

AGREEMENT

between

THE CITY OF SAN BERNARDINO

and

CAL DISPOSAL COMPANY

FOR THE COLLECTION, TRANSPORTATION, AND DISPOSAL OF
SOLID WASTE AND FOR PROVIDING
TEMPORARY BIN/ROLLOFF SERVICES

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AGREEMENT

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THE CITY OF SAN BERNARDINO

and

CAL DISPOSAL COMPANY
FOR THE COLLECTION, TRANSPORTATION, AND DISPOSAL OF
SOLID WASTE AND FOR PROVIDING TEMPORARY BIN/ROLLOFF SERVICES

This Franchise Agreement (the "Franchise Agreement") is entered into this ___ day of _____, 1996 (the "Effective Date") by and between the City of San Bernardino (the "City") and CAL DISPOSAL COMPANY (the "Grantee"), for the collection, transportation, and disposal of solid waste and construction debris and for providing temporary bin/rolloff services.

RECITALS

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

WHEREAS, pursuant to California Public Resources Code Section 40059 (a)(2), the City of San Bernardino ("City") has determined that the public health, safety, and well-being required that a franchise be awarded to a qualified enterprise for the collection, transportation, and disposal of solid waste and construction debris and for providing temporary bin/rolloff services in residential, commercial, construction, and industrial areas in the City of San Bernardino; and

WHEREAS, the Common Council of the City of San Bernardino declares its intention to maintain reasonable rates for the collection, transportation, and disposal of solid waste and construction debris and for providing temporary bin/rolloff services within Franchised areas;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

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AGREEMENT

1. Grant of Commercial, Residential and Industrial, and Temporary Bin Franchise.

This Franchise Agreement grants a franchise as provided herein and pursuant to Chapter 8.24 of the San Bernardino Municipal Code Relating to Garbage and Rubbish (hereinafter, "Chapter 8.24") and California Public Resources Code Section 40059(a)(2) to Grantee, for the collection and transportation of recyclable and compostable materials, and for the collection, transportation, and disposal of solid waste and construction debris and for providing temporary bin/rolloff services in commercial, residential, and industrial areas within the City of San Bernardino. Notwithstanding the refuse collection services provided by the City, so long as this Franchise Agreement remains in effect Grantee shall have the right and privilege to collect commercial, residential and industrial refuse in the Franchise Area.

2. Definitions.

Whenever any term used in this Franchise Agreement has been defined by Chapter 8.24 of the San Bernardino Municipal Code or Division 30, Part 1, Chapter 2 of the California Public Resources Code, the definitions in the Municipal Code or Public Resources Code shall apply unless the term is otherwise defined in this Agreement.

A. AB 939.

"AB 939" shall mean the California Integrated Waste Management Act of 1989, as it may be amended from time to time.

B. Bins.

"Bins" shall mean those containers provided by Grantee for commercial, industrial, residential, and multi-family residential uses. Bins are of two types: Bins which are picked up by refuse trucks by means of front loading apparatus; and Rolloff Bins which are picked up by trucks using rear loading winches onto rails.

C. Compostable Materials.

"Compostable Materials" mean any organic materials which have been segregated from other solid waste materials for the purpose of composting. Compostable Materials shall include but not be limited to vegetable, yard, wood, and paper wastes.

D. Future Annexed Areas.

"Future Annexed Areas" mean any unincorporated areas which are located within the City of San Bernardino sphere of influence, or which may be annexed into the corporate boundaries of the City.

E. Grantee.

"Grantee" shall mean CAL DISPOSAL COMPANY, the entity granted the Franchise pursuant to this Franchise Agreement.

F. Recyclable Materials.

"Recyclable Materials" means any materials which have been segregated from other solid waste materials for the purpose of recycling or reuse. Recyclable materials shall include but not be limited to newspapers, corrugated mixed paper, high grade paper, glass containers, yard waste, food waste, plastic containers, other plastics, other glass, metals, waste tires, and wood.

G. Recycling Program.

"Recycling Program" means the collection, removal and transportation of recyclable materials and/or compostable materials to either a processing facility, composting facility or end market where said materials will be sorted, cleaned, treated, composted or reconstituted.

H. Solid Waste.

"Solid Waste" means all putrescible and nonputrescible solid and semisolid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes. "Solid Waste" does not include hazardous waste as defined by the State of California, or low-level radioactive waste. "Solid Waste" does not include medical waste which has not been treated for disposal at a solid waste facility.

I. Temporary Bins.

"Temporary Bins" shall mean all bins which are placed by Grantee upon user's request at a location within the City limits for a period not to exceed ninety (90) or one hundred eighty (180) days, as provided in Section 4.C of this Agreement. Said period must be separated by a minimum lapse of thirty (30) days prior to renewal of "Temporary Bin" status for any service rendered by Grantee at said location.

3. Franchise Area; Grandfathered Accounts.

The Franchise Area granted by this Franchise Agreement shall be all residential, commercial, and industrial accounts within the City of San Bernardino; provided however, that such Franchise Area shall be limited to those regular accounts "grandfathered" by the City which were acquired by Grantee prior to January 1, 1995, and as are set forth on Exhibit "A". Temporary accounts shall not be limited to the grandfathered accounts and may be acquired by Grantee from time to time. Grantee's accounts in geographical areas not currently within the City of San Bernardino but which are annexed by the City after the effective date shall become part of the Franchise Area on the first day following the month such annexation is completed by the City. Within thirty (30) days after a written request therefore by the City, Grantee shall provide City with a written list of customer names and service addresses for all current accounts in subsequently annexed areas which list shall be incorporated into this Agreement as part of Exhibit "A". City shall not intentionally solicit Grantee's account within the Franchise Area or Future Annexed Areas, however such accounts may discontinue Grantee service and contract for City service at their option. Such accounts may not contract with any other service provider. In the event that a customer elects to contract with the City for the services contemplated herein, and Grantee's services are discontinued for a period in excess of one(1) year, said account may not return to Grantee. In the event a customer of Grantee listed on Exhibit "A" moves to a location where the City provides the services which are the subject matter of this Franchise Agreement, the Grantee will no longer be permitted to provide such service to said customer. However, Grantee shall be permitted to continue to provide service to any new customer opening and/or assuming the account for the original location, unless the location is vacant for a period of one (1) year or more, in which case the right of Grantee to provide such service is terminated.

4. Services Provided by Grantee.

A. General.

Grantee shall make available to all customers requesting the collection and transportation of recyclable materials and compostable materials, and shall provide the collection, transportation, and disposal of solid waste and construction debris and temporary bin/rolloff services within the Franchise Area in accordance with the terms of this Franchise Agreement.

B. Commercial, Industrial and Multi-Family Residential.

(1) Multi-Family Weekly Service.

Not less often than once per week, and more frequently if required to handle the waste stream of the premises where the bins are located, Grantee shall collect the solid waste (including bulky items which have been placed in a closed bin) for multi-family accounts.

(2) Commercial and Industrial Weekly Services.

Not less often than once per week, and more frequently if required to handle the waste stream of the premises where the bins are located, Grantee shall collect the solid waste, (including bulky items which have been placed in a closed bin) for commercial and industrial accounts.

(3) Single Family Residential.

Not less often than once per week, and more frequently if required to handle the waste stream of the premises Grantee shall collect the solid waste (except bulky items and household hazardous waste) which have been placed, kept, or accumulated in containers at single family detached residences within the Franchise Area and placed at curbside prior to Grantee's normal weekly collection time. All solid waste compostables, and recyclable must be placed within containers curbside without obstructions so as to permit collection, unless otherwise agreed upon by City and Grantee. Grantee may negotiate special pickup procedures, above and beyond the normal services described above, with customers for an additional fee in an amount not to exceed ten percent (10%) of the City's then existing rates for such services.

C. Temporary Bin/Rolloff Services

Grantee shall provide temporary bin/rolloff services for a period not to exceed ninety (90) days. For construction and demolition projects Grantee may provide temporary bin/rolloff services for a period not to exceed one hundred eighty (180) days, provided however, that Grantee will notify City of such project type and an estimate of the length of time services will be provided to Grantee's customer. Such reporting shall be made with and in accordance with section 13 below.

In regards to the time restrictions herein, Grantee may request, and City may extend, the period of time for temporary bin/rolloff services on a case-by-case basis, upon written notification thereof.

D. Commercial, Industrial, and Residential Recycling Programs.

The Grantee shall develop and present to the Director of Public Services a recycling program to provide services to the commercial, industrial, and residential customers within Grantee's Franchise Area.

(1) Single Family Residential Recycling Programs.

Grantee agrees to offer to all single family residential customers the same recyclable materials and compostable materials that are collected or will be collected by the City of San Bernardino's residential recycling program. Method of collection, including type of vehicles and containers, frequency of collection and methods of processing shall be at the discretion of the Grantee.

(2) Commercial and Industrial Recycling Programs.

Grantee agrees to offer a recycling program to all commercial and industrial customers served by Grantee within Grantee's Franchise Area.

(3) Temporary Bin/Rolloff Recycling Programs.

Grantee agrees to offer a recycling program to all temporary bin/rolloff service customers and accounts.

5. Disposal of Solid Waste.

Grantee shall dispose of solid waste at a permitted landfill, transfer station, recycling facility, materials recovery facility, or other disposal, composting, or recycling facility which is lawfully authorized to accept such solid waste, compostable materials or recyclable materials. City shall reserve the right to direct Grantee to the use of certain disposal, recycling or composting facilities within the County of San Bernardino; provided however that Grantee shall not bear costs greater than ten percent (10%) of its then existing disposal related fees as a result of City's direction. Grantee shall reserve the right to transport such solid waste, compostable materials or recyclable materials to disposal, recycling and composting facilities owned, operated and controlled by Grantee.

6. Recycling.

A. Grantee shall ensure that recycling programs are made available for all of its customers served by this Franchise Agreement. Said recycling programs shall be subject to the approval of the City's Public Services Director. However, said approval shall not be unreasonably withheld, nor shall the City or its Public Services Director impose conditions upon Grantee which are greater than those included in any applicable recycling program adopted by the City, or more onerous than those diversion goals required by AB939, or any applicable subsequent state or federal legislation.

B. Where Grantee's customers request recycling services of Grantee, recyclable materials shall be collected at a minimum of twice per month.

C. Grantee shall, at intervals of no greater than annually provide educational and informational literature to its customers describing the recycling services to be provided, the materials to be recycled, instructions on how to participate and provide the Grantee's phone number.

D. Grantee shall provide copies of all educational and informational materials required under this section to the City for approval prior to distribution of material to Grantee's customers.

7. Franchise Fees.

A. Beginning on the first day of the month following the Effective Date of this Franchise Agreement and continuing for a period of two years ("Initial Fee Term"), a Franchise Fee of ten percent (10%) of the Grantee's Gross Revenues collected from services provided to residential, commercial, and industrial in the Franchise Area shall be payable by Grantee to City within twenty (20) days after the close of each month.

B. After expiration of the Initial Fee Term and continuing thereafter throughout the term of this Franchise Agreement, a Franchise Fee of eleven percent (11%) of the Grantee's Gross Revenues collected from services provided to residential, commercial, and industrial, in the Franchise Area shall be payable by Grantee to City within twenty (20) days after the close of each month.

C. Any of the Franchise Fees not paid to the City within thirty (30) days after the close of each month shall become delinquent and shall thereafter accrue interest at ten percent (10%) per annum, but shall not exceed the legal rate. The City shall cause written notice of such delinquency to be mailed or delivered to Grantee. Any Franchise Fees which are delinquent for more than thirty (30) days after the date of said notice may constitute a material breach of this Franchise Agreement pursuant to Subsection O of Section 20 hereof if the City so elects.

8. Term, Extensions.

This Franchise Agreement shall continue for a period of eight (8) years from the Effective Date. At the end of each year of this Franchise Agreement commencing on the Effective Date, and annually thereafter, the term of this Agreement shall be extended for an additional one year, unless within (30) days prior thereto either the City or the Grantee gives written notice of non-renewal to the other party. In the event such a notice of non-renewal is given at any such anniversary date, there shall be eight (8) years remaining on the term of this Agreement and such eight (8) year period may not be reduced for any reason except termination for default.

9. Compensation.

A. Residential Rates.

Grantee shall provide the services described in this Franchise Agreement to residential consumers at a rate of no less than the minimum rates fixed by the City from time to time and at a rate no greater than the minimum rates fixed by the City from time to time plus the Franchise Fee.

B. Commercial and Industrial Rates.

Grantee shall provide the services described in this Franchise Agreement to commercial and industrial consumers at a rate of no less than the minimum rates fixed by the City from time to time. There shall be no prohibition on the maximum rate charged by Grantee to commercial consumers.

C. Temporary Bin Rates.

Grantee shall provide the services described in this Franchise Agreement to temporary bin consumers at a rate of no less than the minimum rates fixed by the City from time to time. There shall be no prohibition on the maximum rate charged by Grantee to temporary bin consumers.

D. Notice of Rate Changes.

The City shall notify Grantee of all rate changes in residential and commercial rates charged to its consumers within twenty (20) days of such change.

E. Notice to City; Recycling Fees.

Nothing in this Franchise Agreement shall preclude Grantee from assessing reasonable fees for providing recycling services to its commercial, industrial and residential customers, to be effective after thirty (30) days written notice to the City.

10. Franchise transferrable; City Consent Required.

Grantee shall not transfer, sell or assign the franchise granted by this Franchise Agreement except with the express prior written consent of the City, which shall not unreasonably be withheld. For the purposes of this Franchise Agreement a transfer shall include the sale of over fifty percent (50%) of the stock of the corporation, or a number of sales that over time and in the aggregate exceed fifty percent (50%), provided however that a sale or transfer to family members, or the estate, of the current owners of Grantee shall not be restricted by this Franchise Agreement. Family members are those individuals who are related by blood, marriage or adoption.

11. Franchise Transfer - Fees

Any application for a franchise transfer shall be made in a manner determined by the City. The applicant shall reimburse the City for all administrative costs of such application and transfer. Bills for such transfer fee shall be supported with evidence of the expense or cost incurred. The applicant shall pay such bills within thirty (30) days of receipt.

12. Privacy.

A. Grantee shall strictly observe and protect the rights of privacy of customers. Information identifying individual customers or the composition or contents of a customer's waste stream shall not be revealed to any person, governmental unit, private agency, or company, unless upon the authority of a court of law, by statute, or upon valid authorization of the customer. This provision shall not be construed to preclude Grantee from preparing, participating in, or assisting in the preparation of waste characterization studies or waste stream analyses which may be required by AB 939.

B. Grantee shall not market or distribute, outside the normal course of its business, mailing lists with the names and addresses of customers.

C. The rights accorded customers pursuant to this Section shall be in addition to any other privacy right accorded customers pursuant to Federal or State Law.

13. Reports.

A. Within twenty (20) days after the end of each of Grantee's calendar months, Grantee shall submit a written report to the City's Director of Public Services, in a format provided by the Director, including the following information:

1. Gross revenues collected by Grantee for services provided in the Franchise Area;
2. Franchise Fees payable to City;
3. Total tonnage of solid waste collected in Franchise Area;
4. Total number of commercial, residential and industrial accounts in the Franchise Area; and
5. Total tonnage of solid waste recycled identified by residential, commercial, and industrial materials collected;
6. Tonnage delivered by Grantee to each permitted landfill, transfer station, recycling facility, materials recovery facility, end market or other disposal, composting or recycling facility;
7. A list of Grantee's collection truck numbers which operated within the City, the route each collection truck was assigned to each day during the month, and a map of each route identifying the specific geographical areas served by that route.

B. Within three (3) City working days after the placement of a Temporary Bin by Grantee, Grantee will notify City's designated contact position as to the date, size and location of such temporary bin.

C. An annual report, in a form satisfactory to the City, on the Grantee's progress in meeting and maintaining its ability to meet its goals under AB 939, along with any recommended changes.

D. Grantee's tonnage report as required by this Franchise Agreement should be substantially consistent with the tonnage attributed to Grantee as reported by the County of San Bernardino and/or any other county. In the event of a five percent (5%) or more discrepancy in the amount of tonnage attributed to Grantee in the respective reports generated by Grantee and any county, the City shall cause written notice of such discrepancy to be mailed or delivered to Grantee and Grantee shall be given an opportunity to resolve the discrepancy and/or submit to the county a copy of the tonnage report filed by Grantee with the City. Failure of the Grantee to do so within thirty (30) days of the date of said notice may constitute a material breach of this Franchise Agreement pursuant to Subsection O of Section 20 hereof if the City so elects.

14. Liability Insurance Coverage.

Grantee agrees to procure and maintain in force during the term of this Agreement and any extension thereof, at its expense, public liability insurance adequate to protect against liability for damage claims through public use of or arising out of accidents occurring from said services, in a minimum amount of \$5,000,000 combined single limits for bodily injury and property damage. Such insurance policies shall provide coverage for City's contingent liability on such claims or losses. City, its officers, agents and employees shall be named as an additional insured. A certificate of insurance shall be delivered to City's Risk Management Division. Grantee agrees to obtain a written obligation from the insurers to notify City in writing at least thirty (30) days prior to cancellation or refusal to renew any such policies.

15. Workers' Compensation Insurance.

Grantee shall obtain and maintain in full force and effect throughout the entire term of this Franchise Agreement full workers' compensation insurance in accord with the provisions and requirements of the Labor Code of the State of California. Endorsements that implement the required coverage shall be filed and maintained with the City throughout the term of this Franchise Agreement. The policy providing coverage shall be amended to provide that the insurance shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to City. The policy shall also be amended to waive all rights of subrogation against the City, its elected or appointed officials, employees, agents, or Grantees for losses which arise from work performed by the named insured for the City.

16. Hold Harmless.

Grantee agrees to defend, indemnify, save and hold City, its officers, agents and employees harmless from any liability for any claims, or suits at law or in equity, or in any administrative proceeding, that may be brought by third persons on account of personal injury, death, or damage to property, or a property of business or personal interest, or for fines, forfeiture or civil penalties arising from any act or omission by Grantee its officers, agents or employees while performing operations under this Agreement; provided however, City shall provide Grantee with notice as herein set forth and shall provide Grantee with the opportunity to defend Grantee from any such liability. The City shall notify Grantee, in writing, within fifteen days of City's knowledge, or when City should have known, of such claims, accusations, or suits at law or in equity, or in any administrative proceeding.

17. Collection and Equipment.

A. Grantee shall provide an adequate number of vehicles and equipment for collection, transportation, recycling, and disposal of solid waste for which it is responsible under this Franchise Agreement.

1. All vehicles used by Grantee under this Franchise Agreement shall be registered with the Department of Motor Vehicles of the State of California, shall be kept clean and in good repair.

2. Solid waste collection vehicles shall be washed at least once every seven (7) calendar days.

3. "CAL Disposal", a local or toll free telephone number, and vehicle number shall be visibly displayed on all vehicles in letters and figures no less than five inches (5") high to provide customers with access to Grantee to alert Grantee of problems or concerns with customers waste collection service.

18. Public Access to Grantee.

A. Office Hours.

Grantee's office hours shall be, at a minimum, from 8:00 a.m. to 5:00 p.m. daily, on all collection days. A representative of Grantee shall be available during office hours for communication with the public at Grantee's principal office. In the event that normal business cannot be rectified over the telephone, a representative of Grantee shall agree to meet with the public at a location agreeable to Grantee and the public during normal office hours. The office telephone number(s) shall either be a local or toll free call. Grantee shall also maintain a local or toll free after hours telephone number for use during other than normal business hours. Grantee shall have a representative or answering system or advice available at said after-hours telephone number during all hours other than normal office hours.

B. Service Complaints.

1. All customer complaints shall be directed to Grantee. Grantee shall record all complaints received by mail, by telephone, or in person (including date, name, address of complainant, and nature of complaint). Grantee agrees to use its best efforts to resolve all complaints by close of business of the next business day following the date on which such complaint is received. Service complaints may be investigated by the City. Unless a settlement satisfactory to complainant, the Grantee, and the City is reached, the complainant may refer the matter to the City for review.

2. Grantee shall 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 Grantee to resolve the complaint. All such records shall be maintained and shall be available for inspection by the City.

C. Government Liaison Person.

The Grantee shall designate a "government liaison person" who shall be responsible for working with a City chosen designee to resolve consumer complaints. The cost of designating a government liaison person by the Grantee shall be borne by the Grantee.

19. Household Hazardous Waste.

Grantee agrees to notify its customers within the franchise Area, of City's Household Hazardous Waste programs as identified in the City's Household Hazardous Waste Element prepared by the City as required by AB 939, and other City or County sponsored programs as may be offered from time to time.

GENERAL PROVISIONS.20. A. Amendments.

This Franchise Agreement may be amended or modified only by written agreement signed by both parties. Failure on the part of either party to enforce any provision of this Franchise Agreement shall not be construed as a continuous waiver of the right to compel enforcement of such provision or provisions, nor shall such waiver be construed as a release of any surety from its obligations under this Franchise Agreement.

B. Attorney's Fees.

Should any party violate or breach any term or condition of this Agreement, any other party shall have, without limitation, the right to move for entry of judgment by a court of competent jurisdiction, to seek specific performance thereof, and otherwise exercise all remedies available to he, she or it under the law to obtain redress from injury or damage resulting from any such violation or breach. In any such legal proceeding(s) brought to enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred as a consequence hereof. Reasonable attorneys fees shall include those of the City Attorney's office.

C. Compliance with Applicable Law.

The Parties agree that they will comply with all applicable federal, state, county or municipal statute, ordinances, rules, regulations and enactments which are currently in effect or which may be adopted hereafter.

D. Compliance with Franchise Agreement.

Grantee shall comply with ordinances, resolutions or regulations enacted by the City of San Bernardino which are applicable and with any and all amendments to such applicable provisions during the term of this Franchise Agreement.

E. Counterparts.

This document may be executed in one or more separate counterparts, each of which, when so executed, shall be deemed to be an original. Such counterparts shall, together, constitute and shall be one and the same instrument.

F. Entire Agreement.

There are no understandings or agreements except as herein expressly stated. Any modifications must be in writing.

G. Exhibit Incorporated.

Exhibit "A" is attached to and incorporated into this Franchise Agreement by reference.

H. Force Majeure.

Grantee shall not be in default under this Franchise Agreement in the event that the temporary bin/rolloff services and the collection, transportation, and disposal of solid waste provided by the Grantee are temporarily interrupted or discontinued for any of the following reasons: riots, wars, sabotage, civil disturbances, insurrection, explosion, natural disasters such as floods, earthquakes, landslides, and fires, and other labor disturbances or

other catastrophic events which are beyond the reasonable control of Grantee. Other catastrophic events do not include the financial inability of the Grantee to perform or failure of the Grantee to obtain any necessary permits or licenses from other governmental agencies or the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of Grantee.

I. Gratuities.

Grantee shall not, nor shall it permit any agent, employee, or subgrantee employed by it, to request, solicit, demand, or accept, either directly or indirectly, any gratuity for the collection, transportation, and disposal of solid waste otherwise required under this Franchise Agreement.

J. Independent Contractor.

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

K. Law to Govern; Venue.

The Law of the State of California shall govern this Franchise Agreement. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of San Bernardino. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.

L. Notices.

All notices herein required shall be in writing and delivered in person or sent by certified mail, postage prepaid, addressed as follows:

"City"
City of San Bernardino
300 North "D" Street
San Bernardino, CA 92418

"Grantee"
Cal Disposal Company
26009 East 6th Street
San Bernardino, CA 92410

Nothing in this paragraph shall be construed to prevent the giving of notice by personal service.

M. Right to Audit.

Upon fifteen (15) days notice, the City shall have the right to audit the records of Grantee relevant to this Franchise Agreement. The audit shall be performed on Grantee's premises, during normal business hours, and at the City's expense.

N. Validity.

If any terms, condition, provision, or covenant of this Franchise Agreement shall to any extent be judged invalid, unenforceable, void, or voidable for any reason whatsoever by a court of competent jurisdiction, each and all remaining terms, conditions, promises and covenants of this Franchise Agreement shall be affected and shall be valid and enforceable to the fullest extent permitted by law.

O. Breach of Contract

In the event either party to this Franchise Agreement elects to declare a material breach thereof by the other party, written notice of the purported breach shall be mailed or personally delivered by the party declaring the breach to the other party. Said party shall have thirty (30) calendar days from receipt of notice, including the date of receipt, in which to cure, remedy, or commence to cure or remedy the breach to the reasonable satisfaction of the other party. If the purported breach is not cured or remedied within said thirty (30) day period to the reasonable satisfaction of the party declaring the breach, or if the breach is such that it cannot be cured or remedied within such period, then if the party has not taken substantial steps to commence to cure or remedy the breach, to the reasonable satisfaction of the other party, then the injured party may seek redress pursuant to Subsection B of Section 20 of this Franchise Agreement.

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WITNESS the execution of this Agreement of the day and year written above.

CITY OF SAN BERNARDINO

By: Tom Minor
TOM MINOR
Mayor

ATTEST:

Rachel Clark
RACHEL CLARK
City Clerk

APPROVED AS TO FORM
AND LEGAL CONTENT:

James F. Pedman, Special Counsel
James F. Pedman,
City Attorney

By: _____

GRANTEE

Philip E. Breault
CAL DISPOSAL COMPANY

Company	Street #	Prefix	Street Name	Reported or Grandfather	Notes
CALS	24660		02ND ST	Grandfather	RICARDO MARTIN
CALS	24815		02ND ST	Grandfather	TOM REESE
CALS	24865		02ND ST	Grandfather	TEORGE HOPER
CALS	24673-77		02ND ST	Grandfather	RAFAEL RUIZ
CALS	24728-30		02ND ST	Grandfather	WILLIAM SHNAULT
CALS	903	E	03RD ST	Grandfather	CHURCH OF THE NAZARENE
CALS	1091	E	03RD ST	Grandfather	DAVID HOVSEPIAN
CALS	1606	E	03RD ST	Grandfather	M&M MARKET
CALS	1640	E	03RD ST	Grandfather	IMPACT WINDOW TINT
CALS	2320	E	03RD ST	Grandfather	BASSIL'S AUTOMOTIVE REPAIR
CALS	24683		03RD ST	Grandfather	CHURCH OF THE NAZARENE
CALS	24829		03RD ST	Grandfather	DAVID HOVSEPIAN PCI
CALS	24927		03RD ST	Grandfather	BOB'S BODY SHOP
CALS	2357		05TH ST	Grandfather	INLAND STAR MERCEDES
CALS	331	W	09TH ST	Grandfather	WATERMAN CIRCLE CTR
CALS	2194	E	18TH ST	Grandfather	RICHARD TOMETICH
CALS	2135	E	19TH ST	Grandfather	UNITED PROPERTY & INVESTMENT
CALS	2149	E	19TH ST	Grandfather	LILI LIU
CALS	2165	E	19TH ST	Grandfather	FREDERICK BEASLEY PCI
CALS	2194	E	19TH ST	Grandfather	UNITED PROPERTY & INVESTMENT
CALS	2195	E	19TH ST	Grandfather	LILI LIU
CALS	753	E	40TH ST	Grandfather	BOTTLE SHOP LIQUOR
CALS	795	E	40TH ST	Grandfather	PAYLESS GASOLINE
CALS	1040	E	40TH ST	Grandfather	CIRCLE S MARKET
CALS	3171		ARDEN	Grandfather	ARDEN HILLS 7TH DAY ADV. CHUR
CALS			ATLANTIC/PALM AVE.	Grandfather	HIGHLAND CONGRESSIONAL CHUR
CALS	147	E	BASELINE	Grandfather	BUY-RITE GAS
CALS	330	E	BASELINE	Grandfather	BASELINE MARKET
CALS	921	E	BASELINE	Grandfather	DE VINCE'S SHOP
CALS	962	E	BASELINE	Grandfather	KELLEY FURNITURE
CALS	990	E	BASELINE	Grandfather	SB APPLIANCE CENTER
CALS	1117	E	BASELINE	Grandfather	WAYNE'S APPLIANCE
CALS	1235	E	BASELINE	Grandfather	WAYNE'S HEAD SALES & SERVICE
CALS	1296	E	BASELINE	Grandfather	RAY'S RENTAL
CALS	1321	E	BASELINE	Grandfather	HOUSE OF PLYWOOD
CALS	1605	E	BASELINE	Grandfather	INLAND AUTO CENTER
CALS	1743	E	BASELINE	Grandfather	UNIVERSAL AUTO BODY
CALS			BASELINE/CEDAR	Grandfather	LEIGHTON JAYASEKERA
CALS	2255		BESSANT	Grandfather	KMEN/KGGI RADIO
CALS	1909		BUSINESS CENTER DR	Grandfather	COMFORT INN
CALS	1376		CABLE CANYON	Grandfather	SHELLEY SMITH
CALS	1707		CABLE CANYON	Grandfather	EAGLE LAND COMPANY
CALS	2317		CABRERA	Grandfather	D-M AUTOMOTIVE PCI
CALS	2397		CABRERA	Grandfather	JORGE DOMINGUEZ
CALS	2105		CAJON	Grandfather	WALTER PARKER
CALS	1345		CANYON RD	Grandfather	DUANE MAHLE
CALS	1422		CANYON RD	Grandfather	EXPEDITO FLORES
CALS	7125		CANYON RD	Grandfather	ELLA GOLSTON
CALS	1223		CEDAR	Grandfather	LEIGHTON JAYASEKERA
CALS	1235		CEDAR	Grandfather	TOM SIMS
CALS	1237		CEDAR	Grandfather	TOM SIMS
CALS	1239		CEDAR	Grandfather	TOM SIMS
CALS	1241		CEDAR	Grandfather	WILLIAM MC VEY
CALS	7261-1239		CEDAR	Grandfather	THOMAS SIMS
CALS	737		COLLEGE	Grandfather	BRENAN ELECTRICAL
CALS	1115		D ST	Grandfather	BETTER HEARING AID SERVICE
CALS	2361	E	DATE	Grandfather	CHRISTIAN HIGH SCHOO OF SB
CALS	225	N	DEL ROSA	Grandfather	HOLLYWOOD EAST
CALS	2729	N	DEL ROSA	Grandfather	VICTORIA GUERNSEY STORE #2
CALS	3480	N	DEL ROSA	Grandfather	DUK CHOI
CALS	2051	N	DUMBARTON	Grandfather	RD CITY OF SB
CALS	2141	N	DUMBARTON	Grandfather	FRAZEE SHELTER
CALS	2159	N	DUMBARTON	Grandfather	EQUITY MANAGEMENT SERVICES
CALS	2176	N	DUMBARTON	Grandfather	
CALS	2176-C		DUMBARTON	Grandfather	JESUS LOPEZ
CALS	1280	N	E ST	Grandfather	ORANGE SHOW MOTEL
CALS	3308	N	E ST	Grandfather	D I AUTOMOTIVE
CALS	3798		ELECTRIC	Grandfather	P.N.P. QUALITY HOUSING
CALS	187	F		Grandfather	PERMANENT FEE-OP, LS#6968
CALS	780		GILBERT	Grandfather	SB CO. MEDICAL CENTER
CALS	2095	N	GUTHRIE	Grandfather	ELDA ALFARO-GARCIA
CALS	2105	N	GUTHRIE	Grandfather	UNITED PROPERTY INVESTMENTS

Company	Street #	Prefix	Street Name	Reported or Grandfather	Notes
CALS	3939	N	H ST	Grandfather	BOB'S AUTO ELECTRIC
CALS	342	S	H ST	Grandfather	PRESCHOOL SERVICES DEPT
CALS	3157	N	HARRISON	Grandfather	GUADALUPE LINARES
CALS	1108	E	HIGHLAND	Grandfather	NABIL SAADE
CALS	1140	E	HIGHLAND	Grandfather	SAFETY AUTO
CALS	1560	E	HIGHLAND	Grandfather	SUN-UP DISCOUNT FURNITURE
CALS	1602	E	HIGHLAND	Grandfather	7 DAYS FOOD STORE
CALS	1666	E	HIGHLAND	Grandfather	AUTO 8 PCI
CALS	1772	E	HIGHLAND	Grandfather	EVERYTHING ONE DOLLAR
CALS	1950	E	HIGHLAND	Grandfather	RAUDEL SANCHEZ
CALS	1996	E	HIGHLAND	Grandfather	WESTSIDE MARKET & DELI
CALS	2011	E	HIGHLAND	Grandfather	BANK OF AMERICA
CALS	2101	E	HIGHLAND	Grandfather	O&B AUTO REPAIR PCI
CALS	2122	E	HIGHLAND	Grandfather	EFRAIN GARCIA
CALS	2137	E	HIGHLAND	Grandfather	T&R TIRE, INC.
CALS	2180	E	HIGHLAND	Grandfather	ASSURED PROPERTY MANAGEME
CALS	2205	E	HIGHLAND	Grandfather	FRED LEDBETTER
CALS	2548	E	HIGHLAND	Grandfather	MANE EVENT
CALS	2550	E	HIGHLAND	Grandfather	GLOREE GALLERY & FRAMING
CALS	2562	E	HIGHLAND	Grandfather	UNITED DOMESTIC WORKERS
CALS	2574	E	HIGHLAND	Grandfather	SNYDER & SCHULTZ JEWELERS
CALS	2592	E	HIGHLAND	Grandfather	US POSTAL SERVICE
CALS	2601	E	HIGHLAND	Grandfather	KEN'S LIQUORS
CALS	2650	E	HIGHLAND	Grandfather	ASSURED PROPERTY MANAGEME
CALS	3430	E	HIGHLAND	Grandfather	MR. SUDS
CALS	701		HILL DR	Grandfather	ARTHUR HARMMEYER
CALS	999		HILL DR	Grandfather	ELL SEAN
CALS	5454		INDUSTRIAL PARKWAY	Grandfather	SB STEEL
CALS	5770		INDUSTRIAL PARKWAY	Grandfather	WALTER CO., F.G.
CALS	239	N	J ST	Grandfather	EDTEQ ENGINEERING
CALS	2171		LINCOLN	Grandfather	MT. ZION BAPTIST CHURCH
CALS	2174		LINCOLN	Grandfather	EDMONDS, S.
CALS	2176		LINCOLN	Grandfather	EDMONDS, S.
CALS	1227		LYNWOOD	Grandfather	GEORGE HICKS
CALS	494		MACY	Grandfather	MESA MANAGEMENT
CALS	2073		MCKINLEY	Grandfather	JOSE DEAQUINO
CALS	2094		MCKINLEY	Grandfather	FRAZEE SHELTER
CALS	2123		MCKINLEY	Grandfather	KEITH RENO
CALS	2141		MCKINLEY	Grandfather	K. RENO
CALS	2123		MEYERS	Grandfather	ALVIN WILBOURN
CALS	3676		MEYERS	Grandfather	BRUCE ELLIOTT
CALS	3885		MEYERS	Grandfather	V. PARTELLO
CALS	3985		MEYERS	Grandfather	JIM ONKEN
CALS	4107		MEYERS	Grandfather	BRIAN WILSON
CALS	4351		MEYERS	Grandfather	ROBERT CARRILLO
CALS	165		MILL ST	Grandfather	MILL STREET FIBERS
CALS	875		MILL ST	Grandfather	ASSURED MINI STORAGE
CALS	907		MILL ST	Grandfather	SAN SHELL STATION
CALS	1111		MILL ST	Grandfather	DEFENSE FINANCE & ACCOUNTING
CALS	754		MT VERNON	Grandfather	P&L PROPERTY MANAGEMENT
CALS	1212		MT VIEW	Grandfather	CALIFORNIA STEEL SERVICES
CALS	100		NORTON	Grandfather	S.A.C. HEALTH SYSTEMS
CALS	144		NORTON	Grandfather	OH BOK FOODS, INC.
CALS	169		NORTON	Grandfather	DON WAKEFIELD
CALS	210		NORTON	Grandfather	MORRISON KNUDSEN CORPORATI
CALS	249		NORTON	Grandfather	MORRISON KNUDSEN CORPORATI
CALS	333		NORTON	Grandfather	AIRPORT AUTHORITY
CALS	341		NORTON	Grandfather	BLUE'S AVIATION SERVICE
CALS	409		NORTON	Grandfather	IVDA-BUSINESS INCUBATOR
CALS	409		NORTON	Grandfather	USAF
CALS	475		NORTON	Grandfather	CARPET INSTALLERS
CALS	499		NORTON	Grandfather	IVDA-BUSINESS INCUBATOR
CALS	555		NORTON	Grandfather	ENVELOPE MANUFACTURE & SUPP
CALS	558		NORTON	Grandfather	H.R.I. FLUES & FILTER SERVICES
CALS	675		NORTON	Grandfather	BSA INTERNATIONAL AEROSPACE
CALS	702		NORTON	Grandfather	BECHTEL ENVIRONMENTAL
CALS	719		NORTON	Grandfather	SESSUNS ENGINEERING
CALS	726		NORTON	Grandfather	S.B. INT'L AIRPORT AUTHORITY
CALS	749		NORTON	Grandfather	BECHTEL ENVIRONMENTAL
CALS	752		NORTON	Grandfather	I.T. CORPOATION
CALS	759		NORTON	Grandfather	SBI AIRPORT AUTHORITY
CALS	795		NORTON	Grandfather	S.B.I. AIRPORT AUTHORITY

Company	Street #	Prefix	Street Name	Reported or Grandfather	Notes
CALS	818		NORTON	Grandfather	PALM MEADOWS GOLF COURSE
CALS	821		NORTON	Grandfather	NORTON CREDIT UNION
CALS	C & 3RD		NORTON	Grandfather	USAF
CALS	1406	E	PACIFIC	Grandfather	JUDSON BAPTIST CHURCH
CALS	3228	E	PACIFIC	Grandfather	AYSO REG 130
CALS	1031-35	E	PACIFIC	Grandfather	E. MARASIGAN
CALS	6245	N	PALM	Grandfather	CRESTVIEW BAPTIST CHURCH
CALS	595		PIONEER	Grandfather	CST
CALS	376		RIALTO	Grandfather	SAWDUST AND PAINTING
CALS	392		RIALTO	Grandfather	FREESE AUTO REPAIR
CALS	398		RIALTO	Grandfather	ROBERT CANNAN
CALS	402		RIALTO	Grandfather	FRANCK BOYCE REGENCY IAR
CALS	860		RIALTO	Grandfather	JAMES SEAWELL
CALS	24722		RIALTO	Grandfather	TOM REESE
CALS	24872		RIALTO	Grandfather	FRED CHRISTOPHERSON
CALS	24888		RIALTO	Grandfather	D. MONTES
CALS	1114-18		RIALTO	Grandfather	RAYMOND CASTANEDA
CALS	1351		RIVERVIEW	Grandfather	BALDWIN-STOBB
CALS	2105		ROOSEVELT	Grandfather	JOSE SOLIS
CALS	2121		ROOSEVELT	Grandfather	RICHARD MEDINA
CALS	2122		ROOSEVELT	Grandfather	JESUS MELENDREZ
CALS	2133		ROOSEVELT	Grandfather	RAPHAEL VILLEGAS
CALS	1455		SAN BERNARDINO	Grandfather	SAN BERNARDINO TRUCK
CALS	4080		SEPULVEDA	Grandfather	CHRISTINE HADDAD
CALS	2552		SHENANDOAH	Grandfather	COLOR TILE
CALS	4399	N	SIERRA WAY	Grandfather	CREATIVE HAIR & NAILS
CALS	2042		STATE	Grandfather	MACEDONIA BAPTIST CHURCH
CALS	2024	E	SUNRISE	Grandfather	
CALS	2065		SUNRISE	Grandfather	JOSE VALLE
CALS	2084		SUNRISE	Grandfather	LARRY KOCH
CALS	2095		SUNRISE	Grandfather	PAUL DORR
CALS	2117		SUNRISE	Grandfather	UNITED PROPERTY & INVESTMENT
CALS	950	S	TIPPECANOE AVE	Grandfather	ASSURED PROPERTY MANAGEME
CALS	1600		WALNUT	Grandfather	JAMES SUMMERS
CALS	1949		WASHINGTON	Grandfather	JACK SCOTT
CALS	1995		WASHINGTON	Grandfather	DOLORES SMITH
CALS	2165		WASHINGTON	Grandfather	JOHN DUARTE PCI
CALS	2350		WASHINGTON	Grandfather	BENNY HERNANDEZ
CALS	2123-27		WASHINGTON	Grandfather	TERRY DINGESS
CALS	209		WATERMAN	Grandfather	ARROWHEAD SHEET METAL
CALS	365		WATERMAN	Grandfather	JUAN BALTAZAR
CALS	395		WATERMAN	Grandfather	MUFFLER & BRAKE SPECIALTIES
CALS	601		WATERMAN	Grandfather	WINSTON TIRE COMPANY
CALS	673		WATERMAN	Grandfather	THAI BETHANY KOREAN CHURCH
CALS	755		WATERMAN	Grandfather	AMERICAN AUTO WRECKING
CALS	833		WATERMAN	Grandfather	CHURCH OF PRESBYTIAN, GALILEE
CALS	906		WATERMAN	Grandfather	BUY-RITE
CALS	1014		WATERMAN	Grandfather	BELCO DEVELOPMENT
CALS	1033		WATERMAN	Grandfather	VIETNAM CUISINE RESTAURANT
CALS	1214		WATERMAN	Grandfather	SAN BERDO CHRISTIAN CENTER
CALS	9937		WATERMAN	Grandfather	LINDSAY CONCRETE PRODUCYS, I
CALS	9973		WATERMAN	Grandfather	ROOFERS SUPPLY

Company	Street #	Prefix	Street Name	Reported or Grandfather	Notes
CALS/COUNTY	1434	E	BASELINE	Grandfather	BEAR FACTS
CALS/COUNTY	4518	F		Grandfather	JOSEPH SHEPERD
CALS/COUNTY	2865		GOLDEN	Grandfather	O.E. FARRINGTON
CALS/COUNTY	4029		JOHNSON	Grandfather	GLEN WATKINS
CALS/COUNTY	4040		JOHNSON	Grandfather	GOLDEN WEST GARDENING
CALS/COUNTY	4061		JOHNSON	Grandfather	CAROL MILLER
CALS/COUNTY	4020-22		JOHNSON	Grandfather	J.R. PERETIN
CALS/COUNTY	1192		LYNWOOD	Grandfather	GREENFIELD MARKET
CALS/COUNTY	4241		MAGNOLIA	Grandfather	CURRENT ELECTRIC CO.