheels for easy carting by an individual.

1.2.8 Chief Administrative Officer. "Chief Administrative Officer" means the Manager of the City or his or her designee(s).

1.2.9 City. "City" means the City of Bell, a municipal corporation organized under the laws of the State of California, and all of the territory lying within the municipal boundaries of the City as presently existing and, subject to the provisions of Section 3.1.3, all geographic areas which may be added or annexed thereto during the Term of this Agreement.

1.2.10 City Facility. "City Facility" means any building, park or other site owned, leased or used by the City.

1.2.11 Commercial and Industrial Units. "Commercial and Industrial Units" shall mean the Premises of a business that is not a City Facility, Single-Family Residential Unit or Multi-Family Residential Unit.

1.2.12 Compensation Schedule. "Compensation Schedule" shall mean that set of prices established by the City to compensate the Franchisee for the full costs of the collection, processing, recycling, composting, and/or transformation or landfill disposal of solid wastes, inclusive of all City fees and program costs.

1.2.13 Construction and Demolition Debris. "Construction and Demolition Material" or "C&D Material," means any combination of building materials and Solid Waste resulting from construction, remodeling, repair, cleanup, or demolition operations as defined in California Code of Regulations, Title 22 Section 66261.3 *et seq.* This term includes, but is not limited to, asphalt, concrete, Portland cement concrete, brick, lumber, gypsum wallboard, cardboard, and other associated packaging, roofing material, ceramic tile, carpeting; plastic pipe and steel. The material may be commingled with rock, soil, tree stumps; and other vegetative matter resulting from land clearing and landscaping for construction or land development projects.

1.2.14 Contract Year. "Contract Year" means each annual period starting from the Effective Date and recurring thereafter from the Effective Date's anniversary.

1.2.15 County. "County" means the County of Los Angeles.

1.2.16 Curbside Recycling Fee. "Curbside Recycling Fee" shall mean that percentage of shared revenue, Gross Receipts, or other compensation from the sale, barter, or otherwise obtained by Franchisee due to the Franchisee's status as operator of the City of Bell's curbside recycling program, paid to the City on a schedule established herein.

1.2.17 Day. "Day" means calendar day, unless otherwise stated in this Agreement.

1.2.18 Disposal Fee. "Disposal Fee" means those costs imposed at the Disposal Site for the handling or dumping of Solid Waste collected by Franchisee.

1.2.19 Disposal Site. "Disposal Site" means a permitted Solid Waste facility, transfer station, Material Recovery Facility or pre-processing facility.

1.2.20 Effective Date. The term "Effective Date" means the date established herein for closing, which date shall be entered on the first page hereof. To this end, the Parties shall arrange a closing within thirty (30) business days after this Agreement has been approved, at which closing the Parties shall personally meet for the execution and delivery of all documents and delivery of the Fee Payment as defined in Section 4.2 herein. The date that this Agreement shall be considered to be validly approved and in effect will be deemed to be the date of the Closing; should the Closing not be held within said thirty (30) days, or should delivery of all documents and Fee Payment not be timely completed, this Agreement shall be void ab initio and of no force or effect. Notwithstanding the validity of this Agreement from Closing, services under this Agreement shall not commence until the Franchise Start Date, nor shall the term commence until said date.

1.2.21 Franchisee. "Franchisee" means _____.

1.2.22 Franchise Documents. "Franchise Documents" means Chapter 8.24 as the same exists or may be amended in the future of the Municipal Code of the City of Bell, this Agreement, and any exhibits hereto.

1.2.23 Franchise Fee. "Franchise Fee" shall mean an amount paid monthly to City equal to Ten Percent (10%) of Gross Receipts collected during the preceding month for any franchise service, or related service, provided under this Agreement. The term Gross Receipts is defined below and by "gross" means all revenues of any nature whatsoever and is not subject to any percentage reduction or "net-of-fees" computation without the express approval of the City Council.

1.2.24 Franchise Start Date. The date on which the exclusive franchise granted by the Agreement commences to start, which date shall be midnight of July 1, 2012. The Franchise Start Date will commence on July 1, 2012 regardless of the date of the Effective Date of this Agreement.

1.2.25 Franchise Term. The term of the exclusive franchise granted to Franchisee by this Agreement, which Franchise Term shall commence on the Franchise Start Date (midnight, July 1, 2012) and continue until June 30, 2019, and may be increased by three additional one-year terms by mutual consent of the Parties.

1.2.26 Green Waste. "Green Waste" means any and all forms of biodegradable plant material which can be placed in a covered Container, such as wastes generated from the maintenance or alteration of public, commercial or residential landscapes including, but not limited to, yard clippings, leaves, tree trimmings, prunings, brush, and weeds as well as green waste. Tree stumps and limbs greater than three (3) inches in diameter are excluded unless they are reduced to a chipped form; otherwise, such large portions of Green Waste shall be considered Bulky Waste.

1.2.27 Gross Receipts. "Gross Receipts" means all monies, consideration and revenue received by Franchisee in connection with the services carried out under this Agreement, whether for residential or commercial services, all revenues from special services or pickups, and any monies received by Franchisee in the operation of this Franchise, and shall include all Tipping Fees or other fees and/or taxes charged to and collected by Franchisee and thereafter passed-on to Franchisee's customers under this Agreement. Notwithstanding the foregoing, Recycling Revenues are not included in Gross Receipts in accordance with Section 6.7.5.

1.2.28 Hazardous Waste. "Hazardous Waste" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is: (i) petroleum or oil or gas or any direct or derivate product or byproduct thereof; (ii) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (iii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (iv) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Sections 25501(j) and (k) and 25501.1 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (v) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (vi) "used oil" as defined under Section 25250.1 of the California Health and Safety Code; (vii) asbestos; (viii) listed under Chapter 11 of Division 4.5 of Title 22 of the California Code of Regulations, or defined as hazardous or extremely hazardous pursuant to Chapter 10 of Division 4.5 of Title 22 of the California Code of Regulations; (ix) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (x) designated as a "toxic pollutant" pursuant to the Federal Water Pollution Control Act, 33 U.S.C. Section 1317; (xi) defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, *et seq.* (42 U.S.C. § 6903); (xii) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, *et seq.* (42 U.S.C. § 9601); (xiii) defined as "Hazardous Material" pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101, *et seq.*; or (xiv) defined as such or regulated by any

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“Superfund” or “Superlien” law, or any other Federal, State or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials and/or oil wells and/or underground storage tanks and/or pipelines, as now, or at any time hereafter, in effect.

1.2.29 Hazardous Waste Program Fee. “Hazardous Waste Program Fee” shall mean that annual fee established by the City and collected from the Franchisee to fund programs established by City pursuant to the Federal Clean Water Act of 1987, program related to responsible HHW management, program related to responsible medical waste management, and the general administrative and reporting costs of the City related to compliance hereto.

1.2.30 Holiday. “Holiday” means holidays prescribed by the City of Bell specific to Franchisee service. These prescribed holidays include: New Year’s Day, Labor Day, Veteran’s Day, Memorial Day, Thanksgiving Day, Independence Day, Christmas.

1.2.31 Household Hazardous Waste or HHW. “Household Hazardous Waste” or “HHW” shall mean that waste resulting from products purchased by the general public for household use which, because of their quantity, concentration, or physical, chemical, or infectious characteristics, may pose a substantial known or potential hazard to human health or the environment when improperly treated, disposed, or otherwise managed.

1.2.32 Household Waste. “Household Waste” shall mean that waste normally generated by a Single-Family Residential Unit or a Multi-Family Residential Unit.

1.2.33 Infectious Waste. “Infectious Waste” means waste capable of producing an infection or pertaining to or characterized by the presence of pathogens including, but not limited to, certain wastes generated by medical practitioners, hospitals, nursing homes, medical testing labs, mortuaries, taxidermists, veterinarians, veterinary hospitals and medical testing labs and any waste that includes animal wastes.

1.2.34 Materials Recovery Facility. “Material Recovery Facility or MRF” shall mean a transfer station which is designed to, and as a condition of its permit, shall, recover for reuse or recycling, at least fifteen percent (15%) of the total volume of material recovered by the facility as set forth in Public Resources Code Section 50000(a)(4).

1.2.35 Maximum Rate Schedule. “Maximum Rate Schedule” means that schedule of rates charged to Residential Units and Commercial and Industrial customers located in the City by Franchisee for Franchisee’s waste hauling services, which Maximum Rates are effective as of the Effective Date of this Agreement and attached hereto as Exhibit “A” (Exhibits C1, C2, C3, and C4 to the RFP).

1.2.36 Multi-Family. “Multi-Family” means a development of five (5) or more Residential Units, including a condominium project, duplex, townhouse project, apartment house, or mobile home park, irrespective of whether residence therein is transient, temporary or permanent, such that all Residential Units dispose of Solid Waste and/or Recyclable Materials in a communal Bin(s) at centralized locations.

1.2.37 Oil Waste. “Oil Waste” means used motor oil and used oil filters.

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1.2.38 NPDES Program Fee. "NPDES Program Fee" means the annual fee established by the City and collected from the Franchisee to fund the administrative and related costs of the City to achieve compliance with the Clean Water Act of 1972, including those portions governing the National Pollutant Discharge Elimination System enacted to eliminate discharges into the Nation's waterways, including storwaters, and the rules, regulations and other mandates promulgated by the Los Angeles Regional Water Quality Control Board and other governmental entities to comply therewith and with other similar Federal and State laws, which Fee is further described in Section 3.4, "Storwater Program."

1.2.39 Owner. "Owner" means the person, organization or corporation holding the legal title to the real property constituting the Premises to which solid waste management services are provided or required to be provided. For the purposes of provisions in this Agreement pertaining to the sending of notices, billings or other communications by Franchisee to an Owner, Franchisee may regard as the Owner the person, organization, corporation or other entity shown in the records of the Assessor of the County or as may be indicated by documents recorded in the Office of the Recorder of the County.

1.2.40 Premises. "Premises" means any parcel of land, building(s) and/or structure(s), or portion thereof, in the City where Municipal Solid Waste is produced, generated or accumulated and which is billed as one customer or one Multi-Family complex.

1.2.41 Proposition 218. "Proposition 218" means Articles XIIC and XIID of the California Constitution and any implementing legislation promulgated thereunder, as may be amended from time to time.

1.2.42 Recyclable Container. "Recyclable Container" shall mean any Bin or Cart provided by the City or Franchisee for the collection of Recyclable Materials.

1.2.43 Recyclable Materials. "Recyclable Materials" means any product salvaged or collected for the purpose of reprocessing or remanufacturing including, but not limited to, glass, newsprint, aluminum, cardboard, plastics or metal.

1.2.44 Residential Unit. "Residential Unit" shall mean any individual dwelling unit used for or designated as a single-family residential as either (i) a Single Family Unit or (ii) a single unit in a Multi-Family Unit.

1.2.45 Single-Family. "Single-Family" means Premises used or designated for residential use and consisting of four (4) or fewer Residential Units, such that each Residential Unit receives its own set of Carts and individual curbside collection services therefore.

1.2.46 Solid Waste. "Solid Waste" means all solid wastes generated by residential, commercial, and industrial sources, and all solid waste generated at construction and demolition sites, and at treatment works for water and waste water, which are collected and transported under the authorization of the City or are self-hauled by residents or contractors. Municipal Solid Waste does not include agricultural crop residues, mining waste and fuel extraction waste, forestry wastes, ash from industrial boilers, furnaces and incinerators or Hazardous Waste, any waste which is not permitted to be disposed of at a Class III landfill and

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which fall within the definition of "Nonhazardous Solid Waste" set forth in Title 23, Chapter 15, Section 2523(a) of the California Code of Regulations as amended or designated Class II wastes.

1.2.47 Stormwater Programs. "Stormwater Programs" means and includes, but are not limited to, education of customers, street sweeping and sidewalk cleaning, bus shelter cleaning, promotional activities, recycling and other Waste Diversion efforts, and waste water treatment.

1.2.48 Source Reduction. "Source Reduction" means the process of reducing the amount of waste produced by the person or organization generating such waste. Source Reduction occurs through the use of alternative goods and products and/or the reuse of goods and products.

1.2.49 Source Separated. "Source Separated" describes the segregation, by the generator, of materials designated for separate collection for some form of materials recovery or special handling.

1.2.50 Term. "Term" means the effective period of this Agreement as defined in Section 4.1.

1.2.51 Tipping Fee. "Tipping Fee" is the common name for and has the same meaning as Disposal Fee.

1.2.52 Waste Diversion or Diversion. "Waste Diversion" or "Diversion" means to divert from Disposal Sites or transformation facilities (including incineration, pyrolysis, distillation, gasification or biological conversion) through source reduction, Recycling and composting, as provided in Section 41780 of the Act, provided that "Divert" or "Diversion" shall include delivery to transformation facilities if the overall Diversion achieved by the Town is at a level where delivery to such facilities shall be considered Diversion pursuant to the California Integrated Waste Management Act of 1989 (Public Resources Code Sections 40000 *et seq.*

1.3 Delegation of Authority. The administration of this Agreement by the City shall be under the supervision and direction of the Chief Administrative Officer and the actions specified in this Agreement shall be taken by the Chief Administrative Officer and/or his or her designee.

ARTICLE II FRANCHISE DOCUMENTS

2.1 Documents. The Franchise Documents consist of Chapter 8.24 as the same exists or may be amended in the future of the Municipal Code of the City of Bell, this Agreement, and the work plan component of the proposal response of the selected firm awarded the Franchise (attached as Exhibit "C" hereto). All of the provisions of the Franchise Documents are incorporated and made a part of this Agreement as though set forth in full. Nothing shall prevent the City from amending Chapter 8.24 of the Municipal Code or from adopting such other and further legislation as the City deems necessary or appropriate; provided, however, that the City shall give Franchisee ten (10) days, notice prior to considering any amendment to Chapter 8.24, if such amendment would affect costs of revenue under this Agreement; provided, however, failure to give such notice shall not invalidate the amendment.

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ARTICLE III
GRANT OF FRANCHISE; SCOPE OF FRANCHISE; EXCLUSIONS

3.1 Grant of Franchise.

3.1.1 General Grant. The City grants to Franchisee and Franchisee shall have during the Franchise Term, the exclusive franchise, right, license and privilege (except as provided in Section 3.2 below) to engage in, the business of collecting and transporting all Solid Waste and Recyclable Materials generated within the City of Bell. It is expressly understood that the Solid Waste management business is conducted by Franchisee and not City, and while City grants the right to conduct the business within the terms of this Agreement, the Franchisee must determine what personnel to employ, terms and conditions of employment, what equipment to utilize and at what cost, rates and charges to establish for customers and all methods, costs, obligations and mechanisms to undertake the terms of the franchise.

3.1.2 Duty. To the extent that the franchise granted hereby is exclusive, it shall be so only if Franchisee is and shall be at all times ready, willing and able to perform its obligations under this Agreement, including but not limited to, collecting, transporting and disposing of all Solid Waste generated within the City in accordance with the provisions of this Agreement and all applicable laws, rules and regulations.

3.1.3 Annexations. This Agreement shall extend to any territory annexed to the City during the Term that is not covered by an existing Solid Waste permit, license, agreement or franchise granted by another public entity shall be added hereto, except to the extent that collection by Franchisee within that annexed territory would violate the provisions of Public Resources Code Section 49520. In such event, this Agreement shall become effective as to such area at the earliest possible date permitted by law, and City agrees that it shall cooperate with Franchisee to fulfill any requirement necessary for Franchisee to serve the annexed area consistent with this Section 3.1.3.

3.2 Scope of Franchise; Mandatory Service And Exclusions. The franchise granted to Franchisee shall be exclusive within City limits such that Franchisee shall be the sole provider of general Solid Waste and Recyclable Materials hauling services to City residents and businesses. To this end, at all times during the Term of this Agreement the City shall require the Owner of each Single-Family Residential Unit, Multi-Family Residential Unit, Commercial Unit and Industrial Unit where Solid Waste is produced to subscribe to the collection service provided for in this Agreement and in Chapter 8.08 of the Municipal Code. The hauling services franchise herein granted shall be subject to the following exclusions:

3.2.1 Intergovernmental Immunity. All (i) universities, (ii) school districts, (iii) other State agencies, (iv) any other governmental entity that is not subject to the City's police powers, and (v) the exclusivity provisions of any ordinance to be adopted by the City;

3.2.2 Self Hauling Exclusions. Self-hauling by City residents and contractors within the City who may elect to opt out of the services provided for by the Franchisee include the following:

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(a) *Construction and Demolition Waste.* The collection, recycling and/or disposal of Construction and Demolition Waste from Customers through the use of debris boxes or other Bins by a licensed contractor (e.g. a roofing contractor) performing work within the scope of the contractor's license, using equipment owned or leased by the contractor, is not within the scope of this Agreement. In addition the collection, recycling, and/or disposal of Construction and Demolition Waste that requires the use of an affixed container or other specialty vehicles not provided by the Franchisee is also not within the scope of this Agreement. All excluded contractors or specialty vehicle operators must operate in accordance with all governing laws and regulations and submit reports required by City in order to legally haul in the City of Bell; and

(b) *Gardeners and Landscapers.* This Agreement shall not prohibit gardeners and landscapers from collecting, transporting and composting or disposing of Green Waste, as long as they transport such Green Waste to a Green Waste Processing Facility, or other site permitted (or exempt from permitting) by CalRecycle, or its successor agency, in accordance with all governing laws and regulations and submit reports required by City; and

(c) *Sale or Gift of Recyclable Materials.* This Agreement does not prohibit any person from selling Recyclable Materials or giving Recyclable Materials away to persons or entities other than the Franchisee; however, in either instance: (1) the Recyclable Materials must be segregated from and not mixed with Solid Waste; and (2) the segregated solid waste material cannot have a contamination level of greater than 10%, measured by weight or volume. Specifically "contamination" would encompass any putrescible or non-putrescible material not specifically targeted for segregation. A discount or reduction in price for collection, disposal and/or recycling services for any form of unsegregated or segregated Solid Waste, regardless of contamination level, is not a sale or donation of Recyclable Materials and such Solid Waste does not qualify for this exception; and

(d) *Other Services; Niche Recycling Services.* City reserves the right to enter into agreements with other entities for the collection, recycling, and disposal services not provided for in this Agreement, including but not limited to catch basin clean-outs, household hazardous waste collection, and "niche" recycling services which Franchisee does not currently provide; and

(e) *Recyclable Materials Drop Off.* Recyclable Materials not "discarded" by an Owner of Premises which is disposed of at legally mandated public redemption centers that comply with all reporting and other requirements imposed by any political entity having jurisdiction over those redemption centers; and

(f) *Emergency Collections.* The casual or emergency collection, removal, disposal or Diversion of Solid Waste by the City through City officers or employees in the normal course of their employment; and

(g) *Legally-Required Exemptions.* Other collection, removal or disposal activities required to be exempt from mandatory franchise services pursuant to law, or entities exempt from such franchise pursuant to State or Federal law, including but not limited to Non-City governmental entities located within City boundaries.

3.3 Franchise Fee. Franchisee shall pay a monthly fee to City equal to Ten Percent (10%) of Gross Receipts collected the preceding month for any franchise service, or related service, provided under this Agreement. This franchise fee is not subject to any percentage reduction or “net-of-fees” computation without the express approval of the City Council. Franchise Fee fees are due 30 days after each preceding month’s end, up to and including the final month of this Agreement. Any under-payment or non-payment of franchise fees is subject to a late payment penalty of 1 ½% per month, or any fraction of a month beyond the prescribed due date. This is an agreed upon penalty that is cumulative upon any balances owing or subsequently found as owing through audit or other means.

3.4 NPDES Program Fee. In addition to the Franchise Fee required to be paid by Franchisee as provided in Section 3.3, Franchisee shall pay an NPDES Program Fee monthly to the City. This NPDES Program Fee shall be equal to ten percent (10%) of Franchisee’s Gross Receipts and payable to the City under the definitions, terms, and conditions applied to the Franchise fee in Section 3.3. Regulations promulgated by the Los Angeles Regional Water Quality Control Board under the Federal Clean Water Act mandate that cities and their residents must take additional steps to prevent contaminated water runoff. Consistent with the City’s current NPDES programs, funds collected through this NPDES Program Fee will be applied toward the City’s Stormwater Programs to prevent and/or reduce the contamination of storm drain runoff water. Examples of efforts by the City may include, but are not limited to, education of customers, street sweeping and sidewalk cleaning, bus shelter cleaning, promotional activities, recycling and other Waste Diversion efforts, and waste water treatment.

3.5 Curbside Recycling Fee. Franchisee shall pay an amount equal to 30% of the Gross Receipts or other compensation received regardless of form it derives from the sale, barter, or otherwise obtains due to the Franchisee’s status as operator of the City of Bell’s curbside recycling program. Such payments will be made to the City on a quarterly basis, 30 days after each preceding quarter, up to and including the final quarter of this Agreement. Such payments are to be accompanied by data in a report form as designated by the City. Under-payment or non-payment shall also be subject to the 1 ½% penalty as established in Article 3.3 hereto.

3.6 Annual Program Fees. Franchisee shall make the following annual payments to the City on the anniversary date of the Effective Date this Agreement. Failure to make annual payments on the prescribed date is considered a material breach of this Agreement:

(a) *AB 939 Program Fee.* An “AB939 Program Fee” in the amount of one percent (1%) of Franchisee’s Gross Receipts is to be remitted by the Franchisee on an annual basis to reimburse the City for costs related to compliance with State recycling mandates, public education, City staff expense for oversight and review of Franchisee recycling activities, and the cost of professional consulting services determined as necessary and/or beneficial by the City.; and

(b) *Performance Audit Program Fee.* An annual payment in the amount of one percent (1%) of Franchisee’s Gross Receipts for a third-party review and audit of Franchisee performance, record keeping, and fee calculations. Such an audit will verify the accuracy of franchise and curbside recycling fee payments as well as the Franchisee’s

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bylaws or otherwise, to authorize the execution of this Agreement. The persons signing this Agreement on behalf of Franchisee have authority to do so. Entering into this Agreement does not violate any provision of any other Agreement to which Franchisee is bound.

4.3.3 No Criminal Convictions. Franchisee represents and warrants that none of its officers or directors have been found guilty of felonious conduct, bribery of public officials, fraud, deceit, false claims, racketeering or illegal transport or disposal of Hazardous Waste. The term "found guilty" shall be deemed to include any judicial determination of guilt including, but not limited to, pleas of "guilty", "nole contendere", "no contest" or "guilty to a lesser charge" entered as part of a plea bargain.

4.3.4 No Prior Terminations for Misconduct. Franchisee represents and warrants that no prior agreement to which Franchisee was a party was terminated for misconduct or cause by the Franchisor.

4.3.5 Accuracy of Representations. The representations and warranties made by Franchisee in this Section 4.3 above are true and correct on and as of the Effective Date of this Agreement.

4.4 Extension of Franchise for Bid Process. Franchisee agree to comply with Section 11.12 herein by executing a temporary extension of services under this Agreement at then prevailing rates for a period up to one year after the end of the Term, and to comply with the other requirements of Section 11.12, in order to permit the City a reasonable time to conduct a bid process for new Solid Waste management services.

ARTICLE V SERVICES OF FRANCHISEE

5.1 General Standards. The work to be performed pursuant to this Agreement shall include the furnishing of all supervision, labor, materials, equipment, tools, expertise and any other items necessary to perform the services described in this Agreement. All work shall be accomplished in a courteous, thorough and workmanlike manner and adhere to the highest standards consistent with the best practice in the industry.

5.2 Standards of Performance.

5.2.1 Availability of Franchisee. Franchisee has established, and shall continue to maintain a local office for the purpose of receiving customer payments and handling customer inquiries, orders and complaints. The "local" office must remain in a location within fifteen (15) miles of the City boundary and having the same telephone area code as that existing in the City. The local office shall be open to the public between the hours of 8:00 a.m. to 5:00 p.m., five (5) days per week, Monday through Friday, Holidays excepted. A representative of Franchisee shall be available during office hours for communication with the public at such local office. Additionally, the Franchisee shall continue to employ the services of a telephone answering exchange for calls during non-business hours and provide a telephone system sufficient and adequate to handle calls during peak periods. The Franchisee shall provide the City's Chief Administrative Officer and the City's Police and Fire Departments with any updated emergency

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telephone numbers. Franchisee shall have a representative or answering service available at said telephone number during all hours other than normal office hours.

5.2.2 Citizen Complaints. The Franchisee shall respond to all complaints within twenty-four (24) hours and shall exercise due diligence to resolve all complaints. The City may, but is not obligated to, respond to complaints that have not been resolved within twenty-four (24) hours and may charge the Franchisee for the actual costs incurred therefor. In connection herewith, Franchisee shall adequately staff its telephone system so that it is capable of handling all calls during peak business hours.

5.2.3 Record of Complaints. Franchisee shall maintain a record of all complaints received by mail, by telephone or in person (including date, name, address of complainant and nature of complaint) for a period of three (3) years. Franchisee will maintain records listing the date of consumer complaints, the customer, describing the nature of the complaint or request, and when and what action was taken by the Franchisee to resolve the complaint.

5.2.4 Disputes. Disputes between the Franchisee and its customers regarding the services provided in accordance with this Agreement may be resolved by the City; provided, however, the City shall not be obligated to resolve any such disputes. The City Council by resolution may prescribe the procedures for processing customer complaints. The City's decision shall be final and binding unless challenged in a court of competent jurisdiction.

5.2.5 Record of Non-Collected Materials. The Franchisee shall notify customers in the event any item left for disposal is not picked up. Said notification shall be in writing, state Franchisee's telephone, address and shall give the reason for non-collection. Reasons for non-collection may include, but are not limited to the following: containers inaccessible to Franchisee (after Franchisee has made a reasonable effort to secure access); improper container; container overfilled; heavy container; or, the container includes Hazardous Waste. The Franchisee shall maintain a record of all items not collected and provide a copy of said record to the Chief Administrative Officer or his or her designee on a monthly basis.

5.2.6 Property Damage Caused by Franchisee. The Franchisee shall be responsible for the cost of repairing any property damaged by the negligent or intentional conduct of its employees or agents.

5.2.7 Quality of Service Surveys. The City requires that the Franchisee provide at its own expense, twice annually a "quality of service" survey of Franchisee's customers during the term of the Agreement. Prior to finalizing the survey form, the City shall review the survey with the Franchisee. Results of the quality of service survey shall be reviewed with the Franchisee and used to discuss improvements in service delivery.

5.2.8 Collection Route Audits. The City reserves the right to conduct audits of Franchisee's collection routes. The Franchisee shall cooperate with the City in connection therewith, including permitting City employees or agents, designated by the City, to follow behind the collection vehicles, and/or to dump the loads from targeted collection routes at a material recovery facility designated by the City, in order to determine waste composition. The

Franchisee shall have no responsibility or liability for the salary, wages, benefits or worker compensation claims of any person designated by the City to conduct such audits. The Franchisee will be required to pay the tipping fee at a City designated material recovery facility, for the purposes of a route audit, up to the amount contractually paid by the Franchisee at the designated material recovery facility authorized under this Agreement. It will be the City's responsibility to pay any additional tipping fees.

5.2.9 Curbside Recycling Audits. Franchisee is required to conduct quarterly waste composition audits, at no charge to the City, of the solid waste collected from residents in curbside recycling containers. The purpose of this audit is to establish the materials, and their relative percentages by weight, in the residential curbside waste stream. The City and/or its designee shall have the right to be present to oversee the Franchisee while this audit is conducted.

5.2.10 "On-Call" Equipment and Personnel. During normal business hours, the Franchisee shall have "on-call" at least one (1) truck to handle called-in pick-ups or missed collections. After normal business hours, the Franchisee shall have "on-call" the necessary manpower and equipment to respond to customer emergencies that are an immediate threat to life or property. Franchisee's on-call equipment and personnel shall also be available to assist the City with debris collection and removal within a reasonable time resulting from emergencies and natural disasters, excepting that nothing in this Section shall require Franchisee to collect, haul or dispose of waste that Franchisee is not permitted to handle.

5.2.11 Emergency Services. Franchisee shall assist City in the event of terrorist attack or major disaster, such as an earthquake, storm, riot or civil disturbance, by providing collection vehicles and drivers normally assigned to the City, at Franchisee's actual costs. Franchisee shall cooperate with City, county, State and Federal officials in filing information related to a regional, State or Federally-declared state of emergency or disaster or terrorist attack as to which Franchisee has provided equipment and drivers pursuant to this Agreement.

5.3 Hours of Operation.

5.3.1 Residential Hours. Collection services at each Single-Family Residential Unit and Multi-Family Residential Unit shall not start before 7:00 a.m. nor continue after 5:00 p.m. of any day.

5.3.2 Commercial Hours. Collection services at Commercial and Industrial Units shall not start before 7:00 a.m. nor continue after 5:00 p.m. of any day.

5.3.3 Revisions to Hours. City may, from time to time, revise the collection hours specified in Sections 5.4.1 and 5.4.2 of this Agreement by duly adopted resolution.

5.4 Residential Collections.

5.4.1 Residential Service. Collection service for Single-Family Residential Units and Multi-Family Residential Units shall occur at least once per week on a schedule approved by the Chief Administrative Officer. Holiday make-up collections shall occur within one business day of the Holiday on which pickup was not performed.

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5.4.2 Collection Quantities. The basic service level and rates specified in the Compensation Schedule shall be the default collection quantity. For single-family residential customers, and multi-family customers as designated by the City, that is the designated 95 gallon refuse, 64 gallon recycling, and 64 gallon green waste Carts listed therein. For multi-family, commercial, and industrial customers that is a three-cubic-yard bin. Collection of lesser or additional collection quantities, including the use of alternatively sized containers shall be the right of the Franchisee's customers, provided the container size is listed in the Compensation Schedule and ascribed a specific franchise rate, and that any lesser service collection quantity is reasonably compatible with the customer's waste generation quantities. The City shall be the ultimate arbiter of collection quantity disputes between the Franchisee and its customers.

5.4.3 Containers.

(a) *Multi-Family Containers & Collections.* Multi-Family complexes utilize one or more Provided Container(s) (generally at least one Bin for Solid Waste) located at a central on-site location and shared by multiple Residential Units. The location of containers and the location for automated collection therefrom in Multi-Family complexes shall be mutually-agreed as between the Multi-Family site management and Franchisee, excepting that any storage or placement of Multi-Family containers in public streets or rights-of-way shall be subject to the prior written approval of the City. Multi-Family complexes consisting of five (5) units or more are required to recycle pursuant to AB 341 (2011) and must either utilize Recyclable Containers or subscribe to refuse collection service that includes material recovery facility processing of all said refuse.

(b) *Residential Containers & Collections.* Automated collections for residential units (i.e., stand-alone Single-Family Units or Multi-Family units designated by City as eligible for Cart services) shall be made from the curbside or from alleyways adjacent to the Residential Unit. Residents may elect to place containers at an alternate collection location, if approved by City, provided that the placement and retrieval of containers complies with the requirements of the Municipal Code. Each Single Family unit shall receive from City, at a minimum, one Solid Waste Cart, one Recyclable Cart, and one Green Waste Cart.

5.4.4 Public Outreach Programs And New Billing Services for Residents. Franchisee shall implement a City-approved Bi-Lingual (English/Spanish) public outreach to coincide with the start of Residential Unit service. This public outreach must clearly establish the new billing procedures, explain the billing format, clearly describe the customer's responsibilities, and provide a toll-free customer service number for the Franchisee. In addition, Franchisee shall establish and maintain all public educational programs and efforts in Bi-Lingual (English/Spanish format, including the following:

(a) *City-Wide Newsletter.* Franchisee shall prepare a semi-annual newsletter to be distributed to all residents in the City subscribing to Franchisee's hauling services. The City-wide newsletter shall be mailed to Franchisee's customers within two months of the anniversary date of this Agreement, and approximately six months thereafter, and shall be subject the review and approval by the City prior to each distribution. The newsletter shall discuss various important topics in waste management, including but not limited to local Recycling programs, proper household waste and oil waste management, source reduction

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opportunities, and important developments in waste management practices that are pertinent to City residents.

(b) *Franchisee Website.* Franchisee shall develop and maintain an up-to-date website about Franchisee, its services, the parameters of any Recycling or source reduction programs administered by Franchisee, and a description of any methods by which residents can contribute to higher levels of Recycling and source reduction.

(c) *Bulky Waste Program.* Franchisee shall implement that Bulky Waste outreach programs described in Section 5.7 hereof.

(d) *Waste Diversion Outreach.* Franchisee shall implement those educational efforts regarding Waste Diversion and strategies therefore as described in Section 6.6 hereof.

(e) *Billing Changes.* Franchisee will implement a new billing services as described in Section 9.5 hereof. Franchisee shall give all customers at least two (2) written notifications over a sixty (60) day period prior to commencing such billing. The notices shall be reviewed and approved by the City.

(f) *Household Hazardous Waste and Oil Waste.* Franchisee shall implement public outreach efforts regarding Household Hazardous Waste and Oil Waste established in cooperation with the City. Such effort will include not less than two general mailing each year of City approved billing inserts publicizing household hazardous waste and oil waste collection events.

(g) *Billing Inserts.* Franchisee shall include any City requested billing insert, at no cost to the City or any customer of the Franchisee, for the term of this Agreement, provided said insert does not increase the Franchisee's cost of postage.

5.4.5 Collection Schedule.

(a) *Notice of Residential Collection Schedule.* Once annually, Franchisee shall provide written route schedules and maps of the routes to the City's Chief Administrative Officer.

(b) *Changes in Residential Collection Schedule.* Any changes in the route schedule shall require the prior written approval of the Chief Administrative Office. City may require changes in the route schedule for among other things, to improve service or resolve complaints. Prior to the change of a route schedule, Franchisee shall provide written notice of the change to affected customers thirty (30) days in advance.

5.5 Commercial and Industrial Collections.

5.5.1 Frequency of Commercial and Industrial Service. Commercial and Industrial Units shall be provided with a minimum one-time weekly collection. Commercial and Industrial Units may share containers with neighboring business establishments provided that all sharing units share the same Premises.

5.5.2 Commercial and Industrial Collection Locations. Unless expressly instructed by the City, Franchisee shall provide containers only to those Commercial or Industrial Units that provide an appropriate location for such container in accordance with the Municipal Code.

5.6 Temporary Services. Temporary Bin service and temporary Cart services (i.e., a Container delivered to a residential, commercial, or industrial site for the collection and removal of Solid Waste or debris) shall be provided at the frequency and location desired by the customer in accordance with the requirements of the Municipal Code.

5.7 Collection of Bulky Waste.

5.7.1 Residential Bulky Waste. Franchisee shall provide Bulky Waste collection to both single and multi-family residential customers, at no additional charge, on a once per month basis. As noted in section 1.2.6 of this Agreement, Bulky Waste as defined by the City shall include electronic and universal waste items. A Customer shall have the right to twelve (12) Bulky Items pickups per year, with up to five (5) items per pickup. Such pickups shall take place on a scheduled collection day each month (i.e. last Saturday of the month) so as reduce resident confusion. Franchisee will establish the bulky waste collection schedule with the Chief Administrative Officer prior to each contract year. Franchisee will include this schedule of bulky waste collection in their residential customer billings.

5.7.2 Special Bulky Waste Collections. The Franchisee will also provide a bulky item service call-in program, provided the resident receives such service within 48 hours of initial contact or on the specific day they are instructed to place their item(s) out for collection. The resident shall be charged a fee for such service as described in Exhibit "A."

5.7.3 Abandoned Bulky Waste Collections. Franchisee shall collect and remove at no charge any abandoned bulky waste items dropped in City public right-of-way areas, at City parks, and other public locations. Collection shall be made within 24 hours of notice by the City or a customer of the Franchisee. City expects that the Franchisee will provide a suitable collection vehicle and have such vehicle available to perform needed collections for up to three hours per day, Monday through Friday, between 7:00 a.m. and 4:00 p.m., with no service on holidays.

5.8 Christmas Tree Pickup. Franchisee agrees to collect Christmas trees at no additional charge to residents for a four (4) week period beginning December 26th of the applicable calendar year.

5.9 Free Service to City Facilities. The Franchisee shall collect not less than once per week, at no cost to the City, all Solid Waste, Green Waste and Construction and Demolition

Debris from City Hall (6330 Pine Avenue), the City Maintenance Yard (5320 Gage Avenue), and the City Community Center (6250 Pine Avenue), or such other locations as the City may additionally designate, utilizing container sizes and following a collection schedule as determined by the City.

5.10 Development Review. Franchisee, upon City's request, shall assist the City in the review of applicants' plans for projects covered by Public Resources Code § 42911, including commercial and multi-family projects, to provide for effective and economical accumulation and collection of Solid Waste, Organic Waste and Recyclable Materials.

5.11 Good Corporate Citizenship. Franchisee's commitment to good corporate citizenship as the holder of an exclusive franchise in the City is set forth in Exhibit "D."

ARTICLE VI WASTE DIVERSION.

6.1 Solid Waste Diversion. AB 939 currently sets the directive of diverting fifty percent (50%) of the City's Solid Waste. If the City fails to implement its required plans to achieve the aforementioned directive under AB 939, the California Integrated Waste Management Board ("Board") may impose administrative civil penalties of up to TEN THOUSAND DOLLARS (\$10,000.00) per day until the City implements its plans. The City requires the franchisee to meet or exceed this State mandate by diverting fifty percent (50%) of the solid waste collected under this franchise agreement. Furthermore, City anticipates that the State Legislature will adopt new legislation that will increase the minimum diversion requirement. Upon the effective date of any new legislation that affects the diversion requirements currently imposed by AB 939, Franchisee agrees to implement a revised or new diversion program meeting such amended legislative requirements. Failure to implement an amended Diversion program based upon new State legislation mandating waste diversion levels shall constitute a default of this Agreement.

6.2 Construction and Demolition Waste Diversion. In addition to meeting the solid waste diversion requirements of 6.1 above, City wishes to meet the construction and demolition waste diversion goals established by SB 1374 (2002) and the California Green Building Code (2011) by diverting 75% of construction and demolition waste materials. The Franchisee is required to meet a 75% diversion level for all construction and demolition wastes collected under this Agreement. A good faith effort exemption may be granted to the Franchisee by the City on a project-by-project basis.

6.3 Waste-to-Energy Diversion. As directed by the City, Franchisee shall take residue from the processing of refuse to a waste-to-energy facility so that the City receives the maximum allowable diversion or disposal avoidance credit available through CalRecycle or its successor agency.

6.4 SHARPS Diversion. Franchisee shall provide mail-in containers to residents requesting such containers for the purpose of properly disposing of medical needles or other wastes defined as SHARPS by CalRecycle or its successor agency. This service shall be known as the "SHARPS Program" and will be provided at no cost to the City or its residents. Franchisee

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shall publicize the SHARPS Program in all semi-annual newsletters and on its website to ensure that City residents are aware of this program and how to participate.

6.5 Maintenance of City AB 939 Programs. The Franchisee shall be responsible to maintain all of the City's AB 939 programs established within franchised service by this Agreement.

6.6 Franchisee Waste Diversion Responsibilities.

6.6.1 Cooperation and Education. The Franchisee shall cooperate with the City's efforts to develop and implement public education and information programs designed to promote Source Reduction, Recycling and other waste reduction activities in general as well as specific Waste Diversion strategies. Franchisee shall have a bi-lingual (English/Spanish) public education program in place where it will distribute flyers and leaflets to residences of the City (free of charge) and the Franchisee will visit schools and make presentations on the proper disposal of waste and the importance of Recycling.

6.6.2 Implementation of Strategies and Penalties. The Franchisee shall implement the strategies jointly developed and agreed to by the Parties. If Franchisee's failure to perform its obligations under this Section 6.6 results in the imposition of penalties against the City pursuant to the provisions of AB 939, Franchisee shall reimburse the City for such fine within thirty (30) days of imposition of such fine or penalty. City acknowledges that to meet the mandates of AB 939, additional and significant legislation affecting the disposal of Solid Waste not covered by this Agreement may be required.

6.6.3 Waste Diversion Reporting Requirements. The Franchisee shall comply with the Waste Diversion reporting requirements established by the City. Franchisee shall provide City with quarterly reports in a form acceptable to the City and adequate to meet City's reporting requirements to CalRecycle on compliance with AB 939, including a breakdown of the tons collected, tons diverted, and tons disposed, by service type prescribed by this Agreement. Franchisee further agrees to provide program specific data required by the City to meet reporting requirements to any Federal, State, or local entity having the authority to request such data.

6.6.4 Meet and Confer Process. If Franchisee fails to divert the required amount of the City's Solid Waste, as described in this Agreement, Franchisee and City shall meet and confer to develop a revised or new diversion program. If the City and Franchisee fail to agree on a revised or new diversion program within one hundred twenty (120) days of commencing the meet and confer process (which date may be extended by mutual written agreement), notwithstanding anything to the contrary contained herein, City may elect, in its sole discretion, to terminate this Agreement on ninety (90) days written notice. Franchisee agrees to continue performance under this Agreement until City hires a new contractor.

6.7 Recycling Program.

6.7.1 Recycling Containers. Franchisee shall conduct a single stream commingled collection of Recyclable Materials. One 64 gallon container shall be used at each Residential Unit receiving curbside service for collection of commingled Recyclable Materials ("Recyclable Container"). Every Recyclable Container shall be clearly labeled. Residential Units

shall place all Recyclable Materials within such Recyclable Containers as directed by the Franchisee; to this end, concurrent with Franchisee's delivery of a Recyclable Container to any Residential Unit, Franchisee shall provide instructions on the use of the Recyclable Container. Franchisee shall, at no charge, replace any containers which become unusable by reason of normal conditions of wear and tear.

6.7.2 Ownership of Solid Waste and Recyclable Materials. Except as otherwise provided by law, once Solid Waste, Refuse, Recyclable Materials and/or Green Waste have been collected by Franchisee, ownership transfers to Franchisee. Franchisee is hereby granted the right to retain, recycle, compost, dispose of and otherwise use such waste, or any part thereof, in any lawful fashion or for any lawful purpose desired by Franchisee. Subject to the provisions of this Agreement, and excepting any material which is not a waste material and which was inadvertently discarded, Franchisee shall have the right to retain any benefit or profit resulting from its right to retain, recycle, compost, dispose of or use the refuse which it collects. Solid Waste and any other material which is disposed of at a Disposal Site or sites (whether landfill, transformation facility, transfer station or material recovery facility) shall, as between the City and Franchisee, remain the responsibility of the Franchisee, and Franchisee shall retain ownership of the same.

6.7.3 Recycling Frequency. Franchisee shall collect Recyclable Materials from Residential Units once each week from containers. Franchisee shall collect Recyclable Materials from Multi-Family Residential Units, Commercial and Industrial Units at a reasonable frequency to be determined by the Franchisee.

6.7.4 Residential Recycling Location. Franchisee shall collect Recyclable Materials set out in Recyclable Containers by Residential Units or City-designated Multi-Family Units from the curb or other Franchisee-approved location.

6.7.5 Recycling Revenues. Franchisee shall be entitled to all revenue produced from the sale of Recyclable Materials collected, salvaged or purchased by Franchisee; provided, however that thirty percent (30%) of any Gross Receipts, revenues, or other compensation in any form received by the Franchisee related to the City's curbside recycling program, shall be paid by Franchisee to the City. Furthermore Recycling Revenues are not considered Gross Receipts subject to City Franchise Fees.

6.7.6 Franchisee As Authorized Recycling Agent. City hereby designates Franchisee as its authorized recycling agent for the purposes of conducting recycling activities within the City pursuant to the terms of Public Resources Code Section 40105. Notwithstanding the foregoing, Franchisee at all times shall be and remain independent from the City.

ARTICLE VII **MATERIALS RECOVERY FACILITIES FOR RECYCLABLE PROCESSING.**

7.1 **General.** As part of its approved work plan, (attached as Exhibit "C" hereto), Franchisee has described all proposed facility names, SWIS number and addresses where materials will be delivered and sorted and the Tipping Fees have been calculated based on said description. Franchisee has included the type of permits for the facility (i.e. certified to receive

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recyclable materials, household refuse, etc.) and stated the permitted total tonnage allowed (capacity) at facility per day and current tonnage of materials received. Franchisee may continue to use those Disposal Site services and Materials Recovery Facilities services for the process of all Recyclable Materials. The provisions hereunder shall apply if Franchisee seeks to change an approved Disposal Site.

7.2 Changes to Disposal Site. Should Franchisee determine to change service providers for Disposal Site services and/or Materials Recovery Facilities services, or should Franchisee materially change the scope of Disposal Site services and/or Materials Recovery Facilities services utilized by it, then the City reserves the right, in its sole discretion, to require Franchisee to put such services to a competitive bid process. The City further reserves the right, in its sole discretion, to require Franchisee to competitively bid Disposal Site services and Materials Recovery Facilities services for the processing of all Recyclable Materials once every five (5) years commencing from the Effective Date hereof.

7.3 Competitive Bid Process. In any competitive bid process, separate bid documents may be prepared for Commercial Industrial and Residential Unit waste streams at the discretion of Franchisee. Franchisee shall conduct the bidding process, provided the City shall be allowed to review the bid documents and prospective bidder's list a minimum of two (2) weeks prior to being sent out to bid. City shall submit any written comments to the bid documents within ten (10) days of receipt of such documents from Franchisee and the Franchisee shall revise the bid documents to reflect the City's comments. Franchisee shall provide bid documents to any additional Disposal Sites or Materials Recovery Facilities requested by the City. Bidders must be allowed a minimum of three (3) weeks to submit a bid. Franchisee shall provide the bids to the City for review. The bids shall show the bid prices broken down to show separately the revenue per ton of Recyclable Materials and processing costs. Franchisee shall show transportation costs (defined as cost per mile multiplied by distance to the Disposal Site or Materials Recovery Facility) to each facility submitting a bid.

7.4 Lowest Bid. Franchisee shall be required to use the Materials Recovery Facility and/or Disposal Site providing the lowest responsible bid (either lowest total cost or highest net revenue), including travel costs to the facility. If the bid price submitted by the Disposal Site or Materials Recovery Facility is a payment to Franchisee, with no further revenues realized from the sale of the Recyclable Materials, it shall be classified as revenue. If in the event that no Disposal Site or Materials Recovery Facility provides a bid lower than the costs of the facilities being used as of the Effective Date hereof, Franchisee shall continue to use the existing facility(ies).

7.5 Contract Term. The length of contract entered into between Franchisee and the Disposal Site or Materials Recovery Facility operator shall be at the discretion of Franchisee; provided, however, that the maximum term shall allow for the possibility of the City requiring facilities to be re-bid under a competitive process every five (5) years in accordance with this Section.

ARTICLE VIII

VEHICLES, EQUIPMENT AND PERSONNEL.

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8.1 Vehicles.

8.1.1 General. Franchisee shall provide, within 12 months of the Effective Date of this Agreement, a new and alternatively fueled fleet of collection vehicles sufficient in number and capacity to perform efficiently the work required by this Agreement in strict accordance with its terms. In the interim the Franchisee agrees that no vehicle used for franchised service shall be more than three years old at the Franchise Start Date and that all vehicles will be in "like-new" condition. All vehicles shall be uniformly painted. All vehicles shall be registered with the California Department of Motor Vehicles and shall meet or exceed all applicable State and local requirements, including, without limitation, those of the California Highway Patrol ("CHP"), throughout the term of this Agreement.

8.1.2 Truck Bodies. All truck bodies used by Franchisee shall be constructed of metal, shall be watertight and leakproof and shall be so constructed as to prevent odors or the falling, leaking or spilling of Solid Waste, Recyclables, or other materials. Each vehicle shall carry at all times a broom and shovel to be used for the immediate removal of any spilled material. Each vehicle shall also carry a fire extinguisher and first aid kit.

8.1.3 Backup Alarm. Each vehicle used for collecting, hauling or disposing of Solid Waste or Recyclables shall be equipped with an audible warning device that is activated when the vehicle is backing up.

8.1.4 Gross Vehicle-Weight Limit. No vehicle used for collecting, hauling or disposing of Solid Waste or Recyclables shall be loaded in excess of the manufacturer's gross vehicle weight rating or in excess of the maximum weight specified by the California Vehicle Code, whichever is less. Evidence of the manufacturer's name and gross vehicle weight rating shall be maintained in, or upon, every vehicle.

8.1.5 Vehicle Identification. All vehicles used in the performance of this Agreement shall bear the Franchisee's name, phone number and vehicle number in minimum lettering of two (2) inches.

8.1.6 Residential Service Vehicles. Vehicles used for Residential collection services shall be fully automated side-loading refuse trucks, using a fully mechanized arm to pick up and dump automated waste collection containers. Drivers shall not be required to exit the vehicle to assist with securing the containers to, or lifting the containers into, the refuse collection truck.

8.1.7 Alternative Fuel Vehicles. The Franchisee shall use alternative fuel vehicles approved by the South Coast Air Quality Management District for all collection services. Vehicles shall meet all requirements specified per AQMD Rule 1193 as it may be amended from time to time.

8.2 Vehicle Maintenance and Appearance.

8.2.1 Vehicle Inventory. Franchisee shall provide City with a truck inventory of all trucks to be used in the performance of this Agreement, which includes make, model, age,

mileage, and inspection records. When the entire alternatively fueled fleet of collection vehicles are in service, and annually thereafter, the inventory shall be updated.

8.2.2 Preventive Maintenance and Repair Program. Franchisee shall develop and have available for City review a complete and comprehensive preventive maintenance and repair program. Franchisee shall perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule and shall inspect each vehicle daily to ensure that all equipment is in good working order. Franchisee shall keep accurate records of all vehicle maintenance and repairs, recorded according to date and mileage, nature of maintenance or repair and the signature of a maintenance supervisor or mechanic that the maintenance or repair has been properly performed. Franchisee shall make such maintenance records available to City on request.

8.2.3 Vehicle Cleaning. Each vehicle used within the City shall be cleaned thoroughly by washing with water after each day's use. Vehicles shall be washed completely at least once a week and steam-cleaned on a regular basis so as to present a clean appearance and minimize odors, but in no event less than once a month.

8.2.4 Vehicle Storage. No vehicle used by Franchisee in performance of this Agreement shall be stored on any public street or other public property in the City.

8.2.5 Container Condition. Franchisee at its sole cost and expense shall maintain all Franchisee Bins in good condition and repair as needed and shall clean and paint each container annually. More frequent cleaning and painting shall be conducted by Franchisee if needed. Franchisee shall, at no charge, replace any containers (Carts or Bins) which become unusable by reason of normal conditions of wear and tear. During all times that a container is in the custody and control of Franchisee, Franchisee shall not store such Container in or on public streets or rights-of-way.

8.3 Inspections.

8.3.1 Initial City Inspection. Within the first thirty (30) days following the date Franchisee provides a copy of its Vehicle Replacement and Acquisition Plan to City or any update thereto, the City may inspect Franchisee's vehicles for the purpose of determining the adequacy of Franchisee's Vehicle Replacement and Acquisition Plan to provide vehicles that are safe, sanitary and of good appearance.

8.3.2 City Inspections. Franchisee shall give the City at least fifteen (15) days prior written notice of any vehicle inspection to be performed by the CHP and the City may elect to observe the CHP inspection. Without limiting the City's right to observe the CHP inspections, City reserves the right to cause any vehicle used in performance of this Agreement to be inspected and tested at any commercially reasonable time and in such manner as may be appropriate to determine that the vehicle is being maintained in compliance with the provisions of the Municipal Code and the State Vehicle Code, including but not limited to California Vehicle Code Sections 27000(b), 23114, 23115, 42030, 42032, and all Vehicle Code Sections regarding smog equipment requirements. City may direct the removal of any vehicle from service if that vehicle is found to be in nonconformance with applicable codes. No vehicle

directed to be removed from service shall be returned to service until it conforms with applicable codes and such conformance has been acknowledged by City. The City may elect in its sole discretion to hire an independent contractor to perform a comprehensive inspection of Franchisee's vehicles. If the City hires an independent contractor to perform the inspection on behalf of the City the Franchisee shall pay for the cost of such inspection. City shall act prudently in requesting any such inspection.

8.3.3 Brake Inspections. The brake system of each vehicle used in performance of this Agreement shall be inspected bi-annually by the CHP and shall comply with State law. Notice of certification shall be filed with the City within thirty (30) days after each such certification. Failure to submit the required certification shall be grounds for terminating this Agreement.

8.3.4 Correction of Defects. Following any inspection, the Chief Administrative Officer shall have the right to require Franchisee to take out of service any vehicles and equipment not in good working order and cause Franchisee to recondition or replace any vehicle or equipment found to be unsafe, unsanitary or unsightly within thirty (30) days of notification of defect in such vehicle or equipment. The Chief Administrative Officer's determination may be appealed to the City Council.

8.4 Personnel.

8.4.1 General. Franchisee shall furnish such qualified drivers, mechanical, supervisory, clerical and other personnel as may be necessary to provide the services required by this Agreement in a courteous, safe and efficient manner.

8.4.2 Driver Qualifications. All drivers shall be trained and qualified in the operation of collection vehicles and must have in effect a valid license, of the appropriate class, issued by the California Department of Motor Vehicles.

8.4.3 Uniforms and Identification Badges. Franchisee shall require its drivers and all other collection personnel to wear a suitable and appropriate uniform as a means of identifying the employee. All other employees of Franchisee who come into contact with the public shall carry suitable identification badges or cards upon their person.

8.4.4 Employee Appearance and Conduct. All employees, while engaged in the collection of Solid Waste or Recyclables within the City or otherwise engaged in collection services described in this Agreement, shall be attired in uniform. At least one member of every collection truck crew shall be able to read and speak English. Franchisee shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. Franchisee shall regularly train its employees in customer courtesy, shall prohibit the use of loud or profane language, and shall instruct collection crews to perform the work as quietly as possible. If any employee is found not to be courteous or not to be performing services in the manner required by this Agreement, Franchisee shall take all appropriate corrective measures.

8.4.5 Background Check. The City reserves the right to perform a security and identification check through the City's Police Department upon Franchisee and all its present and

future employees, in accordance with accepted procedures established by the City, or for probable cause.

8.4.6 Safety Training. Franchisee shall provide suitable operational and safety training for all its employees who use or operate vehicles or equipment for collection of Solid Waste or who are otherwise directly involved in such collection. Franchisee shall train its employees involved in Solid Waste and/or Recycling collection to identify, and not to collect, Hazardous Wastes. Franchisee and its employees shall comply with the terms of all contracts between the Los Angeles County Sanitation District and any Disposal Site that is used by Franchisee.

8.4.7 Safety. All work performed pursuant to this Agreement shall be performed in a manner that provides safety to the public and meets or exceeds safety standards outlined by the California Construction Safety Orders under the State of California Code of Regulations ("CAL-OSHA"). City reserves the right to issue restraint or cease and desist orders to Franchisee when unsafe or harmful acts are observed or reported to City. Franchisee shall instruct its employees to report immediately any hazardous conditions or Hazardous Wastes they observe within the City during the course of their work to the City.

8.4.8 No Gratuities. Franchisee shall not permit its employees to demand or solicit, directly or indirectly, any additional compensation or gratuity from members of the public for the work performed by those employees pursuant to this Agreement.

ARTICLE IX FRANCHISEE'S COMPENSATION

9.1 Rates Subject to Proposition 218. Any increase in Franchise Start rates charged to customers for services under this Agreement which exceed currently existing rates are subject to Proposition 218, including both the initial Franchise Start rates charged hereunder, and any increases imposed thereafter. If the Franchise Start rates initially proposed exceed the current rates, the Franchise Start Date shall be extended until a Proposition 218 hearing has been held and schedule of Maximum Service Rates can be agreed upon by the Parties. If the Parties cannot agree upon a schedule, then this Agreement is terminated.

9.2 Maximum Rate Schedule. In the attached Exhibit "A", which is incorporated herein by this reference ("Maximum Rate Schedule"), the City has approved the maximum service rates which may be charged by Franchisee to its customers in the City. The Maximum Rate Schedule will become effective following the Proposition 218 hearing provided in Section 9.1, on Franchise Start Date or when service under this Agreement commences, whichever is earlier. Franchisee shall not receive any other fees or compensation for the services to be performed pursuant to this Agreement in excess of those provided in the Maximum Rate Schedule until such additional fees or compensation have been duly noticed and subjected to a public hearing process in accordance with Proposition 218.

9.3 Rate Composition. During the Term of this Agreement, all franchise rates will be divided into two rate components: "Collection" and "Disposal". Such a "component" breakdown must be disclosed to the City within the initial rates for this Agreement and as part of

any subsequent rate increase request by the Franchisee. Such collection components are not required to be listed in franchise rate sheets or included on billings to the Franchisee's customers.

9.4 Adjustments to Maximum Rate Schedule.

9.4.1 Cost of Living Adjustments. On the anniversary of the Service Commencement Date, and annually thereafter, the Maximum Permissible Rates shall be adjusted as follows, subject to the assent of the City and any necessary compliance with Proposition 218:

(a) *Adjustment to Collection Component of Rates.* The "Collection Component" of rates shall be adjusted to reflect 90% of the "Percentage Change in CPI", excepting that such annual CPI increases in the "Collection Component" of rates shall be capped at a maximum percentage increase of three percent (3%). "Percentage Change in CPI" shall mean the percentage change in the All Urban Customers, Los Angeles, Riverside, Orange County index, for the previous 12-Month period ending in May. (For instance, a July 1, 2013, Percentage Change in CPI would be the change between the CPI index in May 2013 and the CPI index in May 2012.)

(b) *Adjustment to Disposal Component of Rates.* The "Disposal Component" of rates shall be adjusted only for increased costs to the Franchisee from landfill, transfer, and/or transformation facility tip fee adjustments. For the rate adjustment period under review the Franchisee is responsible for submitting substantiation of any such cost increases for City review. Should the City determine that any fee adjustments presented by the Franchisee are 5% or more greater than those charged to any jurisdiction within five miles of the City of Bell, the City shall have the right to solicit bids from other landfill, transfer, or transformation facilities and to require the Franchisee to utilize said facility and/or incorporate said facility rate into the Disposal Component adjustment of franchise rates in compliance with the provisions of Article VII.

9.4.2 Special Circumstances Adjustments.

(a) *Extraordinary Circumstances.* Due to extraordinary circumstances in which Franchisee can demonstrate that Franchisee is not earning a reasonable rate of return under circumstances which are beyond Franchisee's control, the Franchisee may request the City to hold a Proposition 218 hearing to increase one or more fees, charges, or rates described in this Agreement or for the City to adopt a new fee, charge or rate.

(b) *New Programs or Services.* City may institute new programs or services which Franchisee cannot provide within the established rate structure without economic hardship.

(c) *Negotiation.* In the event that Franchisee contends Franchisee is entitled to a Special Circumstances Adjustment as provided herein, Franchisee shall provide documentation and analysis to the satisfaction of City of the reasons for such adjustment. The Parties may make changes in the service levels under the Franchise sufficient to avoid the need for a rate adjustment and Proposition 218 hearing. If the Parties reach agreement on such adjustment, a Proposition 218 hearing shall be held as provided hereunder before such adjustment may be made.

9.5 Proposition 218 Compliance.

9.5.1 Compliance with Proposition 218 Required. Increases to the Maximum Rate Schedule or any other fee, charge, or rate in this Agreement are strictly subject to the assent of the City and compliance with Proposition 218. If the rates initially proposed exceed the City's current rates, then a Proposition 218 hearing must be conducted before the initial rates bid by Franchisee may become effective.

9.5.2 Proposition 218 Compliance After Five Years. In compliance with Government Code § 53756, notwithstanding the provisions of Section 9.3 permitting adjustment to the Maximum Permissible Rates, no increase in the fees, charges, or rates described in this Agreement, including the Maximum Rate Schedule, shall be allowed or occur more than five (5) years from the date of the most recent Proposition 218 approval pertaining to that fee or charge. If requested by Franchisee, City after five (5) years, may conduct a Proposition 218 hearing to extend the provisions of Section 9.3.1 permitting adjustments to the Maximum Permissible Rates (the "5 Year Hearing").

9.5.3 City Not Obligated to Approve Increase. Franchisee acknowledges that California law under Proposition 218 places limits upon rates and increases in rates for property-related fees and further acknowledges that nothing herein constitutes a guaranty that Service Rates will be increased. Pursuant to Proposition 218, a majority protest of affected owners may bar the assessment of the new rates. (Cal. Const. Art.XIIID, Sec. 4(e); Govt. Code § 53753(e)(3).) At such hearing City has no legal obligation to accept any fee, charge, or rate adjustment proposed by Franchisee or to reapprove any fee, charge or rate adjustment due to the passage of time, such as by operation of Government Code § 53756. Accordingly, whether or not a majority protest exists, the City Council is completely free within its police powers to exercise its discretion in considering such matters, and the City has not contracted away any of its police powers or duties to protect the public health, safety or general welfare of its citizens pursuant to State and Federal law. Furthermore, in no case will City's failure to comply with any notice, hearing or other procedural requirement required by law for the approval of any specific fee, charge or rate adjustment be a default hereunder, and City bears no liability to Franchisee for any damages suffered by Franchisee as a result of any such failure, including any delay, need for a new hearing or rehearing, or finding that an approved fee, charge or rate is invalid. In the event City does not approve an increased in rates following a Proposition 218 hearing Franchisee's rights shall be governed by Section 9.6.

9.6 Failure to Approve Rate Increases.

9.6.1 Rehearing. In the event the City Council holds a Proposition 218 hearing but fails to approve an increase in any fee, charge, or rate in this Agreement, Franchisee shall have the right to demand, if such demand is made in writing within 30 days of the Proposition 218 hearing, that the City hold a rehearing or new hearing under Proposition 218 following all notice and hearing procedures as established by law. If, following the second Proposition 218 hearing, the fee, charge, or rate increase is still not approved, then Franchisee may terminate this Agreement.

9.6.2 Negotiations. In the event of a failure to approve rate increases, the Parties may elect any of the following: (i) to have Franchisee continue performance of this Agreement (at the current rates and fees), or (ii) to have Franchisee continue performance of the Agreement for at least nine (9) months following and/or during a period of negotiations, during which time the City may solicit other proposals for Solid Waste services or consider other alternatives for meeting the City's Solid Waste needs, or (iii) may re-open negotiations to continue Franchisee's performance hereof (at the then-current rates and fees) including after City's solicitation of other proposals per item (ii) above, for any period mutually agreed-upon by the Parties in writing. Should the Parties elect the third option, the Parties may continue negotiations in an attempt to reach agreement upon, and enact, new increases in Service Rates subject to the requirements of Proposition 218.

9.6.3 Termination. In the event of termination, Franchisee shall cooperate fully with City and any subsequent contractor to assure a smooth transition of Solid Waste management services. Franchisee's cooperation shall include, but not be limited to, providing operating records needed to service all properties covered by this Agreement and the execution of a temporary agreement for service for a period up to one year after the end of the Term or written notice of termination for cause in accordance with Section 11.12.

9.7 Proposition 218 Process.

9.7.1 218 Hearing Procedures. Franchisee shall comply with all procedural requirements of Proposition 218 and of City for the conduct of the hearing including the form of notice in the manner of giving notice identifying who shall receive notice, and the time of notice which shall be at least 45 days before the hearing. The notice shall inform persons in a simple and understandable manner of the proposed increase and how they may exercise their rights of protest.

9.7.2 Pass-Through of Proposition 218 Compliance Costs. Franchisee shall pay for all costs of Proposition 218 compliance, including but not limited to the costs of Proposition 218 notices and hearings. Franchisee may, if permitted by law, pass its actual costs of Proposition 218 compliance on to customers through service rates if, and only if, such pass-through is duly noticed and included as part of the service rates adopted through the Proposition 218 process.

9.7.3 Notice of Increases. Franchisee shall give thirty (30) days prior written notice of any duly-adopted rate increases to all customers of the increase before such increase may become effective.

9.8 Indemnification. Franchisee shall indemnify, defend and hold harmless the City, their officers, employees, agents and volunteers, (collectively, indemnitees) from and against all claims, damages, injuries, losses, costs, including demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest fines, charges, penalties and expenses (including attorneys' and expert witness fees, expenditures for investigation, and administration) and costs or losses of any kind whatsoever paid, imposed upon, endured or suffered by or assessed against Franchisee or any of the indemnitees resulting in any form from the City's establishing any fees, charges, or rates for service under this Agreement or in connection with

the application of California Constitution Article XIIC and Article XIID to the imposition, payment or collection of rates and fees for services provided by Franchisee under this Agreement. Notwithstanding the foregoing, this indemnity shall not extend to any portion of the rates that is not associated with Franchisee's costs in providing service, such as governmental fees, franchise fees or charges, nor shall it apply to any loss arising directly from the negligence of City, its officers and employees. Nothing herein is intended to imply that California Constitution Articles XIIC or XIID, apply to the setting of rates for the services provided under this Agreement, rather this Section is provided merely to allocate risk of loss as between the Parties.

9.9 Billing. Franchisee shall be responsible for all billing and collection. Notice of billing procedures shall be given to all customers pursuant to 5.4.4 and annually thereafter. Franchisee shall have procedures for on-line payment, payment by credit card, and similar customer services. Franchisee shall provide itemized bills, clearly showing charges for all classifications of services, including any charges for late payment. Multi-Family Residential Units, Commercial and Industrial Unit accounts receiving collection services from Franchisee shall be billed by the Franchisee at the end of the month in which service is provided. Single Family Residential Unit accounts receiving collection services from Franchisee may be billed by the Franchisee quarterly as follows: For the quarter in which services are rendered, Franchisee shall bill thirty (30) days into the quarter, and the bill shall be due thirty (30) days thereafter. Franchisee shall meet with City to make specific arrangements for commencement of billing.

9.10 Delinquent Accounts.

9.10.1 Residential Units. Franchisee shall provide at least three (3) monthly, written notices of delinquency/past-due account status to the occupants of any Residential Unit with a delinquent account and Franchisee shall otherwise make diligent efforts to resolve said account delinquencies, including but not limited to the reasonable use of a collection agency. Further, Franchisee shall be entitled to collect late charges at the rate of 1.5% per month and, in addition, to charge a reasonable rate for the redelivery of containers. Franchisee may use all commercially reasonable and lawful private collection efforts, whether self-directed or contracted, to collect amounts past due and owing from Residential Units, but shall not have the right to cease service to delinquent accounts unless specifically approved by City.

9.10.2 Industrial, Commercial and Multi-Family Residential Unit Accounts. For Commercial, Industrial and Multi-Family Residential Units whose accounts are more than ninety (90) days past due. Franchisee shall otherwise make diligent efforts to resolve said account delinquencies, including but not limited to the reasonable use of a collection agency. Franchisee shall be entitled to collect late charges at the rate of 1.5% per month and, in addition, to charge a reasonable rate for the redelivery of containers. Franchisee may use all commercially reasonable and lawful private collection efforts, whether self-directed or contracted, to collect amounts past due and owing from Industrial, Commercial and Multi-Family Residential Unit Accounts, but shall not have the right to cease service to delinquent accounts unless specifically approved by City.

9.10.3 No Waiver of City Remedies to Address Public Nuisance. Should Franchisee terminate service to any customer in the City, nothing herein waives or supersedes

the City's rights to initiate code enforcement action(s) in response to the build-up, long-term stagnation, or misplacement of Solid Waste as a result of said termination of Franchisee's service. In addition, the City and Franchisee shall, at the option of either party, meet and confer in good faith to resolve any matters of public nuisance or Solid Waste build-up that resulted from a termination of service by Franchisee.

ARTICLE X ACCOUNTING AND RECORDS.

10.1 Financial Statements. City's Chief Administrative Officer may elect to review Franchisee's annual financial statements. Franchisee shall have financial statements annually prepared. Within ninety (90) days of a City request, Franchisee shall allow the Chief Administrative Officer, his/her designee or an auditor selected by the City to review copies of the financial statements at the Franchisee's local office (as defined in Section 5.2.1 hereof), or other such mutually-agreeable premises of Franchisee. City and Franchisee agree to use reasonable efforts to protect the confidential nature of the Franchisee's financial statements.

10.2 Inspection of Franchisee's Accounts and Records. Franchisee's records of customer complaints, AB 939 compliance records, maps, billing records, gross income, franchise fee payments, curbside recycling payments, and customer payment histories shall be available at the Franchisee's principal office as set forth in Section 5.2.1 at any time during regular business hours for inspection on twenty-four (24) hours notice, and/or performance of financial review of Franchisee's records by the City or its duly authorized representative in accordance with the Agreed Upon Procedures (as such term is associated with standard audit procedures), for a period of five (5) years following the close of the Franchisee's fiscal year. Franchisee shall provide City with a copy of any requested record at no cost to City.

10.3 Cost of Agreed Upon Procedures. The cost of the annual Agreed Upon Procedure of Franchisee's books and records is compensated through the Performance Audit Program Fee paid annually to the City by the Franchisee. This Performance Audit Program Fee is also payment for reasonably expected City costs to review Franchisee's request for an increase in rates under the Maximum Rate Schedule. Should the City's performance of an Agreed Upon Procedure disclose that a requested rate increase contains any inaccurate data or cost claims that are not properly substantiated, the Franchisee will be responsible to reimburse the City for all costs incurred to correct data submissions or substantiate cost claims.

10.4 Payments and Refunds. Should the performance of an Agreed Upon Procedure by the City disclose that any City fee payable by the Franchisee was underpaid or that customers were overcharged for the period under review, Franchisee shall pay to City any underpayments and/or refund to Franchisee's customers any overcharges within 15 days of a City issued notice. Should the performance of an Agreed Upon Procedure by the City disclose that any City Fees were overpaid, City shall promptly refund to Franchisee the amount of the overpayment.

ARTICLE XI ENFORCEMENT OF AGREEMENT.

11.1 City Right to Terminate. The City shall have the right to terminate Franchisee's franchise and this Agreement upon Franchisee's breach of any of its obligations under this Agreement. The City's right to terminate shall be in addition to any other remedy provided in this Agreement or provided by law and shall include, but not be limited to, any of the events of default set forth in this Article X. In addition, specific events of default by Franchisee include, without limitation, the following:

(a) If Franchisee practices, or attempts to practice, any willful fraud or deceit upon the City.

(b) Should the Franchisee or any of its officers, directors, shareholders, subsidiaries, affiliates, employees or agents be or have been found guilty of felonious conduct, illegal transport or disposal of Hazardous Waste, or bribery of public officials, the City reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it shall deem proper. The term "found guilty" shall be deemed to include any judicial determination of guilt including, but not limited to, pleas of "guilty", "nole contendere", "no contest" or "guilty to a lesser charge" entered as part of a plea bargain.

(c) If Franchisee fails to provide or maintain in full force and effect the workers' compensation or any other insurance coverage or performance bond required by this Agreement.

(d) If Franchisee willfully violates any orders or rulings of any regulatory body having jurisdiction over Franchisee, provided that Franchisee may reasonably contest any such orders or rulings by appropriate proceedings conducted in good faith, in which case no breach of this Agreement shall be deemed to have occurred.

(e) If Franchisee fails to make any payments or to pay any penalties required to be made or paid by Franchisee pursuant to this Agreement, including, without limitation, liquidated damages as described in Section 11.13.6.

(f) If Franchisee for any reason ceases to provide Solid Waste management services as required under this Agreement over all or a substantial portion of its franchise area for a period of thirty (30) days.

(g) If Franchisee fails to meet the service performance standards of this Agreement, or violates the terms, conditions or requirements of the Municipal Code or AB 939 or successor legislation, or the City's Storm Water Program as they may be amended from time to time, or violates any order, directive, rule or regulation issued pursuant to the foregoing legislation, where the violation is not remedied within the time set in the written notice of the violation.

(h) If Franchisee refuses to provide City with required information, reports or test results in a timely manner as required by this Agreement.

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(i) If Franchisee becomes insolvent, unable or unwilling to pay its debts, or upon the appointment of a receiver to take possession of all or substantially all of the assets of Franchisee, or upon a general assignment by Franchisee for the benefit of creditors, or upon any action taken by or suffered by Franchisee under any insolvency or bankruptcy act.

(j) If Franchisee fails to meet the Waste Diversion requirements of this Agreement or AB 939.

(k) Any similar failure to comply with the requirements of this Agreement.

11.2 Rights of Nondefaulting Party after Default. The Parties acknowledge that both Parties shall have hereunder all legal and equitable remedies as provided by law following the occurrence of a default or to enforce any covenant or agreement herein. Before this Agreement may be terminated or action may be taken to obtain judicial relief the Party seeking relief for a default (“Nondefaulting Party”) shall comply with the notice and cure provisions below.

11.3 Notice of Default and Opportunity to Cure. A Nondefaulting Party in its discretion may elect to declare a default under this Agreement in accordance with the procedures hereinafter set forth for any failure or breach of the other Party (“Defaulting Party”) in its performance of a material duty or obligation of said Defaulting Party under the terms of this Agreement. However, the Nondefaulting Party must provide written notice to the Defaulting Party setting forth the nature of the breach or failure and the actions, if any, required by Defaulting Party to cure such breach or failure (“Default Notice”). The Defaulting Party shall be deemed in “default” under this Agreement, where: (i) said breach or failure can be cured, but the Defaulting Party has failed to fully cure within thirty (30) days after the date of the Default Notice (subject to the provisions below), or (ii) a monetary default remains uncured for ten (10) days (or such lesser time as may be specifically provided in this Agreement).

11.4 Non-Monetary Defaults; Longer Cure Period. The Defaulting Party on a non-monetary default shall not be deemed in breach of this Agreement, and such default shall be waived, if such non-monetary default cannot reasonably be cured within the above-prescribed thirty-day period, and as long as the Defaulting Party does each of the following:

(a) Notifies the Nondefaulting Party in writing with a reasonable explanation as to the reasons the asserted default is not curable within the thirty (30) day period;

(b) Notifies the Nondefaulting Party of the Defaulting Party’s proposed cause of action to cure the default;

(c) Promptly commences to cure the default within the thirty (30) day period;

(d) Makes periodic reports to the Nondefaulting Party as to the progress of the program of cure; and

(e) Diligently prosecutes such cure to completion.

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11.5 Termination Upon Default. Upon receiving a Default Notice, should the Defaulting Party fail to timely cure any default, or fail to diligently pursue such cure as prescribed above, the Nondefaulting Party may, in its discretion, provide the Defaulting Party with a written notice of intent to terminate this Agreement and other Agreements (“Termination Notice”). The Termination Notice shall state that the Nondefaulting Party will elect to terminate this Agreement and will describe the evidence upon which the decision to terminate is based. Once the Termination Notice has been issued, the Nondefaulting Party’s election to terminate Agreements will only be waived if the Defaulting Party fully and completely cures all defaults prior to the date of termination.

11.6 Franchisee Hearing Opportunity Prior to Termination. If Franchisee is the Defaulting Party, then the City’s Termination Notice to Franchisee shall additionally specify that Franchisee has the right to a hearing prior to the City’s termination of any Agreements (“Termination Hearing”). The Termination Hearing shall be scheduled as an open public hearing item at a regularly-scheduled City Council meeting within thirty (30) days of the Termination Notice, subject to any legal requirements including but not limited to the Ralph M. Brown Act, Government Code Sections 54950-54963. At said Termination Hearing, Franchisee shall have the right to present evidence to demonstrate that it is not in default and to rebut any evidence presented in favor of termination. Based upon substantial evidence presented at the Termination Hearing, the Council may, by adopted resolution, act as follows:

- (a) Decide to terminate this Agreement; or
- (b) Determine that Franchisee is innocent of a default and, accordingly, dismiss the Termination Notice and any charges of default; or
- (c) Impose conditions on a finding of default and a time for cure, such that Franchisee’s fulfillment of said conditions will waive or cure any default.

Findings of a default or a conditional default must be based upon substantial evidence supporting the following two findings: (i) that a default in fact occurred and has continued to exist without timely cure, and (ii) that such default has, or will, cause a material breach of this Agreement and/or a substantial negative impact upon public health, safety and welfare, the environment, the City or the financial terms established in this Agreement.

11.7 Penalty for Monetary Default. In the event Franchisee fails to perform any monetary obligation under this Agreement, Franchisee shall pay a pre-determined penalty thereon at the rate of one-and-one-half percent (1 1/2%) per month, or any fraction of a month, from and after the due date of said monetary obligation until payment is actually received by City.

11.8 City’s Right to Perform Service.

11.8.1 City Rights. In addition to any and all other legal or equitable remedies, in the event that Franchisee, for any reason whatsoever, fails, refuses or is unable to collect, transport or deliver to a Disposal Site, as appropriate, any or all Solid Waste or Recyclables which it is required by this Agreement to collect and transport, at the time and in the manner provided in this Agreement, for a period of more than five (5) days, and if, as a result thereof,

Solid Waste should accumulate in the City to such an extent, in such a manner, or for such a time that the Chief Administrative Officer in his or her sole discretion should find that such accumulation endangers or menaces the public health, safety or welfare, then the Chief Administrative Officer shall have the right, but not the obligation, without payment to Franchisee, to (i) cause to be performed, such services itself with its own personnel or employ Franchisee's personnel, without liability to Franchisee; and/or (ii) to take possession of any or all of Franchisee's equipment and other property used or useful in the collection and transportation of Solid Waste and to use such property at the expense of Franchisee to collect and transport any Solid Waste which Franchisee would otherwise be obligated to collect and transport pursuant to this Agreement.

11.8.2 Franchisee and City Responsibilities. Franchisee further agrees that in such event:

(a) It will fully cooperate with City to effect the transfer of possession or property to the City for City's use;

(b) It will, if the Chief Administrative Officer so requests, and to the extent feasible, keep in good repair and condition all of such property, provide all motor vehicles with fuel, oil and other service, and provide such other service as may be necessary to maintain said property in operational condition; and

(c) The City agrees to assume complete responsibility for the proper and normal use of such equipment and facilities while in its possession.

11.8.3 Franchise Waivers. Franchisee agrees that the City's exercise of its rights under this Article XI:

(a) Does not constitute a taking of private property for which compensation must be paid, but is rather an exercise of the City's police power;

(b) Will not create any liability on the part of City to Franchisee, including but not limited to, any right to compensation for use of Franchisee's equipment;

(c) Does not exempt Franchisee from the indemnity provisions of Article XIII, which are meant to extend to circumstances arising under this Section 11.8, provided that Franchisee is not required to indemnify City against claims and damages arising from the sole negligence of City, its officers, employees, agents, or volunteers acting under this Section 11.8; and

(d) Does not terminate this Agreement, unless termination occurs under other provisions of this Agreement.

11.9 Duration of City's Possession. City has no obligation to maintain possession of Franchisee's property and/or continue its use in collecting and transporting Solid Waste for any period of time and may, at any time, in its sole discretion, relinquish possession to the Franchisee. Should the City desire to retain possession of Franchisee's property, the City's right to retain temporary possession, and to provide Solid Waste collection services, shall continue

until Franchisee can demonstrate to the Chief Administrative Officer's reasonable satisfaction that it is ready, willing and able to resume such services.

11.10 Forfeiture of Performance Bond. In the event Franchisee shall for any reason become unable to, or fail in any way to, perform as required by this Agreement, City may declare that portion of the performance bond established pursuant to Section 13.3 which is necessary to recompense and make whole the City, forfeited to the City. Upon partial forfeiture of the performance bond, Franchisee shall promptly take all steps necessary to restore the performance bond to its face amount.

11.11 City's Right to Lease Franchisee's Equipment Following Termination. If City terminates this Agreement for cause, the City shall have the right to lease Franchisee's equipment from Franchisee at its fair market value for a period not to exceed six (6) months in order to allow City to perform the services required under this Agreement.

11.12 Cooperation Following Termination. At the end of the Term or Franchise Term or in the event this Agreement is terminated for cause prior to the end of the Term or Franchise Term, or terminated by Franchisee as a result of a Proposition 218 impasse, as described in Section 9.4.3, Franchisee shall cooperate fully with City and any subsequent contractor to assure a smooth transition of Solid Waste management services. Franchisee's cooperation shall include, but not be limited to, providing operating records needed to service all properties covered by this Agreement and to temporarily extend services under this Agreement at the then prevailing rates for service for a period up to one year after the end of the Term or written notice of termination for cause.

11.13 Remedies for Nuisance Violations.

11.13.1 Liquidated Damages. The provision of poor public service or the production of any nuisance condition will subject Franchisee to administrative procedures, potential liquidated damages and, ultimately, termination, for severe and repeated violations.

11.13.2 Complaints. Public complaints (whether received by the City regarding Franchisee's performance or received directly by Franchisee) will be handled as prescribed in Section 5.2 hereof.

11.13.3 Nuisance Conditions. Repeated, substantiated complaints of, or continued conditions of, poor service quality and/or nuisance conditions may be handled in the manner prescribed below. For purposes of this Section, the term "nuisance conditions" shall include, but is not limited to, the following:

- (a) Failure to duly collect Solid Waste or Recyclables that have been properly set-out for collection through the willful or negligent conduct of Franchisee employees;
- (b) Uncured damage to the property of third parties or customers through the willful or negligent conduct of Franchisee employees;
- (c) Legitimate complaints of rude or unprofessional behavior or conduct by Franchisee's employees in the course of their duties;

(d) Failure to perform service surveys and route audits as required by Sections 5.2.7 and 5.2.8, respectively, hereof;

(e) Unreasonable leakage or spillage of Solid Waste or other collected materials from Franchisee's vehicles;

(f) Failure to immediately or promptly collect Solid Waste or other materials that spilled or fell from Franchisee's vehicles onto public streets or third-party property;

(g) Poor maintenance of Franchisee's vehicles in violation of Sections 7.1 and 7.2 hereof;

(h) Violations of personnel standards and qualifications in contravention of Section 7.4 hereof.

(i) Any similar failure to comply with the requirements of this Agreement.

11.13.4 Notice of Violation. Initially, when the Planning Director or a designated enforcement officer observes a violation, a verbal warning shall be given to the Franchisee. If the violation is thereafter repeated and, in the opinion of the City's Planning Director or designated enforcement officer, Franchisee has not taken timely, effective action to correct the violation and prevent its repetition, then the Planning Director or designated enforcement officer may issue a written notice of violation (the "Notice of Violation") describing the violation, the period in which Franchisee is required to cure the violation (if such violation is curable) and a warning that continued violations can be subject to liquidated damages.

11.13.5 Franchisee's Right To Contest. Within five (5) business days after receiving the Notice of Violation, Franchisee may submit a written response (the "Response") to the Notice of Violation to the Planning Director. The Planning Director shall review Franchisee's Response and may further investigate the claimed violation. The Planning Director shall make a final determination regarding the Notice of Violation and the Planning Director shall deliver to Franchisee a written conclusion concerning the Notice of Violation. Additionally, at the election of either Party, the Parties may meet to develop a written corrective action plan ("Correction Plan") to prevent further occurrence of the problematic conditions established in the Notice of Violation. The Correction Plan shall be finally prepared by the City (or, at the election of the City, by Franchisee) within ten (10) business days after the meeting between the Planning Director and/or Chief Administrative Officer designee and Franchisee. The Correction Plan may include additional procedures, as deemed necessary by the Planning Director and/or Chief Administrative Officer designee, to assure that in the future Franchisee will be able to perform its services in compliance with this Agreement.

11.13.6 Liquidated Damages. If a second Notice of Violation is issued for any violation *after* an initial verbal warning and thereafter the issuance of a written Notice of Violation that is not withdrawn pursuant to Subsections 10.12.3 or 10.12.4 above, then liquidated damages may thereafter be assessed against Franchisee (as liquidated damages and not a penalty) by the Planning Director and/or Chief Administrative Officer designee in the amount of \$250 for

every day the condition persists. Further, if the violation for which liquidated damages were assessed recurs on three (3) or more days within a 60-day period following any assessment of liquidated damages, then starting on the fourth (4th) day that such violation either persists or recurs the amount of liquidated damages shall increase to \$500 per day.

11.13.7 Basis for Liquidated Damages. The Parties further recognize that if Franchisee recurrently fails to prevent and remediate nuisance conditions, the City and its residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages which City and its citizens will suffer. Therefore, the Parties agree that the liquidated damages established herein represent a reasonable estimate of the amount of such damages for such specific violations, considering all of the circumstances existing on the date of this Agreement, including the relationship of the sums to the range of harm to City that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical. In placing their initials at the places provided, each Party specifically confirms the accuracy of the statements made above and the fact that each Party has had ample opportunity to consult with legal counsel and obtain an explanation of these liquidated damage provisions prior to entering this Agreement.

Franchisee's Initials _____ City Initials _____

11.13.8 Further Remedies For Severe Or Persistent Violations. The above provisions for a Correction Plan procedure and liquidated damages are intended to give the Parties a remedy under this Agreement short of termination or default; however, should Franchisee's violations be severe and repetitive or otherwise not reasonably subject to correction through liquidated damages, the Planning Director may, in his sole discretion, institute the default procedures set forth in this Article.

11.14 No Waiver Of City's Police Powers Or Legal Rights. Nothing in this Agreement is intended to limit the power and ability of the City or any LEA to initiate administrative and/or judicial proceedings for the abatement of nuisance conditions or violations of any applicable law. Nothing herein shall waive or limit any other legal rights or recourses the City may have in response to Franchisee's repeated, material violations of performance standards or failure to mitigate nuisance conditions.

11.15 Attorneys' Fees. If either Party to this Agreement is required to initiate or defend or is made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys, fees and expert witness fees.

11.16 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

11.17 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

11.18 Jurisdiction and Venue. The parties hereto agree that the State of California is the proper jurisdiction for litigation of any matters relating to this Agreement. The Parties further agree that Los Angeles County, California is the proper place for venue as to any such litigation arising out of the Agreement and Franchisee agrees to submit to the personal jurisdiction of such court in the event of such litigation.

11.19 Rights of Non-Defaulting Party after Default. The Parties acknowledge that both Parties shall have hereunder all legal and equitable remedies as provided by law following the occurrence of a Default or to enforce any covenant or agreement herein except as provided in Section 13.2 below. Before this Agreement may be terminated or action may be taken to obtain judicial relief the Party seeking relief ("Non-Defaulting Party") shall comply with the notice and cure provisions of this Article XI. In this Agreement, the rights of enforcement are limited as the remedy of monetary damages is not available to either Party. The Parties shall have the equitable remedies of specific performance, injunctive and declaratory relief, or a mandate or other action determining that the City has exceed its authority, and similar remedies, other than recovery of monetary damages, to enforce their rights under this Agreement. The Parties shall have the right to recover their attorney fees and costs pursuant to Section 11.15 in such action. Moreover, the Developer shall have the right to a public hearing before the City Council before any default can be established under this Agreement, as provided in this Article.

ARTICLE XII TRANSFERS OF INTEREST.

12.1 Restrictions on Transfers. The City, in entering into this Agreement, has placed a special value, faith and confidence in the experience, background, and expertise of the Franchisee in the field of waste disposal. Such faith and confidence being a substantial consideration in the granting of this Agreement warrants the transfer restrictions provided in this Article XI.

12.2 Definition of Transfer. As used in this Section, the term "Transfer" shall include any hypothecation, mortgage, pledge, or encumbrance of this Agreement by Franchisee, subject to the exceptions set forth in Section 12.4 below. A Transfer shall also include the transfer to any person or group of persons acting in concert of more than thirty percent (30%) of the present equity ownership and/or more than thirty percent (30%) of the voting control of Franchisee (jointly and severally referred to herein as the "Trigger Percentages"), taking all transfers into account on a cumulative basis, except transfers of such ownership or control interest to an affiliate owned or controlled by the present beneficial owners of Franchisee or members of their immediate family, or between members of the same immediate family, or transfers to a trust, testamentary or otherwise, in which the beneficiaries are limited to members of the transferor's immediate family. A transfer of interests (on a cumulative basis) in the equity ownership and/or voting control of Franchisee in amounts less than Trigger Percentages shall not constitute a Transfer subject to the restrictions set forth herein. In the event Franchisee or its successor is a corporation or trust, such Transfer shall refer to the transfer of the issued and outstanding capital stock of Franchisee, or of beneficial interests of such trust; in the event that Franchisee or any

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general partner comprising Franchisee is a limited or general partnership or a limited liability company, such Transfer shall refer to the transfer of more than the Trigger Percentages in the limited or general partnership or limited liability company interest; in the event that Franchisee or any general partner is a joint venture, such Transfer shall refer to the transfer of more than the Trigger Percentages of such joint venture partner, taking all transfers into account on a cumulative basis.

12.3 Transfers Require Approval. Franchisee shall not Transfer this Agreement or any of Franchisee's rights hereunder, directly or indirectly, voluntarily or by operation of law, except as provided below, without the prior written approval of City, and if so purported to be transferred, the same shall be null and void. Franchisee will submit its request for City consent to the City together with documents, including but not limited to: (i) the transferee's audited financial statements for at least the immediately preceding three (3) operating years; (ii) proof that the proposed transferee has municipal solid waste management experience on a scale equal to or exceeding the scale of operations conducted by Franchisee; (iii) proof that in the last five (5) years, the proposed transferee has not suffered any citations or other censure from any Federal, State, or local agency having jurisdiction over its waste management operations due to any significant failure to comply with Federal, State, or local waste management law and that the transferee has provided the City with a complete list of such citations and censures; (iv) proof that the proposed transferee has at all times conducted its operations in an environmentally safe and conscientious fashion; (v) proof that the proposed transferee conducts its municipal solid waste management practices in accordance with sound waste management practices in full compliance with all Federal, State, and local laws regulating the collection and disposal of waste, including hazardous waste; (v) proof that the transferee's officers or directors have no criminal convictions for fraud, deceit, false claims or racketeering with respect to the transferee's course of business; and (vi) any other information required by the City to ensure the proposed transferee can fulfill the terms of this Agreement, including the payment of indemnities and damages and provision of bonds and/or performance standards, in a timely, safe, and effective manner.

12.4 Exceptions. The requirement to obtain City approval for a Transfer shall not apply to any of the following:

(a) Any mortgage, deed of trust, sale/lease-back, or other form of conveyance for financing and any resulting foreclosure therefrom.

(b) A sale or transfer resulting from or in connection with a reorganization as contemplated by the provisions of the Internal Revenue Code of 1986, as amended or otherwise, in which the ownership interests of a corporation are assigned directly or by operation of law to a person or persons, firm or corporation which acquires the control of the voting capital stock of such corporation or all or substantially all of the assets of such corporation.

(c) A sale or transfer to an affiliate of Franchisee owned or controlled by the present beneficial owners of Franchisee or members of their immediate family, or between members of the same immediate family, or transfers to a trust, testamentary or otherwise, in which the beneficiaries are limited to members of the transferor's immediate family.

12.5 Assumption of Obligations. No attempted Transfer of any of Franchisee's obligations hereunder shall be effective unless and until the successor party executes and delivers to City an assumption agreement in a form approved by the City assuming such obligations. Following any such assignment or Transfer of any of the rights and interests of Franchisee under this Agreement, the exercise, use and enjoyment shall continue to be subject to the terms of this Agreement to the same extent as if the assignee or transferee were Franchisee.

12.6 Release of Franchisee. City's consent to a Transfer shall not be deemed to release Franchisee of liability for performance under this Agreement unless such release is specific and in writing executed by City, which release shall not be unreasonably withheld. Upon the written consent of City to the complete assignment of this Agreement and the express written assumption of the assigned obligations of Franchisee under this Agreement by the assignee, Franchisee shall be relieved of its legal duty from the assigned obligations under this Agreement, except to the extent Franchisee is in default under the terms of this Agreement prior to said Transfer.

12.7 Franchisee to Pay Transfer Costs. Franchisee will pay City its reasonable expenses for attorneys' fees and investigation costs necessary to investigate the suitability of any proposed transferee or assignee, and to review and finalize any documentation required as a condition for approving any such Transfer.

12.8 Subcontracting. This Agreement, or any portion thereof, shall not be subcontracted except with the prior written consent of the City. No such consent shall be construed as making the City a Party to such subcontract, or subject the City to liability of any kind to any subcontractor. Franchisee shall submit all subcontracts for review and approval by the City and any permitted subcontract shall terminate on or before the termination of this Agreement. All subcontractors shall be licensed as required under State, Federal and local laws and regulations to perform their subcontracted work and obtain and maintain a City business license if required. Franchisee shall remain otherwise liable for the full and complete performance of its obligations hereunder.

12.9 Heirs and Successors. The terms, covenants and conditions of this Agreement shall apply to and shall bind the heirs, successors, executors, administrators and assigns of the Franchisee and City.

ARTICLE XIII INSURANCE, INDEMNITY AND PERFORMANCE BOND.

13.1 Insurance. Franchisee shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

13.1.1 Comprehensive General Liability Insurance. A policy of comprehensive general liability insurance written on a per occurrence basis. The policy of insurance shall be in an amount not less than either (i) a combined single limit of \$2,000,000.00, or (ii) bodily injury limits of \$1,000,000.00 per person, \$2,000,000.00 per occurrence and \$1,000,000.00 products

and completed operations and property damage limits of \$2,000,000.00 per occurrence and \$2,000,000.00 in the aggregate.

13.1.2 Workers' Compensation Insurance. A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Franchisee and the City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Franchisee in the course of carrying out the work or services contemplated in this Agreement.

13.1.3 Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than either (i) bodily injury liability limits of \$1,000,000.00 per person and \$2,000,000.00 per occurrence and property damage liability limits of \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate or (ii) combined single limit liability of \$2,000,000.00. Said policy shall include coverage for owned, non-owned, leased and hired cars.

13.1.4 Umbrella Insurance. Umbrella coverage to bring total aggregate insurance coverage for all underlying insurance coverage to TWENTY MILLION DOLLARS (\$20,000,000.00)

13.1.5 General Insurance Provisions. All of the above policies of insurance shall be primary insurance and shall name the City, its officers, employees, and agents as additional insureds. The insurer shall waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled without providing thirty (30) days' prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled, the Franchisee shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 13.1 to the Chief Administrative Officer. No work or services under this Agreement shall commence until the Franchisee has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverage and said Certificates of Insurance or binders are approved by the City.

13.1.6 No Limitation. Franchisee agrees that the provisions of this Article 12 shall not be construed as limiting in any way the extent to which the Franchisee may be held responsible for the payment of damages to any persons or property resulting from the Franchisee's activities or the activities of any person or persons for which the Franchisee is otherwise responsible.

13.1.7 Rating. The insurance policies required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California rated All or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class IV or better, unless such requirements are waived by the Chief Administrative Officer of the City.

13.1.8 Primary Insurance. The insurance policies shall be considered primary insurance as respects any other valid and collectible insurance the City may possess including

any self-insured retention the City may have, and any other insurance the City does possess shall be considered excess insurance and shall not contribute with it. The insurance policies shall act for each insured, as though a separate policy had been written for each. This, however, will not act to increase the limit of liability of the insuring company.

13.1.9 Changes in Market. In the event the Chief Administrative Officer determines that (i) the market conditions creates an increased or decreased risk of loss to City, (ii) greater insurance coverage is required due to the passage of time or (iii) changes in the insurance industry require different coverages be obtained, Franchisee agrees that the minimum limits of any insurance policy required to be obtained by Franchisee may be changed accordingly upon receipt of written notice from the Chief Administrative Officer.

13.2 Indemnification. Without regard to the limits of any insurance coverage, Franchisee agrees to indemnify, defend with counsel appointed by the City, protect and hold harmless the City, its representatives, officers, agents and employees against any and all fines, response costs, assessments, actions, suits, injunctive relief, claims, damages to persons or property, losses, costs penalties, obligations, errors, omissions or liabilities, (“claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with (i) violations of the commerce clause of the U.S. Constitution, AB 939, the Comprehensive Environmental Response, Compensation and Liability Act, Title 42 U.S.C. §9601 *et seq.* (“CERCLA”), HSWA, RCRA, any other Hazardous Waste laws, or other Federal, State or local environmental statutes, ordinances and regulations which arise from this Agreement; (ii) the negligent performance of the work or services of Franchisee, its agents, employees, subcontractors, or invitees, provided for in this Agreement; (iii) the negligent acts or omissions of Franchisee hereunder, or arising from Franchisee’s negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, whether or not there is concurrent passive or active negligence on the part of the City, its representatives, officers, agents or employees but excluding such claims or liabilities arising from the sole negligence or willful misconduct of the City, its representatives, officers, agents or employees, who are directly responsible to the City, and in connection therewith:

(a) Franchisee will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(b) Franchisee will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work or services of Franchisee hereunder; and Franchisee agrees to save and hold the City, its officers, agents and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Franchisee for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work or services of Franchisee hereunder, Franchisee agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers,

agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Franchisee's obligations hereunder shall survive the termination or expiration of this Agreement

13.3 Performance Bond. The City requires the Franchisee to delivered to the City a performance bond in the sum of the amount of ONE MILLION DOLLARS (\$1,000,000.00), in the form provided by the Chief Administrative Officer. Said performance bond shall guarantee Franchisee's faithful performance of waste hauling services under the auspices of this Agreement, including without limitation, payment of any penalty and the funding of any work to cure a breach of this Agreement. The bond shall be unconditional and remain in force during the entire term of this Agreement and shall be null and void only if the Franchisee promptly and faithfully performs all terms and conditions of this Agreement. The performance bond must be issued by a surety meeting the requirements of Section 13.1.7.

13.4 AB 939 Guarantee and Indemnification. Without in any way limiting the indemnification provisions in Section 13.2 above, Franchisee unconditionally guarantees compliance with the requirements AB 939 as amended from time to time. Franchisee shall carry out its obligations under this Agreement so that the City will meet or exceed the diversion requirements set forth in AB 939, and all amendments thereto, as more fully set forth below. City and Franchisee shall reasonably assist each other to meet the City's AB 939 diversion requirements. In carrying out the provisions of this Section, Franchisee agrees to perform the following obligations at its cost and expense:

(a) Defend, with counsel approved by City, indemnify and hold harmless the City against all fines and/or penalties imposed by the Board, if Franchisee fails or refuses to provide information relating to its operations which is required under this Agreement and such failure or refusal prevents or delays City from submitting reports required by AB 939 in a timely manner;

(b) Assist City in preparing for, and participating in, the Board's biannual review of the City's source reduction and recycling element pursuant to Public Resources Code Section 41825;

(c) Assist City in responding to inquires from the Board in applying for an extension under Public Resources Code Section 41820, if so directed by City; in conducting any hearing conducted by the Board relating to AB 939; or in any other investigative or enforcement manner undertaken by any agency;

(d) Defend, with counsel acceptable to City, and Indemnify and hold harmless the City against any fines or penalties levied against it for violation of AB 939's diversion requirements, excepting any fine or penalty imposed if City's failure to meet the Act's diversion requirements is the result of an order.

(e) In cooperating with the City, should it seek to become its own enforcement agency, to the extent it may be permitted under State law.

13.5 Education Programs. Franchisee and City shall jointly develop and implement a public awareness and education program that is consistent with the City's Source Reduction and Recycling Element and its Household Hazardous Waste Element and also the City's Stormwater Program

**ARTICLE XIV
GENERAL PROVISIONS.**

14.1 Late Payment Fee. City shall give Franchisee written notice of any delinquent payment of any sum owing to City by Franchisee under this Agreement. In the event that Franchisee does not pay City such delinquent sum within ten (10) days of the date of the written notice, Franchisee shall pay the City the pre-determined penalty of one and one-half percent (1.5%) interest per month, or any fraction of a month, on the amount of delinquent sum commencing from the date such sum was originally due.

14.2 Force Majeure. The time period(s) specified for performance of the provisions of this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Franchisee, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Franchisee shall within ten (10) days of the commencement of such delay notify the Chief Administrative Officer in writing of the causes of the delay; no extension of time for performance shall be granted, however, by reason of the unavailability of any Disposal Site or by reason of strikes, lockouts, or other labor disturbances, or breakage or accidents to vehicles, equipment, machinery or plants. The Chief Administrative Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Chief Administrative Officer such delay is justified. In no event shall Franchisee be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Franchisee's sole remedy being extension of the Agreement pursuant to this Section 14.2.

14.3 Notices. All notices, demands, requests, approvals, disapprovals, proposals, consents, or other communications whatsoever which this Agreement contemplates or authorizes, or requires or permits either Party to give to the other, shall be in writing and shall be personally delivered, sent by telecopier or sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the respective Party as follows:

If to Franchisee: _____

If to City: CITY OF BELL
Chief Administrative Officer

A copy to: ALESHIRE & WYNDER, LLP
18881 Von Karman Avenue, Suite 1700
Irvine, CA 92612
Attention: David J. Aleshire, City Attorney

or to such other address as either Party may from time to time designate by notice to the other given in accordance with this Section 14.3. Notice shall be deemed effective on the date personally served or by facsimile or, if mailed, three (3) days from the date such notice is deposited in the United States mail.

14.4 Non-discrimination. Franchisee covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, sexual orientation, or ancestry in the performance of this Agreement. Franchisee shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, sexual orientation, national origin or ancestry.

14.5 Compliance with Immigration Laws. Franchisee agrees that, in the performance of this Agreement, it will comply with all applicable immigration laws and regulations.

14.6 No Liability of City Officials. No officer, employee or agent of the City shall be personally liable to the Franchisee, or any successor in interest, in the event of any default or breach by the City or for any amount that may become due to the Franchisee or to its successor, or for breach of any obligation of the terms of this Agreement.

14.7 Laws and Regulations. Franchisee shall observe all the terms of any City ordinance or resolution now in effect, or as the same may be subsequently adopted or amended by the City, governing or affecting the collection, removal and disposal of Municipal Solid Waste in the City of Bell. Franchisee further agrees to comply with all applicable county, State or Federal laws or regulations as they exist now or may subsequently be adopted or amended, governing the collection, removal and disposal of Municipal Solid Waste. Franchisee further agrees to comply with all applicable State and Federal laws governing employment, wages, working conditions, use of materials, equipment, supplies and the like.

14.8 Proprietary Information: Public Records. The City acknowledges that a number of the records and reports of the Franchisee are proprietary and confidential. Franchisee

is obligated to permit City inspection of certain of its records, as provided herein, on demand and to provide copies to City where requested. City will endeavor to maintain the confidentiality of all proprietary information provided by Franchisee and shall not voluntarily disclose such proprietary information. Notwithstanding the foregoing, any documents provided by Franchisee to City that are public records may be disclosed pursuant to a proper public records request.

14.9 [Reserved.]

14.10 Waiver of Future Claims. No delay or omission in the exercise of any right or remedy by a nondefaulting Party on any default shall impair such right or remedy or be construed as a waiver. A Party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

14.11 Conflict of Interest. No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Franchisee warrants that it has not paid or given and will not pay or give any officer, employee or agent of the City any money or other consideration for obtaining this Agreement.

14.12 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

14.13 Integration: Amendment. It is understood that there are no oral agreements between the Parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the Parties, and none shall be used to interpret this Agreement. This Agreement may only be amended at any time by the mutual consent of the Parties by an instrument in writing. This Agreement is intended, in part, to carry out City's obligations to comply with the provisions of AB 939 and regulations promulgated thereunder, as amended from time to time. In the event that AB 939 or other State or Federal laws or regulations enacted after this Agreement prevent or preclude compliance with one or more provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations. No other amendment of this Agreement shall be valid unless in writing duly executed by the Parties.

14.14 Severability. In the event that part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the Parties

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hereunder unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

14.15 No Joint Venture. Neither the City nor any of its employees shall have any control over the manner, mode or means by which Franchisee, its agents or employees, perform the services required herein, except as otherwise set forth. Franchisee shall perform all services required herein independent from the City and shall remain at all times as to City a wholly independent entity with only such obligations as are consistent with that role. Franchisee shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Franchisee in its business or otherwise or a joint venturer or a member of any joint enterprise with Franchisee.

14.16 Corporate Authorization. Franchisee has the authority to enter into and perform its obligations under this Agreement. The Board of Directors of Franchisee (or the shareholders if necessary) have taken all actions required by law, its articles of incorporation, its bylaws or otherwise, to authorize the execution of this Agreement. The persons signing this Agreement on behalf of Franchisee have authority to do so. Entering into this Agreement does not violate any provision of any other Agreement to which Franchisee is bound.

IN WITNESS WHEREOF, the Parties hereto do hereby set their hands and seals as of the day and the year first written above.

FRANCHISEE

_____, a California Corporation

By:
Title:

By:
Title:

CITY OF BELL

By: _____
_____, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

City Attorney

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**City of Bell
Agenda Report**

DATE: March 7, 2012
TO: Mayor and Council Members
FROM: Terry Rodrigue PE, City Engineer
Debra Kurita, Interim Community Services Director
APPROVED
By: 
Arne Croce, Interim Chief Administrative Officer
SUBJECT: Purchase and installation of LED lighting at various locations throughout the City

RECOMMENDATION:

1. Approve an appropriations adjustment allocating \$148,800 from the Energy Efficiency and Conservation Block Grant
2. Authorize payment to Republic ITS for purchase and installation of LED lighting in various locations throughout the City.

BACKGROUND:

In June of 2010 the City of Bell was awarded an Energy Efficiency Conservation Block Grant (EECBG) in the amount of \$148,800 for the purpose of installing LED lighting on City owned street lights. This grant was awarded by the Federal Department of Energy in conjunction with the 2009 American Recovery and Reinvestment Act (ARRA). The advantage of LED lighting is the reduction of energy use and corresponding cost, which generates as much as 50% in savings, increases the life span of the lights for up to three times, provides a more natural light color, and creates better lighting coverage.

Due to the turnover and vacancies of key staff members during the grant period, which was June 2010 to December 2011, the purchase and installation of the LED lighting was not completed. On January 18, 2012, staff requested a grant extension and on February 14, 2012 staff received notification of extension of the grant period giving the City until March 19, 2012 to obligate the funds. The completion of the installation is required by June 1, 2013.

City staff has coordinated with SCE (Southern California Edison) to identify City owned street lights. The grant will provide funding to convert 165 of the 218 City owned fixtures. The delivery of the lighting fixtures will take 6-8 weeks and the installation will require another 6-8 weeks with an anticipated completion no later than June 30, 2012. As funds become available in future years, the remaining 53 fixtures would be completed.

The City's original contract for traffic signal maintenance in 2000 was with Peek Signal Maintenance, which was subsequently purchased by Republic ITS. This firm has completed many similar projects in other jurisdictions and due to the time constraints of obligating the funds by March 19th, staff has determined that the best option is to utilize Republic ITS for this project.

Staff anticipates advertising for competitive bids for the signal maintenance services later this year.

FISCAL IMPACT:

The cost for purchase and installation of 165 lights will be \$135,535. The balance of the funds, \$13,160, is allocated for City staff to administer the grant, and coordinate the installation for a total project cost of \$148,800. The proposed project is fully funded by the Federal Department of Energy through an Energy Efficiency and Conservation Block Grant. There is no impact to the General Fund. Installation of the new lights will result in lower electricity costs for street lighting.

City of Bell Agenda Report

DATE: March 7, 2012

TO: Chairman and Members of the Bell Community Housing Authority Board of Commissioners

FROM: Debra Kurita, Interim Community Services Director

APPROVED
BY:


Arne Croce, Interim Chief Administrative Officer

SUBJECT: Bell Community Housing Authority Policies and Guidelines

RECOMMENDATION:

Adopt Resolution establishing the Bell Community Housing Authority Policies and Guidelines for Enforcement of Rent Payment and/or Eviction.

BACKGROUND AND DISCUSSION:

In 1995, pursuant to the California Housing Authorities Law, the City of Bell activated the Bell Community Housing Authority (BCHA), in order to assist the City in the acquisition, construction, financing, and management of low and moderate income housing within the City. Further, in 1995, BCHA issued bonds and acquired the Bell Mobile Home Park, located at 4874 Gage Ave and the properties that constitute the Florence Village Mobile Home Park, located at 5162-5246 Florence Avenue.

In 2005, BCHA issued \$20,790,000 in lease revenue bonds which refunded the 1995 bonds and generated approximately \$6 million in funds to finance the construction, acquisition and rehabilitation of various rental housing properties. The Authority used these bond proceeds to purchase or construct a number of apartments and single family homes. The rental income from the approximately 358 tenants of the mobile home parks and the residential units are pledged to the lease revenue bonds' annual debt service payments of approximately \$1.3 million.

In November 2010, the management and operations of the mobile home parks was assigned to staff of the Community Services Department; prior to that time, this function was performed by a contract property management firm. In July 2011, the property management of the 64 rental units was also assigned to the Community Services Department staff.

One of the important elements of property management is ensuring the collection of rental payments in a timely manner. Over the past several months, in consultation and coordination with the City Attorney's Office, the property management staff has been systematically addressing the issue of tenants with significantly delinquent accounts. In order to establish an effective and efficient process for appropriately managing compliance with the rental agreements, the proposed policies and guidelines for the enforcement of rent payments and, if necessary, the processing of evictions was developed. The document defines the procedures for the provision of friendly reminders, the establishment of payment plans, the serving of notices to terminate possession of the BCHA premises, and the commencement of eviction

procedures for mobile home park residents and apartment unit tenants who fail to pay rent. Additionally, the guidelines outline the process of removing an abandoned mobile home and the disposal of BCHA owned property, such as a mobile home, recreation vehicle or trailer, that has been declared surplus. All of the provisions of the proposed guidelines and procedures conform with Civil Code and other State laws.

The adoption of the proposed resolution will provide clarity of the process to the tenants, staff, and the community. Upon approval, the procedures will be posted at the mobile home parks and distributed to tenants with their rental agreements.

FINANCIAL IMPACT

There is no direct fiscal impact associated with this action. The annual budget for BCHA, including the \$1.3 million for debt service, is approximately \$2.7 million.

RESOLUTION NO. 2012-29

**A RESOLUTION OF THE BELL COMMUNITY HOUSING AUTHORITY
APPROVING THE POLICIES AND GUIDELINES FOR ENFORCEMENT OF RENT PAYMENT
AND/OR EVICTION**

WHEREAS, pursuant to the California Housing Authorities Law, on February 21, 1995, the City of Bell activated the Bell Community Housing Authority to assist the City in the acquisition, construction and management of low and moderate income housing within the City; and

WHEREAS, the Bell Community Housing Authority accommodates over 358 tenants among the Bell Mobile Home Park, the Florence Village Mobile Home Park and 64 Apartment units; and

WHEREAS, in October 2005, the Bell Community Housing Authority issued \$20,790,000 in Lease Revenue Bonds pledging the proceeds of rents from the Mobile Home Parks and the Apartment Units to the payment of the debt service; and

WHEREAS, in November 2010, the responsibility for the property management and administration of the City's mobile home parks was assigned to in-house staff of the Community Services Department, an assignment that had previously been performed by a contracted property management firm; and

WHEREAS, in July 2011, the property management and administration of the City's rental apartment units was assigned to in-house staff of the Community Services Department, an assignment that was re-assigned from the Community Development Department and had previously been performed by a contracted property management firm; and

WHEREAS, an essential element in ensuring the collection of rent and, thereby, the payment of the debt service, is the enforcement of polices and guidelines for rent payments and, if necessary, eviction;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE BELL COMMUNITY HOUSING AUTHORITY DOES HEREBY RESOLVE AND DETERMINE AS FOLLOWS:

Section 1. That the Bell Community Housing Authority Policies and Guidelines for Enforcement of Rent Payment and/or Eviction as detailed in Exhibit A are hereby adopted.

Section 2. That the Interim City Manager and/or his designee is authorized and directed to implement these policies and guidelines.

Section 3. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED, APPROVED, AND ADOPTED this 7th day of March 2012.

Ali Saleh, Mayor

APPROVED AS TO FORM:

David Aleshire, City Attorney

I, Patricia Healy, Interim City Clerk of the City of Bell, hereby attest and certify that the above and foregoing resolution was duly adopted by the Bell City Council at its regular meeting held on the 7th day of March 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Patricia Healy, Interim City Clerk

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City of Bell
Bell Community Housing Authority
Policies and Guidelines for Enforcement of Rent Payment and/or Eviction

I. PURPOSE

The City of Bell ("City") owns two mobile home parks, Florence Village Mobile Home Park and Bell Mobile Home Park, several apartment units located within City limits, and four apartments located in the Florence Village Mobile Home Park. The City's Community Housing Authority ("BCHA") manages the spaces in the City-owned mobile home parks and apartment units, which accommodates over 358 tenants among all the properties.

II. INTENT

- A. To identify and establish the criteria for appropriate management of tenants' compliance with the City's mobile home parks' rules and regulations and rental leases and/or agreements.
- B. To establish policies and procedures for the enforcement of the City's mobile home parks' rules and regulations and rental agreements entered by and between tenants and BCHA through processes, which include, but is not limited to, payment plans. The intent is to minimize legal costs associated with the unlawful detainer process and to demonstrate a willingness on the City's behalf to work with residents.
- C. To establish policies and procedures for unlawful detainer actions in order to minimize loss of rental revenue to the City.
- D. To establish procedures for the removal or disposal of surplus property that may become the property of BCHA during an eviction process or by any other means.

III. DEFINITIONS

- A. BCHA: Bell Community Housing Act.
- B. Delinquent Tenant: A tenant who has breached a rental agreement by conduct which includes, but is not limited to, failure to pay rent, breach of a payment plan, failure to comply with a reasonable mobile home park rule or regulation as set forth in the rental agreement, and conduct on the premises constituting a substantial annoyance to other residents.
- C. Unlawful Detainer Action: A lawsuit brought by a landlord against a tenant where the landlord claims that a tenant no longer has the right to occupy the property.

IV. COMMON GROUNDS FOR TERMINATION OF RENTAL AGREEMENT AND TENANCY

- A. Breach of a Rule or Regulation. The tenancy of a resident who is in breach of a rule or regulation set forth in the rental agreement may be subject to termination.
- B. Conduct Constituting Substantial Annoyance. A tenant whose conduct constitutes a substantial annoyance to other homeowners or resident may be subject to eviction from the City-owned premises.
- C. Non-Payment of Rent. All tenants are to pay rent by the 6th of every month. If a tenant fails to pay the rent as required by the rental agreement, the tenant is considered delinquent in the payment of rent and a late fee will be assessed.

V. MOBILE HOME PARK RESIDENTS

A. Eviction Procedures for Mobile Home Park Residents for Failure to Pay Rent.

- i. Friendly Reminder. Upon the non-payment of rent, which may not exceed one month, BCHA shall send a reminder to any delinquent mobile home tenant notifying that s/he is behind in the rent and s/he is to contact a BCHA representative to discuss a payment plan.
- ii. Payment Plans.
 - 1. If the delinquent tenant opts to enter into a payment plan for the rent owed, s/he is to execute a written agreement to make monthly installments towards the arrears in addition to paying the current monthly rent. Mobile homeowners are encouraged to enter into payment plans. [Delinquent tenants may not be placed on a payment plan more than once in a 12-month term.]
 - 2. If a delinquent tenant does not contact BCHA staff and fails to pay rent and late fees, BCHA will begin the unlawful detainer process
 - 3. If a delinquent tenant breaches the payment plan and fails to pay rent, BCHA will begin the unlawful detainer process.
- iii. Notices. BCHA shall prepare and serve the appropriate notices to terminate possession of the premises and to terminate the lease agreement pursuant, but not limited, to *Civil Code* sections 798.55(b), 798.56(d), 799.65, 799.70, and 1946, and *Code of Civil Procedure* section 1161.
- iv. Commencement of Litigation. If a delinquent tenant fails to cure the ground(s) for termination of the lease (i.e., pay rent owed, vacate the premises or both) within the time as proscribed by the notices, BCHA staff shall seek approval of the City Manager to commence litigation against said delinquent tenant.

B. Remedies Sought Against Mobile Home Park Residents.

- i. The City will seek to recover possession of the space the tenant occupies in the mobile home park.
- ii. The City will also seek a monetary judgment which may include, but is not limited to, attorney's fees and costs, and the amount of rent found due.

C. Removal of Mobile Home. In the event that a mobile home park tenant fails to remove the mobile home from the park and abandons the mobile home, the City will seek the court's approval to sell the abandoned mobile home and its contents pursuant, but not limited to California *Civil Code* section 798.61, and City rules, procedures, ordinances and regulations pertaining to the acquisition and disposition of property.

D. Removal of Surplus Property

Director of Community Services shall submit to the Finance Department, at such time and in such form as prescribed by the Finance Director, reports identifying any mobile homes, recreation vehicles or trailers owned by BCHA that are declared surplus. With the approval of the City Manager, the Community Services Director, or a designee, shall have authority to sell the surplus unit. The City shall sell the mobile home, recreation vehicle or trailer in an "as is" condition and may require the purchaser to remove the unit from the mobile home park property as a condition of the sale.

Any sale of surplus mobile homes, recreation vehicles or trailers shall be made by the most effective method; this may include formal sealed bids, public auction, or negotiations. The City may require a certified check when selling these units.

If the Director of Community Services determines that such surplus property shall be disposed of by auction, the Director, with approval of the City Manager, shall designate the person to conduct the auction and the person to act as clerk, to make a record of bids and payments during said auction. The Director may employ the use of an on-line auction process or may contract with professional auctioneers and clerks who shall receive compensation solely out of the proceeds of the auction. All sales using this process shall be for cash and the purchase price shall be paid immediately upon the sale being declared by the auctioneer.

In the event the mobile home, recreation vehicle or trailer is offered at public auction, any person, including a City employee, may make an offer to purchase the unit. However, no City employee shall purchase any mobile home sold by means other than a public auction. Further, in no event shall the Finance Director, or any department head conducting the sale, regardless of its form, be a purchaser of the mobile home unit.

If after the mobile home, recreation vehicle or trailer is offered for sale through sealed bids, public auction, or negotiations, there are no offers on the unit, the Community Services Director, with approval by the City Manager, may abate the unit by securing the services of a contractor to remove and dispose of the mobile home, recreation vehicle or trailer.

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VI. APARTMENT UNIT TENANTS

A. Eviction Procedures for Apartment Unit Tenants For Failure to Pay Rent.

- i. Friendly Reminder. Upon the non-payment of rent, which may not exceed one month, BCHA will send a reminder to any delinquent tenant notifying that s/he is behind in the rent and s/he is to contact a BCHA representative. BCHA staff will offer and discuss a possible payment plan to assist the tenant to become current with the rent.
- ii. Payment Plans.
 1. If the delinquent tenant opts to enter into a payment plan for the rent owed, s/he is to execute a written agreement to make monthly installments towards the arrears in addition to paying the current monthly rent. Mobile homeowners are encouraged to enter into payment plans. [Delinquent tenants may not be placed on a payment plan more than once in a 12-month term.]
 2. If a delinquent tenant does not contact BCHA staff and fails to pay rent and late fees, BCHA will begin the unlawful detainer process
 3. If a delinquent tenant breaches the payment plan and fails to pay rent, BCHA will begin the unlawful detainer process.
- iii. Notices. BCHA staff shall prepare and serve the appropriate notices to terminate possession of the premises and to terminate the lease agreement pursuant, but not limited to *Code of Civil Procedure* sections 1161 *et seq*.
- iv. Commencement of Litigation. If a delinquent tenant fails to cure the ground(s) for termination of the lease (i.e., pay rent owed, vacate the premises or both) within the time as proscribed by the notices, BCHA staff shall seek approval of the City Manager to commence litigation against said delinquent tenant.

B. Remedies Sought Against Apartment Unit Tenants.

- i. The City will seek a writ of possession of the premises to evict the delinquent tenant.
- ii. The City will further seek a monetary judgment which may include, but is not limited to, attorney's fees and costs, and the amount of rent found due.

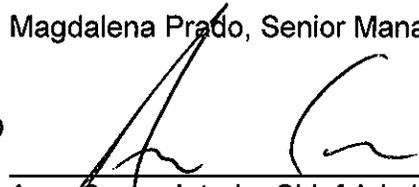
City of Bell Agenda Report

DATE: March 7, 2012

TO: Mayor and Members of the City Council

FROM: Magdalena Prado, Senior Management Analyst

APPROVED
BY:


Arne Croce, Interim Chief Administrative Officer

SUBJECT: Review of new City of Bell Logo

RECOMMENDATION:

The City Council:

1. Direct staff to add color options to the proposed four concepts; and
2. Display the colorized versions on the City of Bell website to solicit public opinion via Survey Monkey, an online survey method, for a one-week period prior to the upcoming March 21, 2012 Council Meeting, at which time the Council would select a new logo design.

BACKGROUND AND DISCUSSION:

The election of a new City Council last March has ushered in a new era in Bell City government. Over the past year, the City Council has undertaken a number of initiatives to reinforce the changes in City government. These have included major reforms, such as the community priority workshop held in January and smaller ones like installing transparent glass on the City Hall and Police Station doors. Another symbol of the City of Bell's renewal would be to develop a new City logo.

Late last year, staff sought to identify a new logo design concept by seeking out pro bono services from students at the Center for Design in nearby Pasadena. This was not a fruitful effort. Staff then asked the current City of Bell website administrators, Ewing Beland, also a design development firm, to assist the City in elaborating a new City of Bell logo design.

On February 17, 2012, Mayor Saleh, Councilmember Nestor Valencia, and staff met with representatives from Ewing Beland to provide background from which to base their initial design concepts. A subsequent meeting took place on February 24, 2012 to review an array of design renderings. These were then narrowed down to the four black and white designs attached to the this report.

At this time, staff seeks the Council's direction to continue elaborating these designs. Staff recommends, upon Council approval, the proposed drawings are colorized, and displayed both at City Hall and on the City website to solicit public opinion, which may be gathered via Survey Monkey, a free online research tool. After a-one week display period, Council may select a new logo design concept at the Wednesday, March 14, 2012 City Council meeting. Also, staff recommends incorporating the following into the logo: *Founded 1927—Renewed 2011*

FINANCIAL IMPACT

Ewing Beland agreed to provide their design services to develop a final logo design at a reduced cost not to exceed \$1,700, for twenty hours of service; to date 10.5 hours or \$892.50 have been incurred. Typically, the elaboration of a design logo and City seal would require a minimum of forty hours of design work. The work is paid for out of the Transition Support budget item. The cost of implementing a new logo can be phased in over time as the City replaces letter heads, business cards and other branded items.

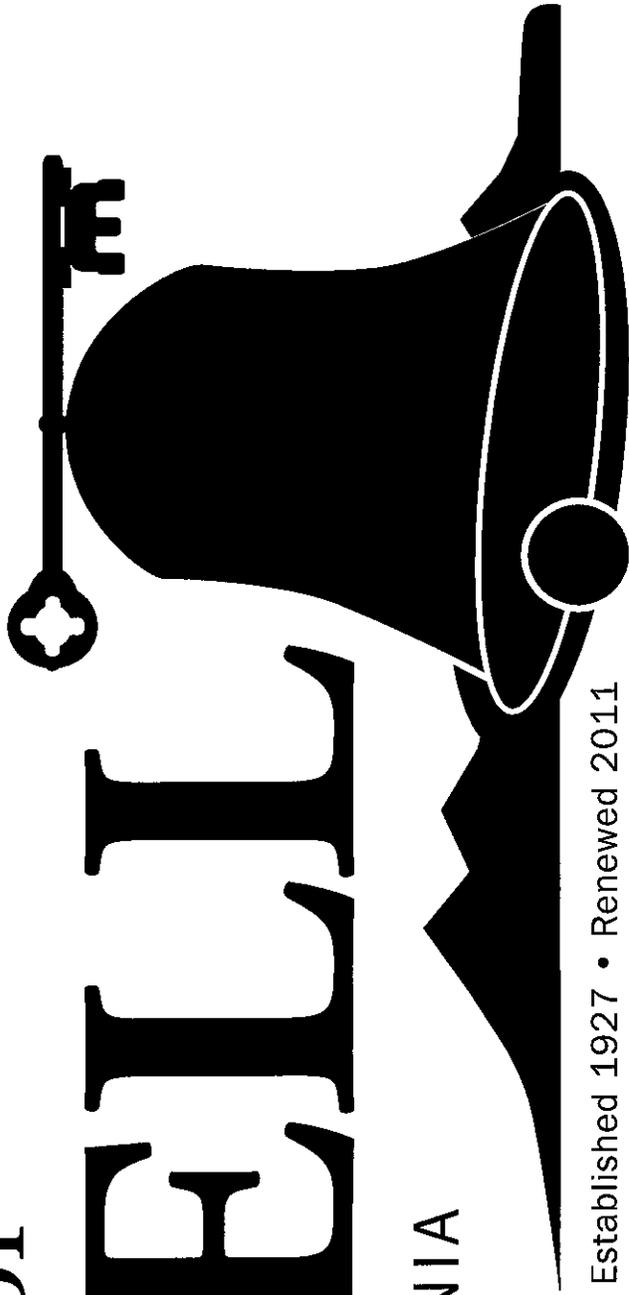
ATTACHMENT

- A. City of Bell Logos

City of

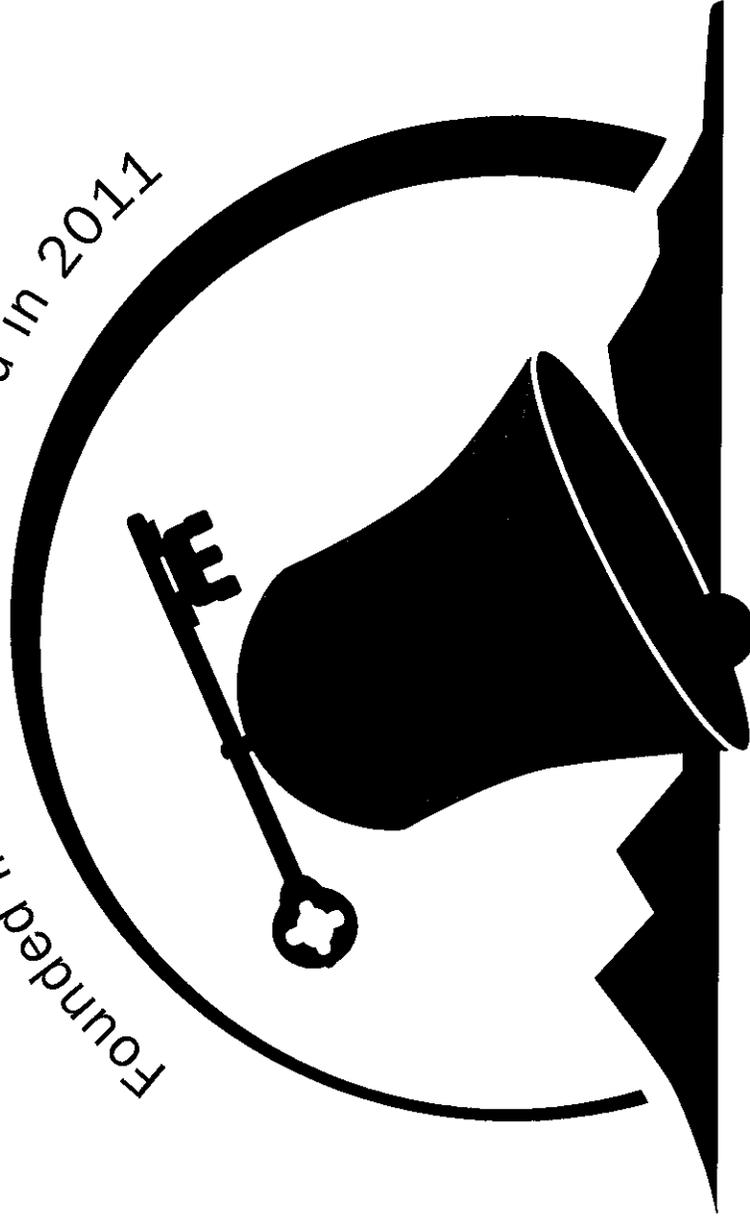
BELL

CALIFORNIA



Established 1927 • Renewed 2011

Founded in 1927 • Renewed in 2017



City *of* Bell

CALIFORNIA





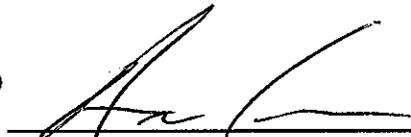
City of Bell Agenda Report

DATE: March 7, 2012

TO: Mayor and Members of the City Council

FROM: Pamela S. Easter, Co-Interim Finance Director

APPROVED
BY:



Arne Groce, Interim Chief Administrative Officer

SUBJECT: Addendum No. 2 to City of Bell and Oldtimers Foundation Agreement for Paratransit Services for Bell Residents

RECOMMENDATION:

Approve the attached Addendum No. 2 to the City of Bell and Oldtimers Foundations' Agreement that authorizes the provision of Paratransit Services for the period beginning on July 1, 2010 through to such time the City completes the bid process for continuation of services and the chosen provider begins service.

BACKGROUND AND DISCUSSION:

The Oldtimers Foundation has provided Paratransit services for Bell residents, since 1996. The original Agreement was executed in 1996. This recommended Addendum No. 2 would be the second modification to the original Agreement. This year, the City has also issued a Request for Proposal (RFP) process to provide Paratransit services for Bell residents. This is expected to be awarded by the City Council on April 18, 2012.

Each year, the Los Angeles County Metropolitan Transportation Authority (MTA) audits each City's expenditure of Proposition A and C as well as Measure R funds – voter approved measures. The City of Bell uses Proposition A and C funds for the operation of the Paratransit Services. MTA requires a Council approved agreement between the City and the provider, for the expenditure of funds to be allowed. For the period beginning July 1, 2010, such a Council approved agreement was not in place. The MTA auditors are placing this fact as a finding in their Audit review of the City of Bell's expenditure of funds. The attached Addendum between the City and Oldtimers Foundation would provide the official Council action required for the period from July 1, 2010 through such time in 2012 a new contract for Paratransit services is awarded. If approved, the Council action would be provided to MTA and we would request that this be shown as evidence to allow the expenditure of Proposition A funds.

This Addendum has been reviewed and agreed upon by Oldtimers Foundation representatives and the City Attorney's Office.

Attachment: Addendum No. 2 to City of Bell and Oldtimers Agreement

ADDENDUM NO. 2 TO
CITY OF BELL AND OLDTIMERS FOUNDATION
AGREEMENT FOR PARATRANSIT SERVICES
FOR BELL RESIDENTS

This ADDENDUM NO. 2 TO CITY OF BELL AND OLDTIMERS FOUNDATION AGREEMENT FOR PARATRANSIT SERVICES FOR BELL RESIDENTS (“Addendum”) is made and entered into effective as of July 1, 2010 (“Effective Date”) by and between the City of Bell, a municipal corporation (the “City”) and Steelworkers Old Timers Foundation, a California non-profit public benefit corporation (“OTF”). The City and OTF are hereinafter collectively referred to as “Parties”.

RECITALS

- A. On or about July 1, 2000, an Agreement regarding “Paratransit Services For Bell Residents” by and between the City and OTF, hereinafter referred to as “Agreement,” was executed between the City and OTF for the provision of transit services, including dial-a-ride services.
- B. On or about April 1, 2008, the City and OTF executed a First Addendum to the Agreement.
- C. On May 17, 2011, the City, in writing, notified OTF that the Agreement and appurtenant lease and purchase agreements for vehicles (Joint Purchase Agreement and Motor Vehicle Lease, each dated June 29, 2010) were being terminated in accordance with the terms of the Agreement, effective June 30, 2011 (“Termination Date”).
- D. The City initiated a bid process for a new paratransit vendor on or about July 14, 2011. OTF has been included in the vendor list.
- E. City and OTF have informally arranged for OTF to continue providing service after July 1, 2010 and now desire to enter into this amendment to extend the existing Agreement until the City completes a bid process for continuation of services.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth, the Parties agree as follows:

Section 1. Amendments to the Agreement.

The Parties agree to amend the Agreement as follows:

- A. Section 1, “Term” is amended to read, in its entirety:

The term of this Agreement shall begin on July 1, 2000 and shall continue on a month-to-month basis until terminated in accordance with Section 10 of the Agreement.

At the end of the Term, or in the event this Agreement is terminated in accordance with Section 10, OTF shall cooperate fully with City and any subsequent paratransit service provider to assure a smooth transition of paratransit services. OTF's cooperation shall include, but not be limited to, providing the following operating records needed to provide paratransit services within the City: Trip Sheets; Year End National Transit Database ("NTD") Reports; NTD Audit Reports; rider database; and vehicle inspection and maintenance records.

B. Section 4, "Payment" is amended to add the following paragraphs:

Notwithstanding the foregoing, OTF represents and warrants that it has paid the balance of loans held by Creative Bus Services on the vehicles ("Vehicles") described in the Joint Purchase Agreement dated June 29, 2010 ("Joint Purchase Agreement") and the Motor Vehicle Lease dated June 29, 2010 ("Motor Vehicle Lease"), such balance totaling \$35,143.03.

In consideration for the promises and obligations given and assumed by OTF hereunder, for services provided in any given month, where payment for services by City to OTF is not timely, interest shall accrue at the rate of 10 percent per annum, compounded daily, on the principal and interest of such balance, accruing from the date of the invoice until the date payment of the principal and all accrued interest is made by or on behalf of City.

As a further consideration for OTF entering into this Agreement, the Parties agree that the prevailing party in any action to enforce the terms of this Agreement, including to seek payment for paratransit services provided hereunder, shall be entitled to reasonable attorney's fees and costs incurred in such enforcement action.

As consideration for City entering into this Addendum, including the provisions hereinabove, OTF agrees to provide services without any adjustments to the rate charged for such services in effect at the Termination Date, for COLA, increases in fuel costs, or other increases in operating costs, notwithstanding section 4 of the First Addendum.

C. Section 10, "Breach and Termination" is amended to add the following paragraphs:

This Agreement may be terminated at any time, with or without cause, by either Party upon 30 days prior written notice. Notice shall be served in accordance with Section 16 of this Agreement. Termination under this provision may be effected subject to the notice provisions above without being deemed to be in breach of this Agreement.

The Parties agree and acknowledge that OTF is not in breach of Section 12 of the Motor Vehicle Lease by OTF's continuing possession of the Vehicles past the Termination Date, and that the term of the lease under Section 2 of the Motor Vehicle Lease is hereby amended to run until the termination of this Agreement.

As consideration for City entering into this Addendum, including the provisions hereinabove, OTF agrees and acknowledges that this Addendum shall not operate as a waiver of any claims, rights, defenses or obligations that City might assert or can assert under the Joint Purchase Agreement or the Motor Vehicle Lease.

Section 2. Remaining Portions of the Agreement.

Except as otherwise expressly set forth in this Addendum No. 2, all other provisions of the Agreement, as amended, remain unchanged and in full force and effect between the City and the OTF.

IN WITNESS WHEREOF, the Parties have caused this Addendum to be executed the day and year first written above.

DATED: March 1, 2012

**STEELWORKERS OLD TIMERS
FOUNDATION:**


Irene Muro, Executive Director

DATED: March __, 2012

**CITY:
CITY OF BELL**

Ali Saleh, Mayor

ATTEST:

Pat Healy, Interim City Clerk

APPROVED AS TO FORM:

David J. Aleshire, City Attorney

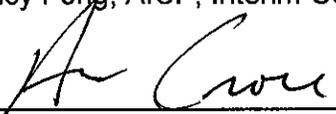
City of Bell Agenda Report

DATE: March 7, 2012

TO: Mayor and Members of the City Council Acting as Successor Agency to the former Bell Community Redevelopment Agency

FROM: Nancy Fong, AICP, Interim Community Development Director

APPROVED
BY:


Arne Croce, Interim City Manager

SUBJECT: Consideration of actions relating to appointments to the Oversight Board to the Successor Agency to the former Bell Community Redevelopment Agency

RECOMMENDATION:

Staff recommends the City Council, acting as Successor Agency, take the following actions:

- Provide nominations for the Mayor to appoint as members to the Oversight Board representing the City
- Authorize the Mayor to provide the nominations to the Los Angeles County Board of Supervisors office for appointments to the Oversight Board
- Direct staff to reach out to Supervisor Molina and other Oversight Board members to begin a dialog concerning the dissolution process of the former Bell Community Redevelopment Agency
- Direct staff to set a date and time for the first Oversight Board meeting

BACKGROUND/DISCUSSION:

On December 29, 2011, the California Supreme Court upheld AB 26x1, which dissolved all of the redevelopment agencies in California. Now that the Bell Community Redevelopment Agency (Agency) has been dissolved as of February 1, 2012, the City of Bell (City) has decided to serve as the Successor Agency to the Agency (Successor Agency). In addition, the City also chose to become the Housing Successor Agency to the former Agency. Subject to monitoring by, and in some cases the approval of, an oversight board, the Successor Agency is responsible for the winding down of the Agency's obligations and affairs. The purpose of this staff report and requested actions is to focus on the Oversight Board to the Bell Successor Agency (Oversight Board); specifically who the Oversight Board members are, how the membership is selected, and the authority the Oversight Board has over the Successor Agency and dissolution of the Agency.

Every former redevelopment agency will be dissolved by a successor agency with supervision and guidance provided by an oversight board. The oversight board has a fiduciary responsibility to holders of enforceable obligations and the taxing entities that benefit from the distribution of property tax and other revenue. At the State level, the Department of Finance has ultimate authority over the dissolution process and may review any action taken by the oversight board. Each oversight board is comprised of seven members. ABx1 26, as codified in Health and Safety Code Section 34179, provides the manner by which members of an oversight board shall be appointed:

1. One member appointed by the county board of supervisors.
2. One member of the public appointed by the county board of supervisors.
3. One member appointed by the county superintendent of education to represent schools.
4. One member appointed by the mayor for the city that formed the redevelopment agency.
5. One member representing the employees of the former redevelopment agency appointed by the mayor.
6. One member appointed by the largest special district.
7. One member appointed by the Chancellor of the California Community Colleges.

Given the appointments defined in the Law, Bell's Oversight Board will be comprised of appointees as follows:

						
2 County Appointees		Community College Appointee	Super. of Education Appointee	Largest Special District Appointee	2 City Appointees	
<ul style="list-style-type: none"> •1 general appointment •1 member of the general public 					<ul style="list-style-type: none"> •1 Mayoral appointment •1 employee of former RDA 	

The Oversight Board to the Bell Successor Agency will have significant influence and control over the activities leading up to the dissolution of all obligations and assets of the former Bell Community Redevelopment Agency. Given the complexities outlined in the Law, the Oversight Board needs to meet as soon as possible to address several date-specific requirements. Of immediate importance is the date of April 15, 2012. By this date, the Oversight Board will need approve the Recognized Obligation Payment Schedule (ROPS) the Successor Agency has already approved and an administrative budget. Because the ROPS must be transmitted to the State Controller and Department of Finance on April 15, it is recommended the Oversight Board meet at least once in March to approve the ROPS before the April 15 deadline.

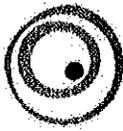
CONCLUSION:

Given the amount of work and preparations that need to be made, it is recommended the City take the initials steps concerning the Oversight Board that are afforded to them as Successor Agency. The following represents a list that should be discussed and addressed:

1. Determine which two appointments the Mayor would like to make to serve as the two City selections to the Oversight Board.
2. Direct staff to reach out to County Supervisor Gloria Molina and other members of the Oversight Board to discuss:
 - a. Impact the dissolution of redevelopment will have on the City. With redevelopment money, the City will be at a serious disadvantage to complete infrastructure, economic development, job creation or affordable housing projects and programs.
 - b. Projects the City would still like to accomplish with Oversight Board support. While redevelopment may be dead, there are other provisions in the Law that encourages cooperation between the City and other taxing entities to make sure ongoing projects and programs are still completed.
 - c. Potential membership of the Oversight Board. There is nothing in the Law that precludes staff from meeting with other taxing entities that will be represented on the Oversight Board to discuss potential appointees
3. Establish a date and time for first Oversight Board meeting. The meeting will be a public meeting and follow all of the rules and procedures of a regular City Council meeting. Staff will need to be prepared to draft agendas, take minutes, prepare and deliver presentations, and carry out any actions assigned to them by the Oversight Board.

Attachment:

Memo from RSG, Inc., dated February 29, 2012



RSG

INTELLIGENT COMMUNITY DEVELOPMENT

ROSENOW SPEVACEK GROUP INC. T 714 541 4585
309 WEST 4TH STREET F 714 541 1175
SANTA ANA, CA E INFO@WEBRSG.COM
92701-4502 WEBRSG.COM

Via Electronic Mail

February 28, 2012

Nancy Fong, Acting Community Development Director
City of Bell
6330 Pine, Avenue
Bell, California 90201

IMPORTANCE AND RESPONSIBILITIES OF THE OVERSIGHT BOARD TO THE CITY OF BELL SUCCESSOR AGENCY

Overview

On December 29, 2011, the California Supreme Court upheld AB 26x1, which dissolved all of the redevelopment agencies in California, and struck down AB 27x1 which allowed redevelopment agencies to remain in existence if they opted in to the Voluntary Alternative Redevelopment Program. Now that the Bell Community Redevelopment Agency (Agency) has been dissolved as of February 1, 2012, the City of Bell (City) has decided to serve as the Successor Agency to the Agency (Successor Agency). In addition, the City also chose to become the Housing Successor Agency to the former Agency. Subject to monitoring by, and in some cases the approval of, an oversight board, the Successor Agency is responsible for the winding down of the Agency's obligations and affairs. The purpose of this memo is to focus on the Oversight Board to the Bell Successor Agency (Oversight Board); specifically who the Oversight Board members are, how the membership is selected, and the authority the Oversight Board has over the Successor Agency and dissolution of the Agency.

Oversight Board Membership and Selection Process

Every former redevelopment agency will be dissolved by a successor agency with supervision and guidance provided by an oversight board. The oversight board has a fiduciary responsibility to holders of enforceable obligations (bond holders, 3rd party contracts, etc) and the taxing entities that benefit from the distribution of property tax and other revenue. Because of this duty, oversight boards may or may not take action that is in the best interest of the local community but rather at the benefit to their jurisdictions. At the State level, the Department of Finance has ultimate authority over the dissolution process and may review any action taken by the oversight board.

Each oversight board is comprised of seven members. ABx1 26, as codified in Health and Safety Code Section 34179, provides the manner by which members of an oversight board shall be appointed:

1. One member appointed by the county board of supervisors.
2. One member of the public appointed by the county board of supervisors.
3. One member appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed,

COMMUNITY INVESTMENT & IMPROVEMENT
LOCAL GOVERNMENT SOLUTIONS
FINANCIAL ANALYSIS
REAL ESTATE & DEVELOPMENT
HOUSING

then the appointment made pursuant to this paragraph shall be made by the county board of education.

4. One member appointed by the mayor for the city that formed the redevelopment agency.
5. One member representing the employees of the former redevelopment agency appointed by the mayor
6. One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency.
7. One member appointed by the Chancellor of the California Community Colleges.

Given the appointments defined in the Law (also summarized on last page of memo), Bell's Oversight Board will be comprised of appointees as follows:

						
2 County Appointees		Community College Appointee	Super. of Education Appointee	Largest Special District Appointee	2 City Appointees	
<ul style="list-style-type: none"> •1 general appointment •1 member of the general public 					<ul style="list-style-type: none"> •1 Mayoral appointment •1 employee of former RDA 	

The County Auditor-Controller issued a letter on February 13, 2012, that defined the "Largest Special District Appointee" for each oversight board in the County. Based on the County Auditor-Controller's records, the Consolidated Fire Protection District was identified as the largest special district that met the ABx1 26 criteria for the Oversight Board.

Considerable debate has taken place as to who may be selected as the two city appointments. There have been a wide range of selections already made by successor agencies in Los Angeles County including mayors, city council members, city managers, department heads, chamber of commerce directors, real estate brokers, and other community stakeholders. In the end, the two city appointments should be people who support the future growth and prosperity of their local community.

Oversight Board members will serve without compensation or reimbursement for expenses. In addition, each member will have personal immunity from suit for their actions taken within the scope of their responsibilities as Oversight Board members. Individuals selected to serve on the Oversight Board may only serve on up to five Boards. For example, the County of Los Angeles may not select one person to serve on all 71 successor agency oversight boards in the County. Starting on July 1, 2016, all of the local oversight boards in the State of California will be replaced with one oversight board for each county.

Duties and Authority of the Oversight Board

The Oversight Board will have significant influence over the dissolution of the former Agency. Health and Safety Code Section 34180 defines Successor Agency actions that must be approved by the Oversight Board:

1. The establishment of new repayment terms for outstanding loans where the terms have not been specified prior to the date of this part.
2. Refunding of outstanding bonds or other debt of the former redevelopment agency by successor agencies in order to provide for savings or to finance debt service spikes; provided, however, that no additional debt is created and debt service is not accelerated.
3. Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds.
4. Merging project areas.
5. Continuing the acceptance of federal or state grants, or other forms of financial assistance from either public or private sources, where assistance is conditioned upon the provision of matching funds, by the successor entity as successor to the former redevelopment agency, in an amount greater than five (5) percent.
6. If a city, county, or city and county wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax for the value of the property retained.
 - a. If no other agreement is reached on valuation of the retained assets, the value will be the fair market value as of the 2011 property tax lien date as determined by the county assessor.
7. Establishment of the Recognized Obligation Payment Schedule (ROPS).
8. A request by the successor agency to enter into an agreement with the city, county, or city and county that formed the redevelopment agency that it is succeeding.
9. A request by a successor agency or taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues

Health and Safety Code Section 34181 outlines activities and actions that the Oversight Board shall direct the Successor Agency to do:

1. Dispose of all assets and properties of the former redevelopment agency that were funded by tax increment revenues of the dissolved redevelopment agency; provided, however, that the oversight board may instead direct the successor agency to transfer

ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, and fire stations, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the asset shall be governed by the agreements relating to the construction or use of that asset. Disposal shall be done expeditiously and in a manner aimed at maximizing value.

2. Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations.
3. Transfer housing responsibilities and all rights, powers, duties, and obligations along with any amounts on deposit in the Low and Moderate Income Housing Fund to the appropriate entity. (If passed, pending legislation would allow the Housing Successor Agency to maintain all housing funds of the former Agency)
4. Terminate any agreement, between the dissolved redevelopment agency and any public entity located in the same county, obligating the redevelopment agency to provide funding for any debt service obligations of the public entity or for the construction, or operation of facilities owned or operated by such public entity, in any instance where the oversight board has found that early termination would be in the best interests of the taxing entities.
5. Determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The board may approve any amendments to or early termination of such agreements where it finds that amendments or early termination would be in the best interests of the taxing entities.

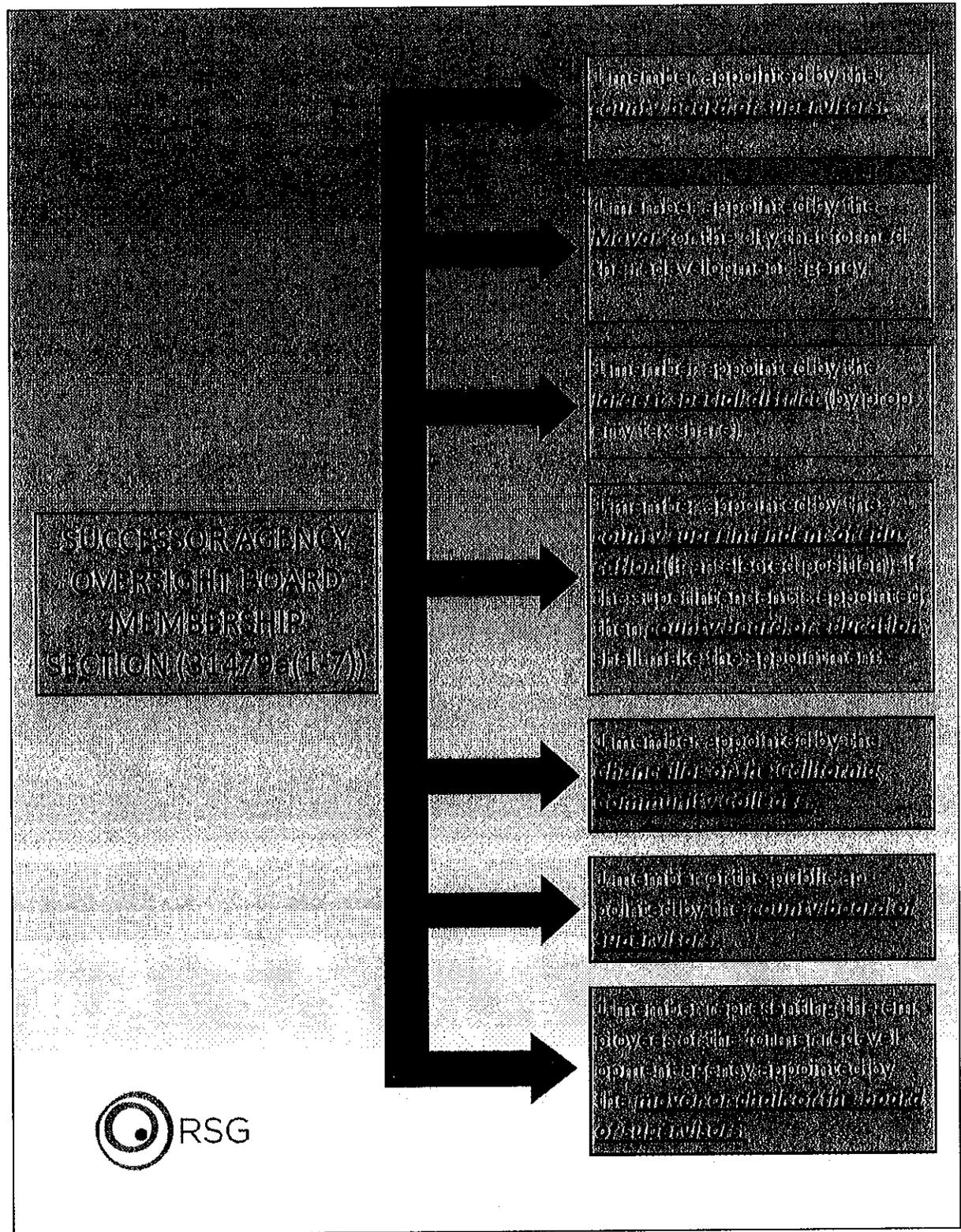
Summary & Recommendations

The Oversight Board to the Bell Successor Agency will have significant influence and control over the activities leading up to the dissolution of all obligations and assets of the former Bell Community Redevelopment Agency. Given the complexities outlined in the Law, the Oversight Board needs to meet as soon as possible to address several date-specific requirements. Of immediate importance is the date of April 15, 2012. By this date, the Oversight Board will need to have approved the Recognized Obligation Payment Schedule (ROPS) the Successor Agency has already approved and an administrative budget. The administrative budget allocated to the Successor Agency will help defray costs of Oversight Board meetings and other dissolution-related activities. Because the ROPS must be transmitted to the State Controller and Department of Finance on April 15, it is recommended the Oversight Board meet at least once in March to approve the ROPS before the April 15 deadline.

The Successor Agency can either proactively plan and coordinate the activities of the Oversight Board, or simply wait for the process to move forward in a manner that may not be in the best

interests of the City. Given the amount of work and preparations that need to be made, it is recommended the City take the first approach and start making decisions that are afforded to them as Successor Agency. The following represents a short list that should be discussed and addressed as soon as possible:

1. Determine which two appointments the Mayor would like to make to serve as the two City selections to the Oversight Board.
2. Reach out to County Supervisor Gloria Molina and other members of the Oversight Board to discuss:
 - a. Impact the dissolution of redevelopment will have on the City. With redevelopment money, the City will be at a serious disadvantage to complete infrastructure, economic development, job creation or affordable housing projects and programs.
 - b. Projects the City would still like to accomplish with Oversight Board support. While redevelopment may be dead, there are other provisions in the Law that encourages cooperation between the City and other taxing entities to make sure ongoing projects and programs are still completed.
 - c. Potential membership of the Oversight Board. There is nothing in the Law that precludes staff from meeting with other taxing entities that will be represented on the Oversight Board to discuss potential appointees
3. Establish a date and time for first Oversight Board meeting. The meeting will be a public meeting and follow all of the rules and procedures of a regular City Council meeting. Staff will need to be prepared to draft agendas, take minutes, prepare and deliver presentations, and carry out any actions assigned to them by the Oversight Board.

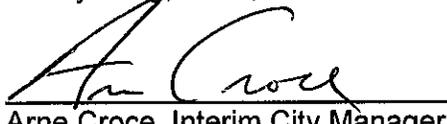


City of Bell Agenda Report

DATE: March 7, 2012

TO: Mayor and Members of the City Council

FROM: Nancy Fong, AICP, Interim Community Development Director

APPROVED BY: 
Arne Croce, Interim City Manager

SUBJECT: Consideration of establishing a Local Advisory Committee for the I-710 Freeway Corridor Project

RECOMMENDATION:

The City Council approve the following items by minute order

1. Establish a 5-member Local Advisory Committee.
2. Appoint five community members where two members are from the Bell business community and 3 members are Bell residents.
3. Direct staff to proceed with advertising the call for committee members in local newspaper, the city's website, Chamber of Commerce, and direct mailings to the interest list.
4. Establish a deadline for application on March 23, 2012.
5. Request the Gateway Cities Council of Government to supply staff support for the Bell Local Advisory Committee.

BACKGROUND:

A. A Brief History of I-710 Corridor Study/Project.

The I-710 Corridor Study began in 2001. Its goals were to develop a comprehensive strategy to improve travel conditions on I-710 between the Ports of Long Beach and Los Angeles and State Route 60, a distance of 18 miles. The I-710 Corridor Study is jointly undertaken by the Gateway Cities Council of Government (COG), the Los Angeles County Metropolitan Transportation Authority (MTA), The California Department of Transportation (CALTRANS) and the Southern California Association of Government (SCAG). The Corridor Study is a minimum 15 to 20 year program.

In 2003, The I-710 Corridor Study released the 5 proposed alternatives (solutions) for the public evaluation. Members of the communities along the corridor had expressed serious concerns with the 5 proposed alternatives. Subsequently, the Oversight Policy Committee (OPC) had made the determination that none of the 5 proposed alternatives developed and analyzed was acceptable to the communities. The Oversight Policy Committee consisted of elected officials from participating cities and agencies representatives. The Oversight Policy Committee directed the Project Team to develop hybrid alternatives that would combine appropriate

elements from all 5 original proposed alternatives. The Oversight Policy Committee and Metro then conducted another round of community outreach that led to the establishment of Corridor Advisory Committees and Local Advisory Committees to advise the Oversight Policy Committee on the Corridor Study decisions. The Oversight Policy Committee established 5 Guiding Principles for the Hybrid Alternative studies as follows:

1. Minimize right-of-way acquisitions with the objective being to preserve existing houses, businesses and open spaces.
2. Identify and minimize both immediate and cumulative exposure to air toxics and pollution with aggressive advocacy and implementation of diesel emissions reduction programs and use of alternative fuels, as well as in project planning and design.
3. Improve safety by considering enhanced truck safety inspection facilities and reduced truck/car conflicts and improved roadway design.
4. Relieve congestion and reduce intrusion of traffic into communities and neighborhoods by employing a comprehensive regional systems approach that includes adding needed capacity as well as deploying Transportation Systems Management (TSM) and Transportation Demand Management (TDM) technologies to make full use of freeway, roadway, rail and transit systems.
5. Improve public participation in the development and consideration of alternatives and provide technical assistance to facilitate effective public participation.

In 2005, after an extensive technical and community participation process, Metro adopted the Final Report for the I-710 Corridor Study. Also, Metro had directed their technical staff to incorporate the Locally Preferred Strategy (LPS) based on a "mini study" at the northern end of the I-710 Corridor Study, specifically the I-710 and I-5 connections and the Atlantic/Bandini Boulevard Interchange.

In June 2006, The MTA Board authorized initiation of the Environmental Impact Report/Environmental Impact Statement. In 2008, Metro began and continue to develop the Environment Impact Report/Environmental Impact Statement while at the same time conducted scoping meetings to engage the corridor communities through the various advisory committees and stakeholders groups in the environmental review process. In March of 2010, the first administrative draft of the Environment Impact Report/Environmental Impact Statement (an internal document) was released for communities and stakeholders groups review. As a result of communities and stakeholders feedback, Metro had determined that additional studies and analyses would be needed to address the feedback. Metro anticipates that the Draft Environment Impact Report/Environmental Impact Statement may be ready for public review in April or May of this year.

B. A Brief History on Bell Local Advisory Committee.

After Metro released the I-710 Corridor Study in 2003, many gateway cities formed their Local Advisory Committees. Sometime in 2004, the City of Bell established their own Local Advisory Committee, which reviewed the proposed I-710 Corridor Study and provided feedback to Metro. The Final Draft I-710 Corridor Study adopted by Metro included Bell Local Advisory Committee written feedback and comments to Metro that was dated August 2004. Between 2005 and 2008, staff did not find any record of activity from the Bell Local Advisory Committee. Between 2008 and 2009, the Bell Local Advisory Committee had several meetings, specifically on August 27 and October 14, 2008, and November 16, 2009, where minutes of the meetings were taken. The Bell Local Advisory Committee has become dormant since there has been minimal, if any, activity, since then.

Councilmember Ana Maria Quintana was appointed to serve on the I-710 EIR/EIS Project Committee by the Mayor on May 11, 2011. Through attendance at these meetings, Councilmember Quintana realized that the City of Bell has been severely underrepresented in the discussion of the I-710 Corridor. In order to inform the council and the community as to the development of the I-710 Corridor, she and staff arranged a presentation on Saturday, October 26, 2011 whereby Metro and its staff provided background history and an update on its current status. Councilmember Quintana and the City Council believe there is great value in forming a new Local Advisory Committee to monitor the status of the freeway project, review the project design and to provide feedback to the designated Bell representative, and subsequently, to Metro on local preferences and concerns. .

On January 7, 2012, the City hosted a Town Hall meeting for the community. Representatives from Metro and their public outreach consultant, MIG, presented the project design and the status of the project to the community. The intention of forming a Local Advisory Committee was formally introduced at this time. The council is ready to proceed with the selection process.

DISCUSSION:

Bell Local Advisory Committee (LAC).

An objective of Metro is to engage the community members and stakeholders in developing strategies to improve air quality, mobility and quality of life. Given the numerous cities along the Corridor, Metro determined that the best way to achieve this objective is to establish a formal process in the flow of information from the Project Team to the community and stakeholders groups and to the Policymaking groups. Community/Stakeholders groups would be a Local Advisory Committee. Its purpose is to represent the residents and business owners in their respective communities.

To set up the Local Advisory Committee, there are several steps that the City Council would need to make decisions and they are as follows:

- Members in the Committee and its composition. The number of members in the committee varies among the gateway cities. Most cities fall on a five-member or a seven-member committee. Given that Bell is a small community, staff recommends a five-member committee. To ensure a broad spectrum of community members and business owners interests, staff recommends that the membership composition should include two members from the Bell business community and three members from the Bell residents. Once the Local Advisory Committee is formed, the committee will select one of its members to serve on the Corridor Advisory Committee. The Corridor Advisory Committee is a higher level in the stakeholder groups and consisted of mostly chairperson of the gateway cities Local Advisory Committee. Its purpose is to make recommendations to the Project Committee (Policymaking Group).
- Selection Process. Staff has prepared an application form and a flyer generally describing the purpose and the duties of the Local Advisory Committee and will send the application to the interest list. Additionally, staff will advertise the availability to serve on the Local Advisory Committee via the Bell Business Association, Chamber of Commerce, the Bell Residents' Club, BASTA, local newspaper and the City's website. After the deadline to submit the application to serve on Local Advisory Committee, staff will forward the applicants to the City Council for selection of the chairperson and the committee members at a council meeting.

- Meeting Schedule and Attendance Policy. Since the adoption of the Final Draft I-710 Corridor Study by Metro in 2005, there have been a flood of additional information on the I-710 Corridor Project Design. The newly formed Bell Local Advisory Committee will be in a catch up mode to learn about the I-710 Corridor Project Design. As a result, staff recommends that the Local Advisory Committee meets monthly. Staff anticipates the draft Environmental Impact Report/Environmental Impact Statement may be available for public review around April or May 2012. At that time, the Local Advisory Committee will have to invigorate their efforts to review the report and forward the comments and recommendations to the City Council.
- Role and Duties of the Committee Members. The primary role of the Local Advisory Committee is to review the I-710 Corridor Project Design and provide meaningful insight and participation in the process that ultimately ensures the City Council and the community are provided with information to make the most informed decision. Secondary, as the I-710 Corridor Project Design moves forward, the Local Advisory Committee monitors its progress to ensure that it is consistent with the earlier efforts and studies done for the Project. The Oversight Policy Committee (OPC) had issued two papers on the subject of a Local Advisory Committee. One paper outlines the purpose and charge for Local Advisory Committee and the second paper establishes the ground rules and procedures for the Local Advisory Committee. Copies of the two issued papers are attached to this report for the Council reference.
- Subject Working Groups. To further the technical and outreach process for Environmental Impact Report/Environmental Impact Statement, Metro established Subject Working Groups (SWG) to facilitate communications among the committees and stakeholders groups. The Subject Working Groups delve more deeply into the specifics of transportation, community design and environmental and provide key findings to the Corridor Advisory Committee. Subject Working Groups consist of members of the Local Advisory Committee and Technical Advisory Committee. Once the Bell Local Advisory Committee is in place and a Chairperson has been established, the first order of business would be to assign a committee member to each of the Subject Work Groups, namely Transportation, Community Design and Environmental.
- Reports to the City Council. The City Council should receive meeting summary notes or minutes of the Local Advisory Committee meeting under the Consent Calendar Agenda. As may be needed, the meeting summary notes or minutes should include a recommendation.

COMMITTEE STAFFING:

Creating advisory committees requires the dedication of staff to service and support the committees work. This includes the noticing of meetings, preparation of agendas and agenda materials, facility hosting, coordination of presentations, meeting follow-up and preparing meeting summaries. Given the limited staffing and multiple demands placed on this staffing, providing adequate support to the committee creates a challenge. In discussions with the City Manager, the Executive Director of the Gateway Cities Council of Government has offered staffing support for Bell's LAC. If the Council chooses to move forward with establishing an LAC, staff will establish an agreement with the COG for staff support.

FISCAL IMPACT:

There will be some fiscal impact associated with the set up of a Local Advisory Committee, including printing, supplies and other support services. These should not be substantial. The most significant impact is on the time of City staff required to support the committee. This can be minimized by the use of staff from the Gateway Cities COG.

ATTACHMENTS:

1. Metro – Local Advisory Committee Purpose and Responsibility
2. Metro – Local Advisory Committee Ground Rules and Procedures
3. 2004 Bell LAC Written Comments to Metro
4. 2008 Bell LAC minutes of meetings for August 27, 2008, October 14, 2008 and November 16, 2009
5. Bell Local Advisory Committee Flyer
6. Bell Local Advisory Committee Application Form



Local Advisory Committee

PURPOSE AND CHARGE

Local Advisory Committees

LACs Purpose

Local Advisory Committees (LACs) may be established in each community along the I-710 corridor. LACs provide the channel for on-going two-way communications between the community and the extended project team. Since members of the LACs represent their communities and not themselves, on an individual level, they will inform the overall I-710 EIR/EIS Corridor Project process by bringing their communities' perspectives from a geographical, economic and demographic standpoint to the study. These committees will focus on I-710-specific issues and areas that affect their communities as well as providing input on mitigation plans.

Members of the LACs will be drawn from impacted corridor neighborhoods. Local jurisdictions will be encouraged to incorporate representation from existing neighborhood-based associations and from the Tier I committees from the earlier Major Corridor Study (MCS) phase of the project. The Outreach Project Team, in particular the Gateway Cities Council of Governments (GCCOG) will work with individual community City Councils (or for unincorporated areas through their County Supervisor to facilitate the formation and nomination of members to the LACs along the I-710 corridor.

LAC meetings will be led by a chairperson. The Chair will be nominated and approved during the first meeting of each LAC.

LACs Charge

The LAC's will be charged with the following:

- Providing the I-710 EIR/EIS Corridor Project Team with input into Program Documents while they are still in the outline or draft stage.
- Soliciting community (residents, businesses, institutions, labor, environmental and health interests, etc.) input and engagement on issues of local and regional importance relating to the present and future of the I-710 freeway.
- Encouraging a representative and broad base of community participation both



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GATEWAY CITIES



within and beyond the LACs.

- Providing a vehicle to incorporate and respond to public input during the I-710 EIR/EIS Corridor Project process.
- Assisting the Project Committee (PC), Corridor Advisory Committee (CAC) and Technical Advisory Committee (TAC) in educating and communicating information about the I-710 EIR/EIS Corridor Project to the larger community.
- Promoting constructive dialogue in an environment of trust, credibility and mutual respect for the community outreach process and for the transportation planning process.
- Striving to understand and reconcile competing interests and objectives.
- Developing consensus on a set of corridor solutions consistent with the goal of reinvigorating corridor economies and sustaining safe, healthy and vibrant communities.



Local Advisory Committee Ground Rules and Procedures

GROUND RULES AND PROCEDURES

Active representation and communication - Members of the Local Advisory Committee (LAC) are responsible for actively and adequately representing their communities at all meetings. Members are tasked with communicating their communities' interests/concerns to the Committee and conveying progress/issues/decisions of the LAC back to the community.

Respect for others - Committee members will respect the comments and contributions of other members.

Meaningful Engagement - The role of the LAC is to offer and consider ideas, and provide informed feedback, to the I-710 Project Team and to their communities. Committee members may bring relevant agenda-related materials to the LAC meetings for consideration.

Arrive on time - LAC meetings will begin at the published time. In fairness to those who are on time, items covered in the meeting will not be repeated for latecomers. Late arrivals will need to get missed information from others after the meeting.

Attend all meetings - LAC members make a commitment to attend all meetings. If there are unavoidable schedule conflicts their inability to attend will be communicated to the LAC chair. The LAC can also choose to allow a designated representative to attend for the absent LAC member. After more than three (3) consecutive absences the LAC member can be replaced through the initial nomination process. This will ensure that each LAC member has full information, shares all communications, and contributes fully to the group.

Review materials - Background information, prior studies and other relevant materials will be provided to the LAC by the I-710 Project Team. LAC members agree to carefully review all materials provided to them for consideration and discussion at upcoming meetings. LAC members may request additional project information from the Project Team as needed.

Consensus-based process - Substantial consensus does not require absolute unanimity. There is a consensus when all Committee members agree that major interests and concerns have been sufficiently considered and addressed. Not all Committee members need agree to particular points or solutions with the same fervor as others. There is substantial consensus when it is agreed that, given the range of

possible courses of action, gains, tradeoffs, and considering the available options and current conditions and circumstances the Committee has reached a *conclusion*.

Resolve conflicts - All Committee members shall work together to resolve potential conflicts/concerns and to keep these issues from escalating into disputes.

Teamwork - The LAC *should* function as a forward moving team, working in an atmosphere imbued with the spirit of cooperation.

Media Contact- LAC members will not discuss the project with members of the media. All media inquiries should be directed to Rick Jager, Metro Media Relations, 213-922-2707.

LAC RELATIONSHIP TO OTHER I-710 EIR/EIS COMMITTEES

Two categories of project advisory committees will directly involve LAC member participation and input. These committees will serve as an additional means for LAC members to fulfill their core charge of soliciting community input and engagement on issues of local and regional importance relating to the present and future of the I-710 freeway. The committees include:

- **Corridor Advisory Committee (CAC):** The CAC is a committee made up of representatives from each community along the I-710 corridor and from other impacted stakeholder groups. Through the CAC, this diverse group of stakeholders will address and provide consensus advice on information related to the Project EIR/EIS. They also address any issues and ideas, prioritized by the local communities, which may be out of the specific focus area of the EIR/EIS. The CAC structures itself and its work based on key topic areas identified by the LACs and Subject Working Groups (SWGs).

The CAC is critical to the sharing of information among the communities, the SWGs, the Technical Advisory Committee (TAC), and the policy-level Project Committee (PC) and Executive Committee (EC). The chair of each LAC will represent their community on the CAC. Corridor communities without a LAC will have a representative to the CAC who is appointed by their respective elected official such as the City Council. The City of Long Beach which contains slightly more than one-third of the 18-mile freeway frontage contained in the I-710 EIR/EIS Corridor Project appoints four (4) members to the CAC. CAC membership also includes cross-over members from the Subject Working Groups (5 total) and the TAC chair. Additionally the Project Committee will appoint up to five (5) more members.

- **Subject Working Groups (SWGs):** The I-710 EIR/EIS Corridor Project will include three (3) Subject Working Groups (SWGs) differentiated by topic area.

The three SWG categories are based on an understanding of I-710 Corridor issues that emerged through the earlier MCS phase of the project. They are predicated on the diversity of community perspectives. The SWGs will include:

- Environmental Working Group
- Transportation/Transit Working Group
- Community Design and Local Economy

Each of the three (3) SWGs include one representative from each of the LACs (up to a maximum of 18). LACs select one of their members to represent their communities. In addition one representative from the TAC and up to ten (10) stakeholders appointed by the PC participate in each of the Subject Working Groups. The maximum number of members in each SWG will be twenty-nine (29).

The role of the SWGs is to bring together both knowledgeable stakeholders with community representatives to become educated about each others viewpoints and to review and comment in more depth about specific subject areas across community boundaries. The SWG role also includes input into the program documents during the outline or draft phase.

GOVERNANCE LEVEL COMMITTEES OVERVIEW

Executive Committee (EC): The EC is comprised of members of the funding partners and the Co-Chairs of the I-710 Project Committee. This committee is responsible for the coordination of appropriate aspects of the project, including policy assistance and guidance on legislative, regulatory, financial and other specialized issues that arise during the course of the study.

Project Committee (PC): The I-710 PC is comprised of community leaders representing the communities along the I-710 Corridor as well as the study's agency funding partners, the San Gabriel Valley Council of Governments, and the I-5 JPA. The PC is responsible for the oversight and management of the I-710 EIR/EIS Corridor Project.

Technical Advisory Committee (TAC): The TAC is defined in the I-710 EIR/EIS governance structure and consists of a staff member with relevant expertise in the technical aspects of the project appointed by the city manager, director or administrator of each member agency of the I-710 EIR/EIS Project Committee as well as the California Highway Patrol, Federal Highways Administration, Federal Transit Administration and South Coast Air Quality Management District.

The TAC Chairperson is given a seat on the CAC for the purpose of providing a technical perspective to their deliberations and ensuring that the TAC becomes aware of community concerns as they arise.

Flow of Information. The LACs and the SWGs provide direct input to the CAC. The CAC provides direct input to the TAC and the Project Committee. The Project Committee provides direct input to the I-710 Executive Committee. The CAC is also charged with providing feedback to the LACs and SWGs including reports on the Committees' input into the program documents.

Attachment 4

Mobility Environment Community Economy Technology



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Bell Local Advisory Committee

August 27, 2008

2:00 p.m.

Bell City Hall: 6330 Pine Avenue, Bell

MEETING SUMMARY

INTRODUCTION

On Wednesday, August 27, 2008, the I-710 project team met with City of Bell Local Advisory Committee (LAC) representative Ray Johnson. Mr. Johnson, a long time City of Bell resident, is a former Council Member and remains active in community events and projects. The purpose of the meeting was to provide a Project Overview and Update to the LAC regarding the I-710 Corridor Project EIR/EIS, to discuss desired outcomes and expectations of the LAC, to introduce the community participation framework and to provide notice of upcoming public scoping meetings on September 9, 10 and 11.

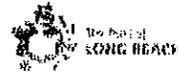
Also present at the meeting were members of the I-710 project team, Devon Cichoski, Metro Constituent Program Manager and Jerry Wood representing the Gateway Cities Council of Governments. Becky Draper of MIG represented the outreach team at the meeting.

Jerry Wood introduced the project team to Mr. Johnson and Becky Draper reviewed meeting objectives.

The I-710 project team provided background on I-710 Major Corridor Study, progress since the completion of the Tier 2 report and discussed the path moving forward for the I-710 EIR/EIS process. The discussion focused on describing the MCS and the role that the LACs serve in the EIR/EIS phase of the project, the responsibilities of LAC members and additional opportunities for community participation. The custom-tailored approach of the community participation process was emphasized during the meeting.



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Following the discussion of the project and opportunities for community participation Jerry Wood reviewed the Locally Preferred Strategy pointing out areas likely to be of particular interest to the community of Bell (i.e., Florence Avenue Interchange; proposed Slauson Avenue, the Atlantic/Bandini Interchange and former airbase development.)

Mr. Johnson was provided with informational handouts including:

- Project Overview Fact Sheet
- Community Participation Framework
- Outreach Activities 6-Month Schedule
- LAC Approach Graphic
- EIR/EIS Process Graphic
- EIR/EIS Glossary
- EIR/EIS FAQ
- I-710 EIR/EIS vs. Traditional EIR/EIS Graphic
- I-710 Project Newsletter
- I-710 Scoping Meeting mailer
- I-710 hybrid corridor map
- Gateway Cities COG Air Quality Action Plan

The meeting was conducted as an open discussion and questions were encouraged throughout the meeting.

CONCLUSION

Ms. Draper said that she would follow up with Mr. Johnson with a copy of the Tier 2 report and electronic copies of all the materials provided during the meeting.

The meeting concluded at 2:45 PM.



Bell Local Advisory Committee

October 14, 2008
4:00 p.m. – 5:30 p.m.
Bell City Hall: 6330 Pine Avenue, Bell

MEETING SUMMARY

INTRODUCTION

On Tuesday, October 14, 2008, the I-710 project team met with City of Bell Local Advisory Committee (LAC) representative Ray Johnson. The purpose of the meeting was to provide Mr. Johnson with a project update and to engage in a discussion on a new vision for the I-710 corridor, provide an introduction to the topic of goods movement and walk through the geometric plan analysis completed, to date, by the engineering team. Mr. Johnson's feedback and input were encouraged throughout the meeting.

Also present at the meeting were members of the I-710 project team, Devon Cichoski, Metro Constituent Program Manager, Jerry Wood representing the Gateway Cities Council of Governments, Jack Waldron, URS, Shannon Willits, URS and Becky Draper, MIG.

After a round of introductions Becky Draper reviewed the meeting agenda and objectives. Ms. Draper gave Mr. Johnson a brief summary of project progress since last meeting with him in August. She also mentioned that on the following evening the first meeting of the I-710 Corridor Advisory Committee was scheduled and that Mr. Johnson was invited to attend as the City of Bell's representative to that body. She also mentioned that Bell still has the opportunity to make appointments to the Subject Working Groups and that those committees would be having their first meetings in November. Jerry Wood followed up by presenting Mr. Johnson with an I-710 Project Notebook and briefly reviewing its contents.

New I-710 Corridor Discussion

Ms. Draper introduced the topic of the "New I-710 Corridor" by stating that a component of the community participation effort for the project will focus on asking the committee



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members to consider ways that the I-710 corridor can be enhanced, from a community design standpoint, to move beyond just being seen as a goods movement corridor. The enhancements could include creating an identity for the corridor and the individual communities, improving esthetics and safety elements and feature key projects that could be implemented in the near term. Many of the community design-related ideas that emerged from the Major Corridor Study can be used as a starting point for this discussion and assessed as to their current relevance in the corridor. Ms. Draper mentioned that Gruen & Associates, a sub consultant to the Engineering Team, will serve as a resource to the communities to help develop and expand upon the ideas put forth. Jerry Wood said that today was just the introduction of the topic to ask Mr. Johnson to begin thinking about possible ideas. Mr. Wood said that the Project Team would follow up with Mr. Johnson for further discussion.

Goods Movement Introduction

Following the "New I-710 Corridor" discussion Jerry Wood gave a goods movement presentation which provided an overview of impacts at the regional and local level, basic terminology, baseline facts, a summary of how goods are moved, and an explanation of why goods movement is important to the I-710 EIR/EIS.

Discussion followed Mr. Wood's presentation. Points raised included the following:

- The relatively low utilization rate of the Alameda Corridor and the potential that the unused capacity could represent to improving congestion and flow of goods in the I-710 corridor.
- Related discussion included the need for more rail yards in the Southern portion of the corridor (on-dock or near-dock) to maximize the capacity of the Alameda Corridor.

Geometric Plan Review

The goods movement presentation and discussion was followed by an overview of the geometrics plan analysis conducted on Alternative 6 (the Locally Preferred Strategy that resulted from the Major Corridor Study) concentrating on the sections of the freeway that touch on the City of Bell from Firestone Boulevard to the Atlantic/Bandini exit. Jack Waldron and Shannon Willits from URS shared the presentation. Mr. Waldron gave an overview of the Geometric analysis process and explained that what was being presented during the meeting were preliminary findings for one of the study's six alternatives. Mr. Willits followed Mr. Waldron walking through the plan layout interchange to interchange (i.e., Firestone, Florence, proposed Slauson exit, Atlantic/Bandini) explaining the current conditions, the changes dictated by Alternate 6, the impacts related to these changes and the constraints involved (i.e., Los Angeles River and DWP overhead transmission system).

The following discussion points followed the presentation:

- The goal is to design the freeway to remain at grade as much as possible. However it will be elevated in some sections. For example under

Alternative 6, approaching Slauson Avenue it has to be elevated to cross over Slauson Avenue into the rail yards.

- Intersection design changes: Florence Avenue's four-quadrant cloverleaf design would be converted to a diamond design interchange if Alternative 6 is implemented; Slauson Avenue which does not currently have an interchange would become a single-point interchange under Alternative 6; Washington Boulevard interchange is eliminated in Alternative 6.
- There are impacts to a few businesses located in Bell under Alternative 6. The City of Bell staff has been made aware of this and appears to be comfortable with the level of impact.

CONCLUSION

Ms. Draper said that she would follow up with Mr. Johnson related to the scheduling of the Subject Working Group meetings and encouraged him to contact the project team with any questions or input that he may have before that time.

The meeting concluded at 5:30 PM.



Bell LAC Meeting #2

November 16, 2009

1:30 PM – 3:30 PM

City of Bell, City Hall

6330 Pine Avenue, Bell, CA 90201

MEETING SUMMARY

INTRODUCTION

On November 16, 2009, the I-710 Project Team met with the City of Vernon Local Advisory Committee (LAC). The purpose of the meeting was to provide an update on the Corridor Project EIR/EIS, to review the previous meeting summary, to present an introduction to the environmental studies, to discuss early action projects, to review geometric segment refinements, and to identify future discussion topics and meetings.

Present at the meeting were LAC members Ray Johnson (Chair) and George Francis Bass and Carlos Alvarado (City Engineer). In attendance from the Project Team were Devon Cichoski (Metro), Brad Slauson (URS), Rob McCann (LSA), Megan Mettee (LSA) and Esmeralda Garcia (MIG).

After a round of introductions Esmeralda Garcia reviewed the meeting agenda and objectives.

I-710 EIR/EIS CORRIDOR PROJECT UPDATE

Brad Slauson of URS gave a brief overview of the project history and recent progress. Mr. Slauson explained that over the last year, the engineering team has been conducting a detailed traffic analysis and projection for 2030. He further explained that these were based on the initial geometrics plans which the engineering team has also been refining over the last year, with input from the LACs. The geometrics plans were presented to the City and the Technical Advisory Committee (TAC) and revised based on input received. The results of the revision process will be presented later in this meeting. The completed geometrics have been handed off to the environmental team so that they can be used for the environmental analysis.



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Rob McCann of LSA gave a brief overview of the environmental studies, which will evaluate the environmental impacts from each of the engineering alternatives and associated traffic data. With the completion of the geometric plans, the environmental team will begin the environmental impact assessment of the alternatives. The environmental team will present preliminary environmental findings to the community and will be interested in receiving feedback from the LACs and SWGs in the future.

Rob McCann invited meeting participants to ask questions regarding the environmental studies.

- Will the environmental studies need to be re-started if there are any changes to the project alternatives?
 - The purpose of the technical studies is to review all project alternatives.
- Will the draft EIR be presented to community?
 - Yes.

Esmeralda Garcia gave a brief overview of the community outreach process. The SWGs have been particularly active over the last couple of months. The Environmental SWG formed recommendations to the Corridor Advisory Committee (CAC), which will be taken to the Project Committee. These recommendations address issues including: significance thresholds, near-source modeling, and construction impacts. The Transportation SWG (TSWG) reviewed advanced technologies and, overall, support the electric truck vehicle option. The TSWG also received a follow-up presentation from Edison regarding the power supply, and have learned about port forecasts and traffic geometrics. The Community Design SWG will examine key views and the visual impact of the project this month (November 2009). In the coming months, they will be considering historic structures and community design features. The Project Team is working on a brochure about the Corridor's history and character.

PREVIOUS MEETING RECAP

Ms. Garcia referred meeting participants to the hard copy summary of the previous Bell LAC meeting for their review. She briefly summarized the activities from the previous meeting. Key outcomes and points of discussion from the meeting include: geometrics and railroad goods movement.

INTRODUCTION TO ENVIRONMENTAL STUDIES

Rob McCann presented an overview of the environmental studies for the I-710 EIR/EIS. He explained that the environmental document serves two purposes: it is a public disclosure document and a document that enables project design decisions. It includes three project alternatives (including a No Build Alternative); the environmental studies evaluate the impacts of these project alternatives. Recommendations from the public will inform the final project decision.

He explained the environmental review process, which includes a Draft and Final EIR, and an Environmental Commitments Record. The technical studies will inform the

EIS/EIS document. He provided an overview of the technical studies that will address five basic components of the project: regulatory setting, methodology, affected environment, environmental consequences, and avoidance, minimization and/or mitigation measures. The environmental consequences technical study will consider include construction and public health-related impacts as well as long-term, beneficial and cumulative impacts. Mr. McCann provided a handout to committee members that illustrate the EIR/EIS components and topical areas. The EIR/EIS consists of three broad topical areas including: the human, physical, and biological environment.

Issues of concern will be incorporated as the Project Team continues to develop the Community Impact Assessment (CIA).

Megan Mettee provided an overview of each section of the Bell Community Profile. The project team wants to ensure that all Bell resources that are important to the community are included in the Community Profile.

Meeting participants discussed the Bell draft Community Profile. The following suggestions were made to augment the draft document:

- Add Vernon to the document since it abuts Bell.
- Add Ellen Ochoa Learning Center to the list of community facilities.
- Add Rancho San Antonio as a regional community plaza.
- Correct the name Raymond Johnson to Ray.
- Correct the ownership status of the north side of Rickenbacker; it is not LAUSD property as it was passed on to the City.
- Include Atlantic Avenue, which is south of the border to Cudahy.
- Add the new middle school being built next to Debs Park.

Ms. Mettee asked that any addition comments regarding the Community Profile be submitted to MIG by November 30, 2009.

EARLY ACTION PROJECTS

Devon Cichoski from Metro provided an overview of Measure R, which provides funding for early action projects in the I-710 Corridor. The Metropolitan Transportation Agency (MTA) regularly updates the Long Range Transportation Plan; the most recent update of the plan did not include specifics on funding for highway and corridor improvement projects in the Gateway Cities area. To remedy this situation, the Gateway Cities worked with stakeholders to develop a list of potential early action projects to preserve the program and ensure that funding can be channeled towards the I-710 in the near future. Examples of early action projects include interchange improvements, sound walls and other shorter-term projects related to the I-710 Corridor.

REVIEW GEOMETRIC SEGMENT REFINEMENTS

Brad Slauson of URS provided an overview of the project's technical reports. He explained that the technical reports assess a variety of components related to the I-710 project. The timing of these reports will match the time frame of the environmental reports. The technical reports focus on improvements to the I-710 Corridor including drainage and sound walls, among other improvements, and will assess the cost of potential improvements.

Mr. Slauson then went on to review the map featuring geometric segment refinements and oriented meeting participants to landmarks on the map. He identified modifications to key elements of the I-710 Corridor Project that are in response to community input.

Mr. Slauson invited meeting participants to ask questions regarding the geometric segment refinements.

- Could a signal at the Florence/Slauson intersection qualify as an early action project?
 - Yes, it is possible to recommend the entire intersection at Florence/Slauson as an early action project, especially since safety is a concern along Slauson.
- Could a single point urban interchange be included at District Boulevard?
 - Improvements to District Boulevard are currently under development with the City of Vernon. The current project will improve access to the freeway.

Before adjourning the meeting, Ms. Garcia summarized the next steps for the project. The committee will review the geometrics. She gave a quick review of the committee meeting calendar, including the next City of Bell LAC meeting that will take place at the beginning of 2010. The Project Team will discuss the early action projects at the next meeting.

The meeting was adjourned at 3:30 p.m.



CITY OF BELL LOCAL ADVISORY COMMITTEE

INFORMATION ON THE I-710 CORRIDOR PROJECT

What is the I-710 Corridor Project and why is it necessary?

The Long Beach Freeway (I-710) is a vital transportation artery, linking the Ports of Long Beach and Los Angeles to Southern California and beyond. It is an essential component of the regional, statewide and national transportation system, serving both passenger and goods movement vehicles.

As a result of population growth, cargo container growth, increasing traffic volumes, and aging infrastructure, the I-710 Freeway experiences serious congestion and safety issues. In March 2005, Metro completed the I-710 Freeway Major Corridor Study (MCS), resulting in a project proposing to expand the 710 freeway to a total of 14 lanes; ten of which will be used for general purpose lanes and four for freight movement lanes that will be designed for zero emission trucks.

How will our community be protected from impacts of the project?

The EIR/EIS, a study required by federal and state statutes, is an assessment of the likely influences that future improvements may have on the environment and communities along the corridor. It includes analyses of ways to reduce or avoid possible adverse environmental impacts.

How can I get involved in the review process?

Through a representative Corridor Advisory Committee structure, the local municipalities including the City of Bell will each be creating a Local Advisory Committee.

What is a Local Advisory Committee (LAC)?

The LAC is a group of community members and stakeholders identifying potential impacts resulting from the proposed project.

Why do we want to set up an LAC?

The primary purpose of the LAC is to provide members the opportunity to work hand-in-hand with the technical team to develop strategies to improve air quality, mobility, and quality of life throughout the life of the project.

How are members of the LAC selected? The committee will be selected by the local municipality and will be made up of local citizens, serving to advise the project staff, providing feedback and recommendations on the I710 project parameters.

What is the role and duties of an LAC member?

Committee members will be expected to discuss relevant issues with the local municipal representative who will be representing the Community of the City of Bell.

When do the LAC members meet and how often?

LAC members will meet once a month.



**Attachment 6
CITY OF BELL
LOCAL ADVISORY COMMITTEE
MEMBER APPLICATION**

APPLICANT NAME:

NOMBRE: _____
Last/Apellido *First/Primer*

ADDRESS: _____
DIRECCION: _____
Street/Calle *City/Ciudad* *Zip/CodigoPostal*

TELEPHONE: _____
TELEFONO: _____

1. **Are you a Resident or a Business Owner of the City of Bell? If you are a Business Owner, what is the name and address of your business?** *¿Es usted un residente o un dueño de un negocio en la ciudad de Bell? Si usted es un dueño de negocio, cual es el nombre y la dirección de su negocio.* _____

2. **Why do you want to become a member of this committee? and what specific contributions do you hope to make?** *¿Por qué quisiera ser un miembro de este comité ?* _____

3. **What impacts do you think the I710 expansion project will have on the community of the City of Bell?** *¿Qué impactos piensa usted que este proyecto del I710 va ha tener sobre la comunidad de la Ciudad de Bell?* _____

4. **Have you ever participated in any other community groups?** *¿Alguna vez ha participado en grupos de la comunidad correspondientes al comité?* _____

5. **How did you learn about this project?** *¿Cómo se enteró acerca de este proyecto?* **Newspaper** *Periódico* **Word of mouth** *De boca a boca* **other:** *Otro:*

Return application to:
Envíe este formulario a:

Attention: City Clerk
 6330 Pine Avenue
 Bell, CA 90201
 Fax: (323)771-9473
bellcityclerk@cityofbell.org

Applicant Signature/ Firma

Date/ Fecha

City of Bell Agenda Report

DATE: March 7, 2012
TO: Mayor and Members of the City Council
FROM: Councilmember Ana Maria Quintana
SUBJECT: Support for LAUSD Adult and Career Education Funding

RECOMMENDATION:

Adopt a resolution urging the Los Angeles Unified School District to reconfirm its commitment to adult and career education and to commit to preserve the funding of the Division of Adult and Career Education at the 2011-2012 level.

BACKGROUND:

The Los Angeles Unified School District has made a preliminary decision to eliminate all funding for Adult and Career education in FY 2012-13. Additionally, in 2008, Los Angeles Unified School District acquired a 13.09 acres site, the former Federal Service Center, from the US Department of Education, located on the south side of Rickenbacker Road, east of Eastern Ave in the City of Bell. The purpose of the site acquisition was to develop an Adult and Career Education Center, which will be utilized for providing educational and employment training opportunities for the southeast Los Angeles County area. The site and building plans were approved and the construction for the Adult and Career Education Center commenced in 2010. According to the Los Angeles Unified School District, the Adult and Career Education Center will be completed by the end of May 2012.

The Los Angeles Unified School District, as is the case with all school districts in California, is constrained by the budget, which led the Board of Education to eliminate Adult Education in its entirety. However, management staff of LAUSD stated that they are preparing a revised, reduced budget for adult and career education and plan to use the Bell facility.

Southeast area residents, including residents of the City of Bell, are in need of continued adult education. The occupational center can provide area residents with workforce literacy skills instruction as well as employment opportunities. The attached resolution asks the LAUSD Board to maintain the Adult and Career education program. Approval of the attached resolution will support the continuation of this important component of Adult and Career education and ensure the use of the Adult and Career Education Center in Bell.

ATTACHMENTS

Resolution No. 2012-30

RESOLUTION NO 2012-30

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA URGING THE LOS ANGELES UNIFIED SCHOOL DISTRICT TO RECONFIRM ITS COMMITMENT TO ADULT AND CAREER EDUCATION, AND TO COMMIT TO PRESERVE FUNDING FOR THE DIVISION OF ADULT AND CAREER EDUCATIONAL AT THE 2011-2012 LEVEL

Whereas, The Legislature has declared that all adults in California are entitled to publicly supported continuing education opportunities (EC §8500);

Whereas, In its June 26, 2007 resolution on Adult Education, the Los Angeles Unified School District Board found that Los Angeles has the most undereducated and underemployed adult population of any major metropolitan region in the United States;

Whereas, LAUSD's Adult Education and Career Education program is funded by property owners, businesses and workers in the District's local communities, including Bell, Cudahy, Huntington Park, Maywood, South Gate and Vernon, as well as other areas of the District;

Whereas, The United States Department of Education and the United States Department of Labor contribute approximately twenty million dollars per year to the District's Adult and Career Education program;

Whereas, Annually more than 85,000 high school students take Adult and Career Education courses to make up credits; and, more than 50,000 high school students take Career Technical Education courses provided by the Division of Adult and Career Education annually;

Whereas, An average of 10% of LAUSD's high school dropouts enroll in Adult and Career Education courses annually, reducing the District's 2010-2011 dropout rate;

Whereas, In its June 26, 2007 resolution on Adult Education, this Board also found that providing educational services to parents of school-age children is one of the most cost-effective ways to improve the school performance of children;

Whereas, More than 50,000 parents of LAUSD's school-age children attend Division of Adult and Career Education classes annually;

Whereas, Parents enrolled in Division ESL classes learn how to assist their children with school work and dedicate over one million hours a year to tutoring their own children;

Whereas, The American Institutes for Research has found that children participating with their parents in Division Family Literacy programs are better prepared to enter kindergarten, have higher attendance rates in elementary school, and perform better on the English language arts and mathematics sections of the California Standards Test than comparable groups of children;

Whereas, In partnership with the Facilities Division, the Division of Adult and Career Education has implemented the WE BUILD program, successfully training local residents to work in the District's school construction projects;

Whereas, The Division's Apprenticeship Program receives full reimbursement to serve as the state-approved educational agency for 5,000 union-sponsored apprentices including industrial and residential painters, floor layers, roofers, plumbers, sheet metal workers and machinists;

Whereas, Through agreements with the Los Angeles, South Bay and Pacific Gateway Investment Boards, Employment Development Department, and community-based organizations, the Division provides adult education and job training to high-risk in and out of school youth, unemployed adults and parents; and

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA DOES HEREBY RESOLVE:

Section 1. That the Bell City Council urge the governing Board of the Los Angeles Unified School District to reconfirm its commitment to Adult and Career Education;

Section 2. That the Bell City Council urge the governing Board of the Los Angeles Unified School District to commit and preserve funding for the Division of Adult and Career Education at the 2011-2012 level so as to provide the fiscal stability required to deliver "quality publicly supported continuing education opportunities" for the communities we serve.

Section 3. That the Bell City Council will commit to working with the governing Board of the Los Angeles Unified School District to make the Regional Occupational Center that is currently being built in our city become one of the most thriving centers in the region.

ADOPTED AND APPROVED THIS 7TH DAY OF MARCH, 2012

Ali Saleh, Mayor

APPROVED AS TO FORM:

David Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Patricia Healy, Interim City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 7th day of March, 2012, by the following vote:

Resolution No. 2012-30
March 7, 2012

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AYES:

NOES:

ABSENT:

ABSTAIN:

Patricia Healy, Interim City Clerk