

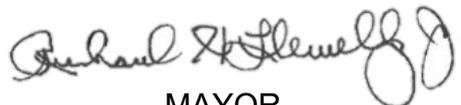
0150-10586-0005

TRANSMITTAL

TO City Council	DATE 11/22/21	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT All	

Proposed Amendment No. 1 to C-127499 with USA Waste California, Inc. dba Waste Management for the Receipt, Processing, and Reuse of Green Material, Food Material, and/or Horse Manure for the Curbside Collection Program

Approved and transmitted for processing.
See the City Administrative Officer report attached.



MAYOR

(Rich Llewellyn for)

MWS:CEA:10220038

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 11-18-21	C.D. No. All	CAO File No.: 0150-10586-0005				
Contracting Department/Bureau: Public Works: Bureau of Sanitation		Contact: Nancy Lantin (213) 485-2158 James Roska (213) 485-2988					
Reference: Transmittal from the Board of Public Works report dated October 1, 2021; referred by the Mayor for report on October 14, 2021							
Purpose of Contract: Receipt, processing, and reuse of green material, food material, and/or horse manure from the City of Los Angeles Curbside Collection Program.							
Type of Contract: () New contract (X) Amendment, Contract No. C-127499		Contract Term Dates: May 9, 2016 – November 8, 2024 (Three-year extension)					
Contract/Amendment Amount: \$60,952,231							
Proposed amount \$ 60,952,231+ Prior award(s) \$ 81,925,454 = Total \$ 142,877,685							
Source of funds: Solid Waste Resources Revenue Fund							
Name of Contractor: USA Waste California, Inc. dba Waste Management							
Address: 9081 Tujunga Avenue, Sun Valley, CA 91352							
	Yes	No	N/A	Contractor has complied with:	Yes	No	N/A
1. Council has approved the purpose	X			8. Business Inclusion Program	X		
2. Appropriated funds are available	X			9. Equal Benefits & First Source Hiring Ordinances	X		
3. Charter Section 1022 findings completed	X			10. Contractor Responsibility Ordinance	X		
4. Proposals have been requested	X			11. Disclosure Ordinances	X		
5. Risk Management review completed	X			12. Bidder Certification CEC Form 50	X		
6. Standard Provisions for City Contracts included	X			13. Prohibited Contributors (Bidders) CEC Form 55	X		
7. Workforce that resides in the City: .4%				14. California Iran Contracting Act of 2010	X		

RECOMMENDATION

That the Council authorize the Board of Public Works or two members of the Board, on behalf of the Bureau of Sanitation, to execute Amendment No. 1 to C-127499 with USA Waste of California, Inc. dba Waste Management for the receipt, processing, and reuse of green material, food material, and/or horse manure for the Curbside Collection Program in the amount of \$60,952,231 to extend the term by three years for a new term effective May 9, 2016 through November 8, 2024 for total maximum compensation of \$142,877,685, subject to the approval of the City Attorney and compliance with the City's contracting requirements.

SUMMARY

The Board of Public Work (Board), on behalf of the Bureau of Sanitation (Bureau), requests approval to execute Amendment No. 1 to C-127499 (Amendment) with USA Waste of California, Inc. dba Waste Management (Waste Management) for green material, food material and/or horse manure for the Curbside Collection Program. The contract was executed on May 9, 2016 with an initial term of five years and maximum compensation of \$74,477,885 and included an option for a six-month extension valued at 10 percent of the contract total for a maximum compensation amount of \$81,925,454. On June 4, 2021, the Board authorized and the Bureau exercised the six month renewal option without a

<i>Claudia Aguilar</i>	<i>John J. Huber</i>
CEA Analyst 10220038	City Administrative Officer

change to the 2020-21 rates. The six month extension expired on November 8, 2021 and the contractor has continued services. The Bureau is now requesting to exercise to increase the term by three years and the maximum compensation amount by \$60,952,231. The Amendment contains a clause to pay for such services.

The Bureau is responsible for curbside collection of yard trimmings (green bin) and horse manure (brown bin) from 750,000 single family residences and small apartment complexes of four units or less. The City collects as much as 1,762 tons per day of green-bin and brown-bin materials. The disposal of these materials is a non-discretionary activity for the Bureau and the execution of this agreement is necessary to meet the City's adopted Zero Waste policy goals. The Mayor and Council have set goals for the City to achieve 90 percent diversion of material from landfills by 2025, 95 percent by 2035, and 100 percent by 2050. The City is implementing a number of programs to ensure the City is able to reach this goal, including recycling, single-use products phase-out, organics diversion, and composting.

Green-bin material is processed by Waste Management and marketed to farms in Los Angeles County. Plant Health and Pest Prevention quarantine zones established by the California Department of Food and Agriculture as well as other season and operational changes have affected the average daily tonnage provided throughout the year. Over the course of the five-year term, the regulations and markets for the finished material have impacted Waste Management's market for the product they produce. Waste Management notified the Bureau that it could no longer continue services under the existing terms of the agreement and requested an increase to processing fees to continue providing services to the City. The Bureau has negotiated new rates and terms for the Amendment. The Amendment includes a three-year term instead of the original five-year option and a rate increase of 25-30 percent, retroactive to May, 2021. The Amendment also provides for a rate adjustment of 10-15 percent on July 1, 2022 and an additional increase of 10-15 percent on July 1, 2023. The approval of the Amendment is necessary to enable the collection of green bin material in the City.

In accordance with Charter Section 1022, the Personnel Department determined that there are no City classifications that can perform the work being proposed for contracting. In accordance with the Los Angeles Administrative Code Section 10.5(b) 2, the proposed agreement requires Council approval as the term of the agreement exceed three years and total annual payments exceed \$169,418.

FISCAL IMPACT STATEMENT

Funding in the amount of \$6,000,000 is identified in the Bureau's Board Report for 2021-22 and is provided by the Solid Waste Resources Revenue Fund. The Solid Waste Resources Revenue Fund is not considered a full cost recovery fund as such the services provided by this fund are subsidized by the General Fund. Funding beyond the current year will be appropriated through the City's budget process. The agreement contain a Financial Liability Clause which limits the City's annual financial obligation to the amount approved in the corresponding year's budget.

FINANCIAL POLICIES STATEMENT

The recommendation in this report complies with the City's Financial Policies in that expenditures of special funds are limited to the mandates of the funding sources.

CONTRACT NO. C-127499

AMENDMENT NO. 1
TO
SERVICE AGREEMENT
BETWEEN
THE CITY OF LOS ANGELES
AND
USA WASTE OF CALIFORNIA, INC. DBA WASTE MANAGEMENT FOR
THE RECEIPT, PROCESSING, AND REUSE OF GREEN MATERIAL, FOOD MATERIAL,
AND/OR HORSE MANURE FROM THE CITY OF LOS ANGELES' CURBSIDE COLLECTION
PROGRAM



City of Los Angeles
Department of Public Works
Los Angeles Sanitation & Environment

Barbara Romero, Director and General Manager
Alex E. Helou, Assistant Director

Solid Resources Support Services Division
Robert J. Potter, Division Manager

AMENDMENT NO. 1 TO CONTRACT C-127499 BETWEEN THE CITY OF LOS ANGELES AND USA WASTE OF CALIFORNIA, INC. DBA WASTE MANAGEMENT FOR THE RECEIPT, PROCESSING AND REUSE OF GREEN MATERIAL, FOOD MATERIAL, AND/OR HORSE MANURE FROM THE CITY OF LOS ANGELES' CURBSIDE COLLECTION PROGRAM

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AMENDMENT NO. 1 TO CONTRACT C-127499 BETWEEN THE CITY OF LOS ANGELES AND USA WASTE OF CALIFORNIA, INC. DBA WASTE MANAGEMENT FOR THE RECEIPT, PROCESSING AND REUSE OF GREEN MATERIAL, FOOD MATERIAL, AND/OR HORSE MANURE FROM THE CITY OF LOS ANGELES' CURBSIDE COLLECTION PROGRAM

This AGREEMENT, made and entered into by and between the City of Los Angeles, a municipal corporation acting by order of and through its Board of Public Works, hereinafter called the "CITY", and USA Waste of California, Inc. dba Waste Management hereinafter referred to as the "CONTRACTOR"; is set forth as follows:

W I T N E S S E T H

WHEREAS, the CITY has a need for contracting services for the receipt, processing, and reuse of GREEN MATERIAL, FOOD MATERIAL, and/or HORSE MANURE from the City of Los Angeles' Curbside Collection Program; and

WHEREAS, the CITY is committed to the provisions of the California Integrated Solid Waste Management Act, and has set a goal to divert ninety percent (90%) of its solid waste from landfills by 2025 through source reduction, recycling, reuse, and composting methods; and

WHEREAS, GREEN MATERIAL comprises approximately thirty percent (30%) of the residential curbside collection program; and

WHEREAS, PROCESSING services are deemed to be vital to meet the CITY's commitment to divert GREEN MATERIAL, FOOD MATERIAL, and/or HORSE MANURE from landfills; and

WHEREAS, on April 12, 2013, the Board of Public Works (BOARD) authorized the CITY to distribute a Request for Proposals (RFP) for the receipt, processing, and reuse of green material, food material, and/or horse manure collected from the City's curbside collection program; and

WHEREAS, on June 18, 2013, the CITY received eight (8) proposals in response to the RFP; and

WHEREAS, USA Waste of California, Inc. dba Waste Management (CONTRACTOR) was deemed among the most qualified proposers having the experience and expertise to perform the services as set forth in the RFP; and

WHEREAS, on September 17, 2014, the BOARD authorized Los Angeles Sanitation (LASAN) to negotiate a service agreement with the CONTRACTOR; and

WHEREAS, the CONTRACTOR meets the Federal, State, and Local requirements to perform the scope of services required; and

WHEREAS, the services to be provided by CONTRACTOR are of an expert and technical nature; and

WHEREAS, on May 9, 2016, a five-year term agreement with two (2) five (5)-year renewal options (C-127499) was executed between the CITY and CONTRACTOR; and

WHEREAS, the CITY and the CONTRACTOR have negotiated this AMENDMENT NO. 1 for the term of three (3) years in good faith.

NOW, THEREFORE, in consideration of the foregoing and of the benefits which will accrue to the parties hereto in carrying out the terms and conditions of this AGREEMENT, it is understood and agreed by and between the parties hereto as follows:

ARTICLE 1 – SECTION HEADINGS AND CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

Modify this Article to read as follows:

ARTICLE 1 – CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles, subtitles, and/or section headings appearing herein have been inserted for convenience and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning, intent or construction of any of the terms or provisions hereof. The language of this CONTRACT shall be construed according to its fair meaning and not strictly for or against the CITY or the CONTRACTOR. The singular shall include the plural; use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used. The terms "include" and "including" do not exclude items not enumerated that are in the same general class.

ARTICLE 2 – DEFINITIONS

Modify this Article to add the following:

AMENDMENT 1 This Amendment No. 1 to the AGREEMENT/CONTRACT between CITY and CONTRACTOR.

AMENDMENT 1 DATE May 9, 2021

CHANGE IN LAW The occurrence of any event or change in APPLICABLE LAW specifically set forth below:

(a) The adoption, promulgation, modification, or change in APPLICABLE LAW; or

(b) Any order or judgment of any federal, state or local court, administrative agency or governmental or regulatory body, if:

(i) Such order or judgment is not also the result of the willful misconduct or gross negligence of the party relying thereon or of any third party for whom the party relying thereon is directly responsible; and

(ii) The party relying thereon, unless excused in writing from so doing by the other party, shall take or have taken, or shall cause or have caused to be taken, all reasonable action in good faith to contest such order or judgment (it being understood that the contesting in good faith of such an order or judgment shall not constitute or be construed as a willful misconduct or grossly negligent action of such party); or

(c) The imposition by a governmental authority or agency of any new or different material conditions in connection with the issuance, renewal, or modification of any PERMIT or operations of a FACILITY to the extent that such occurrence is not the result of willful misconduct or gross negligence of the party relying thereon or of any third party for whom the party relying thereon is directly

responsible; or

- (d) The substantial delay in or failure of a governmental authority or agency to issue any PERMIT, or the suspension or termination of any PERMIT or part thereof, provided such substantial delay or failure to issue or the suspension or termination of any PERMIT or part thereof, is not the result of willful misconduct or gross negligence of the party relying thereon or any third party for whom the party relying thereon is directly responsible.

FOOD MATERIAL

Source separated compostable organics, excluding Green Waste, that will readily decompose and/or putrefy, including, but not limited to: (i) all kitchen and table food waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) fruit waste, grain waste, dairy waste, meat, and fish waste; and (iv) vegetable trimmings and other compostable organic waste common to the occupancy of residential premises. Source separated FOOD WASTE may include de minimis amounts of GREEN WASTE. Source separated FOOD WASTE does not include UNPERMITTED WASTE.

HAZARDOUS WASTE

Any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances," "hazardous materials," "Hazardous Wastes," "acutely Hazardous Waste," "extremely Hazardous Waste," "toxic waste," "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.(CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §5101, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) the California Health and Safety Code §§25110.02, 25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7401 et seq.; and (vii) California Water Code §13050; (b) any amendments, rules or regulations

promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other special waste, hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other APPLICABLE LAW, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

PROCESSING

The conversion of GREEN MATERIAL, FOOD MATERIAL, and/or HORSE MANURE for beneficial reuse by means of mechanical processes including, but not limited to chipping, screening, cleaning, grinding, sizing, mulching; and biological processes including, but not limited to anaerobic digestion and composting.

REFUSE DISPOSAL FACILITY

CONTRACTOR'S primary refuse disposal facility is the Palmdale/ Antelope Valley Landfill located at 1200 W. City Ranch Road, Palmdale, CA 93551. The CONTRACTOR may also use the following as needed: Simi Valley Landfill (2801 N. Madera Rd., Simi Valley, CA 93065); Lancaster Landfill (600 E. Ave. F, Lancaster, CA 93535); and El Sobrante Landfill (10910 Dawson Canyon Rd., Corona, CA 92883) as needed.

UNPERMITTED WASTE

Material that (a) is prohibited from being received, managed or disposed of at a transfer, storage or disposal facility used hereunder by APPLICABLE LAW; (b) is or contains regulated HAZARDOUS WASTE; (c) is or contains any special waste, infectious waste, radioactive, volatile, corrosive, flammable, explosive, biomedical, biohazardous material, regulated medical or toxic substances, as defined pursuant to or listed or regulated under APPLICABLE LAW; (d) tires, automobiles, boats, boat trailers, or any parts thereof, internal combustion engines, lead-acid batteries, and those wastes under the control of the Nuclear Regulatory Commission; or (e) contains information protected by federal, state or local privacy or data security laws, including but not limited to the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA").

ARTICLE 3 – PROJECT DESCRIPTION

Modify Sub-article 3.1 to read as follows:

- 3.1 Subject to Sections 4.6, 4.7 and 4.8, the delivery of GREEN MATERIAL, FOOD MATERIAL, and/or HORSE MANURE to the CONTRACTOR'S FACILITIES from the Los Angeles curbside residential collection program, and the operation of a residential DROP-OFF PROGRAM, provided, however, that FOOD MATERIAL shall not be mixed and/or commingled with GREEN MATERIAL.

ARTICLE 4 – RESPONSIBILITIES OF AND SERVICES TO BE PERFORMED BY THE CONTRACTOR

Modify Sub-article 4.7 to read as follows:

- 4.7 Receipt of FOOD MATERIAL MIXED AND/OR COMMINGLED WITH GREEN WASTE

Contingent upon the CONTRACTOR'S FACILITIES permit to accept FOOD WASTE mixed with and/or commingled with GREEN WASTE, the scope of services provided by the CONTRACTOR may include the receipt, transportation, and PROCESSING of FOOD MATERIAL mixed with and/or commingled with GREEN MATERIAL at a negotiated price per ton.

Modify Sub-article 4.11 to read as follows:

- 4.11 The CONTRACTOR shall be responsible for PROCESSING received materials for beneficial reuse by means of mechanical processes including, but not limited to chipping, screening, cleaning, grinding, sizing, mulching; and biological processes including, but not limited to anaerobic digestion and composting. The CONTRACTOR shall be responsible for ensuring that the PROCESSING of GREEN MATERIAL, FOOD MATERIAL, and/or HORSE MANURE, and the resulting processed material complies with CONTRACTOR'S permits and APPLICABLE LAWS.

Modify Sub-article 4.14 to read as follows:

4.14 PROCESSING for Beneficial Reuse

Modify Sub-article 4.14.2 to read as follows:

4.14.2 The CONTRACTOR shall process GREEN MATERIAL for beneficial reuse, including but not limited to use as soil amendment, dust suppressants, fertilizer, bulking agents, co-compost, compost and/or mulch, topsoil, seed cover, feedstock for resource/energy recovery processes or constituents for goods made from a recycling process. The CONTRACTOR shall be responsible for transporting such processed material to the REUSE FACILITIES. CONTRACTOR shall provide the CITY with a confidential list of the REUSE FACILITIES as needed.

The CONTRACTOR shall process and handle the material in a manner that complies with all APPLICABLE LAWS, including but not limited to those laws regarding the herbicide Clopyralid, the insecticide Bifenthrin, the insect Light Brown Apple Moth, the insect Asian Citrus Psyllid, and the plant disease Huanglongbing.

The CITY acknowledges and understands that the ability to use GREEN MATERIAL for land application may be prohibited or limited in the future. Should the ability to use GREEN MATERIAL for land application be prohibited or limited in any way by a governmental authority or agency, the CITY and CONTRACTOR shall negotiate in good faith an adjustment to the rates to compensate the CONTRACTOR for increased costs for processing of GREEN MATERIAL. If the parties are unable to agree upon an appropriate adjustment in the rates, the CONTRACTOR may terminate this Agreement by providing forty-five (45) days' written notice of termination to CITY.

Modify Sub-article 4.16 to read as follows:

4.16 Site Requirements

The CONTRACTOR shall maintain control of the accepting transfer/receipt site and related PROCESSING facilities for the term of the CONTRACT. The CONTRACTOR shall provide and maintain adequate male and female restroom facilities for CITY

use at the CONTRACTOR'S FACILITIES. The CONTRACTOR shall also provide and maintain a clean out area for CITY vehicles.

The CONTRACTOR'S FACILITIES must be capable of PROCESSING and distributing up to 2,000 GROSS TONS of material from the CITY per day during peak conditions without excessive stockpiling of materials or causing delivery delays. The transfer/PROCESSING sites and related PROCESSING facilities must be of sufficient capacity and capable of providing the throughput required to accommodate CITY deliveries without disruption, delay, nuisance, or violation of APPLICABLE LAWS.

Modify Sub-article 4.20 to read as follows:

4.20 Contingency Facilities

CONTRACTOR has identified contingent PROCESSING facilities (Table 1) in the event of service disruptions at the CONTRACTOR'S SVRP facility, at CITY'S PROCESSING facilities, including but not limited to the Central Los Angeles Recycling and Transfer Station, Lopez Canyon Environmental Center, and Harbor Mulching Facility, or at any other PROCESSING facilities under contract with the CITY. The CITY may utilize the contingent PROCESSING facilities under an "as-needed" basis, including emergency circumstances, peak collection days, or periods of prolonged delay, and depending on availability of capacity, adequate personnel and equipment to handle the anticipated volumes and/or tonnage. CITY shall contact the Key CONTRACTOR Personnel and/or the contingent PROCESSING facility as soon as practicable to determine whether the contingent facility can accept the anticipated volumes and/or tonnage of GREEN WASTE based upon availability of capacity, adequate personnel, and equipment. The contingent PROCESSING facility listed below will charge the CITY at the rates stipulated for the WTR facility (Table 3 of ARTICLE 10 Section 10.4.). There shall be no minimum tonnage requirements at the contingent PROCESSING facility.

Table 1. CONTRACTOR'S CONTINGENT GREEN MATERIAL FACILITIES	
FACILITY NAME	LOCATION
Azusa Transfer Station & Material Recycling Facility	1501 W. Gladstone St., Azusa, CA 91702

Notwithstanding anything to the contrary in the provisions of this ARTICLE, the CITY shall have the right, at its sole discretion, to enter into agreements with other contractors without consultation or participation with the CONTRACTOR.

Modify Sub-article 4.28 to read as follows:

4.28 Maintenance of Records

The CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this AGREEMENT, in their original form, in accordance with requirements prescribed by the CITY. These records shall be retained for a period of no less than four (4) years from the later of the following (1) final payment made by the CITY, (2) the expiration date of this AGREEMENT, or (3) termination of this CONTRACT. Said records shall be subject to examination and audit by authorized CITY personnel or by the CITY's representative at any time during the term of this AGREEMENT or within the four (4) years following the termination of this AGREEMENT. The CONTRACTOR shall provide the CITY the opportunity to review reports requested by the CITY regarding performance of this AGREEMENT within thirty (30) business days of the request by the CITY. Any subcontract entered into by the CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this AGREEMENT.

ARTICLE 5 – KEY CONTRACTOR PERSONNEL

Modify Sub-article 5.1 to read as follows:

5.1 CONTRACTOR designates the following person to represent CONTRACTOR in all matters pertaining to this AGREEMENT:

Name: Kim Ohrt, Municipal Marketing Manager
Address: 9081 Tujunga Avenue, Sun Valley, CA 91352
Tel/Cell number: (818) 254-6981
Email: kohrt@wm.com

Name: Doug Corcoran, Director of Public Sector,
Southern California Market Area
Address: 9081 Tujunga Avenue, Sun Valley, CA 91352
Tel/Cell number: 818 252-3147
Email: dcorcora@wm.com

Additional technical specialists shall be assigned subject to the CITY PROJECT MANAGER'S approval.

ARTICLE 6 – RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY CITY

No changes to this Article.

ARTICLE 7 – TERM OF AGREEMENT AND TIME OF EFFECTIVENESS

Add to Article to read as follows:

- 7.1 The CONTRACTOR and the CITY have agreed to renew the contract on an amended term of AGREEMENT. The renewal term will be for three (3) years from May 9, 2021 through May 8, 2024.

The rates in this AGREEMENT (Article 10) will be effective as of May 9, 2021; and the CITY shall have a retroactive obligation to pay CONTRACTOR the rates stated in Article 10 for any services provided by the CONTRACTOR as of May 9, 2021.

ARTICLE 8 – TERMINATION

Modify this Article to read as follows:

- A. Termination for Convenience

The CITY may terminate this CONTRACT for the CITY'S convenience at any time by providing the CONTRACTOR ninety (90) days written notice. CITY shall pay the CONTRACTOR any and all sums due to the CONTRACTOR under the AGREEMENT through the effective date of termination and those reasonable costs incurred by the CONTRACTOR to effect the termination. Thereafter, the CONTRACTOR shall have no further claims against the CITY under this CONTRACT. All finished and unfinished documents and materials procured for or produced under this CONTRACT, including all intellectual property rights the CITY is entitled to, shall become CITY property upon the date of the termination. The CONTRACTOR agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

- B. Termination for Default

1. Except as provided in Article 20, if the CONTRACTOR fails to materially perform any of the provisions of this CONTRACT or so fails to make progress

as to endanger timely performance of this CONTRACT, the CITY may give the CONTRACTOR written notice of the default. The CITY'S default notice will provide the CONTRACTOR an opportunity to cure the default and provide a reasonable period to cure the default to the sole satisfaction of the CITY. Additionally, the CITY'S default notice may offer the CONTRACTOR an opportunity to provide the CITY with a plan to cure the default, which shall be submitted to the CITY within a reasonable time period allowed by the CITY. At the CITY'S sole discretion, the CITY may accept or reject the CONTRACTOR'S plan. If the default cannot be cured or if the CONTRACTOR fails to cure within the period allowed by the CITY, then the CITY may terminate this CONTRACT for default.

2. If the default under this CONTRACT is due to the CONTRACTOR'S failure to maintain the insurance required under this CONTRACT, the CONTRACTOR shall immediately: (1) suspend performance of any services under this CONTRACT for which insurance was required; and (2) notify its employees and SUBCONTRACTORS of the loss of insurance coverage and the CONTRACTOR'S obligation to suspend performance of services. The CONTRACTOR shall not recommence performance until the CONTRACTOR is fully insured and in compliance with the CITY'S requirements pursuant to this AGREEMENT.
3. If a federal or state proceeding for relief of debtors is undertaken by or against the CONTRACTOR, or if the CONTRACTOR makes an assignment for the benefit of creditors, then the CITY may immediately terminate this CONTRACT by providing written notice to the CONTRACTOR.
4. If the CONTRACTOR engages in any dishonest conduct related to the performance or administration of this CONTRACT or violates the CITY'S laws and regulations relating to lobbying, then the CITY may immediately terminate this CONTRACT by providing written notice to the CONTRACTOR.
5. Acts of Moral Turpitude
 - a. The CONTRACTOR shall immediately notify the CITY if any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").

- b. If a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to an Act of Moral Turpitude, the CITY may immediately terminate this CONTRACT.
 - c. If a Key Person is charged with or indicted for an Act of Moral Turpitude, the CITY may terminate this CONTRACT after providing the CONTRACTOR an opportunity to present evidence of the CONTRACTOR'S ability to perform under the terms of this CONTRACT.
 - d. Acts of Moral Turpitude are defined as: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.
 - e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this CONTACT, or owner of ten percent (10%) or more of the voting power or equity interests of CONTRACTOR.
6. In the event the CITY terminates this CONTRACT as provided in this section, the CITY may procure, upon such terms and in the manner as the CITY may deem appropriate, services similar in scope and level of effort to those so terminated, and the CONTRACTOR shall be liable to the CITY for all of its costs and damages for such services.
7. If, after notice of termination of this CONTRACT under the provisions of this section, it is determined for any reason that the CONTRACTOR was not in default under the provisions of this section, or that the default was excusable under the terms of this CONTRACT, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 8 (A) Termination for Convenience.

8. The rights and remedies of the CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this CONTRACT.
- C. In the event that this CONTRACT is terminated, the CONTRACTOR shall immediately notify all employees and SUBCONTRACTORS, and shall notify in writing all other parties contracted with under the terms of this CONTRACT within five (5) working days of the termination. The CITY shall pay the CONTRACTOR any and all sums due to the CONTRACTOR under the CONTRACT, for services performed through the effective date of termination.

ARTICLE 9 – SUBCONTRACT APPROVAL

No changes to this Article.

ARTICLE 10 - COMPENSATION, INVOICING, AND PAYMENT

Modify Sub-article 10.3 to read as follows:

- 10.3 The CONTRACTOR agrees that the service fee for all services provided in this AGREEMENT shall be calculated based on the monthly material tonnage received by the CONTRACTOR at the CONTRACTOR'S FACILITIES as follows:

$$\text{Service Fee} = [(Y - C) \times (P + H)] + (C \times (R + H))$$

Where:

- Y = the aggregate quantity of material received by the CONTRACTOR including CONTAMINANTS (unit: tons), but excluding weekend residential DROP-OFF PROGRAM tonnage;
- C = Quantity of CONTAMINANTS removed from material (unit: tons), excluding CONTAMINANTS removed from the residential DROP-OFF PROGRAM;
- P = Material PROCESSING rates specified in Tables 2 and 3 of Section 10.4 of this ARTICLE. These rates are all inclusive of the CONTRACTOR's cost to provide the services of this PROJECT;
- R = Unit cost for each ton of CONTAMINANTS removed from material and disposed of at REFUSE DISPOSAL FACILITIES except for the unpermitted waste.

H = Clean air fee applied to each ton of processed material and CONTAMINANTS at Sun Valley Recycling Park. This Fee does not apply to tonnage delivered to Waste Transfer and Recycling Center or the other contingency facilities.

Modify Sub-article 10.4 to read as follows:

10.4 The rates P and R used in the formulas in Section 10.3 of this ARTICLE above shall vary according to the average daily tonnage amount delivered to the CONTRACTOR'S FACILITIES over any bimonthly billing cycle as shown in the following rate schedules. Rates P and R shall also be applied to the residential DROP-OFF PROGRAM tonnage. The following rates will be effective May 9, 2021:

TABLE 2. SVRP RATE SCHEDULE FOR GREEN MATERIAL					
Term effective May 9, 2021		Daily Average Gross Tonnage Per Billing Cycle			
		Less than or equal to 100 TPD	Greater than 100 TPD but less than or equal to 250 TPD	Greater than 250 TPD but less than or equal to 500 TPD	Greater than 500 TPD
P + H	Processing Rate + Clean Air Fee	\$177.79	\$111.20	\$69.50	\$53.44
R + H	Unit Cost for Processing Contaminants + Clean Air Fee	\$136.91	\$81.77	\$71.40	\$60.23

TABLE 3. WTR RATE SCHEDULE FOR GREEN MATERIAL					
Term effective May 9, 2021		Daily Average Gross Tonnage Per Billing Cycle			
		Less than or equal to 100 TPD	Greater than 100 TPD but less than or equal to 250 TPD	Greater than 250 TPD but less than or equal to 500 TPD	Greater than 500 TPD
P	Processing Rate	\$171.36	\$107.09	\$91.51	\$78.04
R	Unit Cost for Processing Contaminants	\$143.07	\$85.23	\$60.72	\$53.62

Modify Sub-article 10.5 to read as follows:

10.5 The rates in Tables 2 and 3 above shall be firm until June 30, 2022. Thereafter the first adjustment will be on July 1, 2022 as negotiated by the CITY and CONTRACTOR. The following rates will be effective July 1, 2022:

TABLE 2. SVRP RATE SCHEDULE FOR GREEN MATERIAL					
Term effective July 1, 2022		Daily Average Gross Tonnage Per Billing Cycle			
		Less than or equal to 100 TPD	Greater than 100 TPD but less than or equal to 250 TPD	Greater than 250 TPD but less than or equal to 500 TPD	Greater than 500 TPD
P + H	Processing Rate + Clean Air Fee	\$197.76	\$123.69	\$77.30	\$59.43
R + H	Unit Cost for Processing Contaminants + Clean Air Fee	\$140.34	\$83.82	\$73.19	\$61.74

TABLE 3. WTR RATE SCHEDULE FOR GREEN MATERIAL					
Term effective July 1, 2022		Daily Average Gross Tonnage Per Billing Cycle			
		Less than or equal to 100 TPD	Greater than 100 TPD but less than or equal to 250 TPD	Greater than 250 TPD but less than or equal to 500 TPD	Greater than 500 TPD
P	Processing Rate	\$197.07	\$123.16	\$105.24	\$89.75
R	Unit Cost for Processing Contaminants	\$146.64	\$87.36	\$62.24	\$54.96

Thereafter the final adjustment will be on July 1, 2023. The following rates will be effective July 1, 2023 to May 8, 2024:

TABLE 2. SVRP RATE SCHEDULE FOR GREEN MATERIAL					
Term effective July 1, 2023		Daily Average Gross Tonnage Per Billing Cycle			
		Less than or equal to 100 TPD	Greater than 100 TPD but less than or equal to 250 TPD	Greater than 250 TPD but less than or equal to 500 TPD	Greater than 500 TPD
P + H	Processing Rate + Clean Air Fee	\$217.57	\$136.07	\$85.03	\$65.37
R + H	Unit Cost for Processing Contaminants + Clean Air Fee	\$143.86	\$85.92	\$75.03	\$63.29

TABLE 3. WTR RATE SCHEDULE FOR GREEN MATERIAL					
Term effective July 1, 2023		Daily Average Gross Tonnage Per Billing Cycle			
		Less than or equal to 100 TPD	Greater than 100 TPD but less than or equal to 250 TPD	Greater than 250 TPD but less than or equal to 500 TPD	Greater than 500 TPD
P	Processing Rate	\$227.42	\$142.12	\$121.45	\$103.57
R	Unit Cost for Processing Contaminants	\$150.31	\$89.54	\$63.79	\$56.33

Modify Section 10.6 to read as follows:

- 10.6 Should the CONTRACTOR experience substantial increased costs associated with the services it is providing pursuant to this AGREEMENT, which are outside its control including, without limitation, a CHANGE IN LAW, the CONTRACTOR may request an increase in the cost-per-ton paid by the CITY based on cost substantiation. The CONTRACTOR agrees to provide the CITY with substantiated written documentation supporting its request for any increase in the cost-per-ton to the CITY. The CITY shall have the right to review the documentation and, in the CITY'S sole discretion, either agree to pay the requested increase, a different negotiated amount, or deny the CONTRACTOR'S request. Examples of increased

costs outside of the CONTRACTOR'S control include, but are not limited to, changes in regulatory and tax requirements. Any increase granted by the CITY shall be retroactive to the effective date of the increased cost upon supporting documentation provided by the CONTRACTOR.

ARTICLE 11 - AMENDMENTS

No changes to this Article.

ARTICLE 12 – INDEMNIFICATION AND INSURANCE

No changes to this Article.

ARTICLE 13 – INDEPENDENT CONTRACTORS

Modify this Article to read as follows:

The CONTRACTOR is an independent contractor and not an agent or employee of the CITY. The CONTRACTOR shall not represent or otherwise hold itself out or any of its directors, officers, partners, employees, or agents to be an agent or employee of CITY.

ARTICLE 14 – WARRANTY AND RESPONSIBILITY OF CONTRACTOR

No changes to this Article.

ARTICLE 15 - INTELLECTUAL PROPERTY INDEMNIFICATION

Modify this Article to read as follows:

The CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the CITY, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by the CONTRACTOR, or its SUBCONTRACTORS, in performing the work under this CONTRACT; or (2) as a result of the CITY'S actual or intended use of any Work Product (as defined Article 17) furnished by the CONTRACTOR, or its SUBCONTRACTORS, under this CONTRACT. The rights and

remedies of the CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this CONTRACT. This provision will survive expiration or termination of this CONTRACT.

ARTICLE 16 - INTELLECTUAL PROPERTY WARRANTY

No change to this Article.

(DELETE) ARTICLE 17 - OWNERSHIP AND LICENSE

Delete this Article.

ARTICLE 18 – SUCCESSORS AND ASSIGNS

No changes to this Article

ARTICLE 19 – CONTACT PERSONS - PROPER ADDRESSES - NOTIFICATION

Modify this Article to read as follows:

All notices shall be made in writing and may be given by personal delivery, regular mail, or electronic mail. Notices sent by regular mail should be registered or certified and sent to the designated contact person for each party and addressed as follows:

To The CITY:

Contact Persons:

Solid Resources Support Services Project Manager
Attn: Rowena Romano
Email: Rowena.Romano@lacity.org
Tel: (213) 485-3626

Solid Resources Support Services Assistant Project Manager
Attn: James Roska
Email: James.Roska@lacity.org
Tel: (213) 485-2988

Solid Resources Support Services Environmental Engineer
Attn: Darshna Patel
Email: Darshna.Patel@lacity.org

Tel: (213) 847-2952

Solid Resources Support Services Division Manager

Attn: Robert Potter

Email: Robert.Potter@lacity.org

Tel: (213) 485-3825

1149 S. Broadway Suite 500

Los Angeles, CA 90015

Fax: (213) 485-2961

CC: Los Angeles Sanitation Assistant Director

Attn: Alexander E. Helou

1149 S. Broadway Suite 900

Los Angeles, CA 90015

To The CONTRACTOR:

Contact Persons:

Kim Ohrt

Waste Management, Municipal Marketing Manager

9081 Tujunga Avenue

Sun Valley, CA 91352

Tel: (818) 254-6981 Fax: (818) 252-3249

Email: kohrt@wm.com

CC: Doug Corcoran

Waste Management, Director of Public Services,

Southern California Market Area

9081 Tujunga Avenue

Sun Valley, CA 91352

Tel: (818) 252-3147

Fax: (818) 252-3249

Email: dcorcora@wm.com

ARTICLE 20 – FORCE MAJEURE

No changes to this Article.

ARTICLE 21 – SEVERABILITY

No changes to this Article.

ARTICLE 22 – DISPUTES

No changes to this Article.

ARTICLE 23 – ENTIRE AGREEMENT

Modify this Article to read as follows:

ARTICLE 23 – INTEGRATED CONTRACT

This CONTRACT sets forth all of the rights and duties of the parties with respect to the subject matter of this CONTRACT, and replaces any and all previous contracts or understandings, whether written or oral, relating thereto. This CONTRACT may be amended only as provided for in the provisions of Article 11 hereof.

ARTICLE 24 – APPLICABLE LAW, INTERPRETATION, AND ENFORCEMENT

Modify this Article to read as follows:

Each party's performance shall comply with all APPLICABLE LAWS of the United States of America, the State of California, and CITY, including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing. This CONTRACT shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. Except as otherwise provided in this AGREEMENT, CONTRACTOR shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this CONTRACT with no additional compensation paid to CONTRACTOR.

In any action arising out of this CONTRACT, CONTRACTOR consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term, or provision of this CONTRACT is held void, illegal, unenforceable, or in conflict with any federal, state, or local law or regulation, the validity of the remaining parts, terms, or provisions of this CONTRACT shall not be affected.

ARTICLE 25 – CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

Modify this Article to read as follows:

For the duration of this CONTRACT, the CONTRACTOR shall maintain a valid Business Tax Registration Certificate(s) as required by the CITY'S Business Tax Ordinance, Section 21.00 et seq. of the Los Angeles Municipal Code ("LAMC"), and shall not allow the certificate to lapse or be revoked or suspended. **(EXHIBIT I)**

Should any such certificate(s) become suspended or revoked, it is the CONTRACTOR'S responsibility to report the matter immediately to the CITY PROJECT MANAGER.

ARTICLE 26 – WAIVER

No changes to this Article.

ARTICLE 27 – PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

No changes to this Article.

ARTICLE 28 – PERMITS

Modify this Article to read as follows:

The CONTRACTOR and its directors, officers, partners, agents, employees, and SUBCONTRACTORS, shall obtain and maintain all licenses, permits, and certifications necessary for the operation of the FACILITIES. The CONTRACTOR shall immediately notify the CITY of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, or certificates necessary for operation of the FACILITIES.

ARTICLE 29 – DISCOUNTS

No changes to this Article.

ARTICLE 30 - CLAIMS FOR LABOR AND MATERIALS

Modify this Article to read as follows:

The CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this CONTRACT so as to prevent any lien or other claim

under any provision of law from arising against any CITY property (including reports, documents, and other tangible or intangible matter produced by CONTRACTOR hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other APPLICABLE LAW with respect to labor used to perform under this CONTRACT.

ARTICLE 31 – BREACH

No changes to this Article.

ARTICLE 32 - NON-DISCRIMINATION

Modify this Article to read as follows:

ARTICLE 32 – MANDATORY PROVISIONS PERTAINING TO NON- DISCRIMINATION IN EMPLOYMENT

Unless otherwise exempt, this CONTRACT is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. The CONTRACTOR shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the CITY. In performing this CONTRACT, the CONTRACTOR shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person’s race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status, or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this CONTRACT by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this CONTRACT by reference and will be known as the “Equal Employment Practices” provisions of this CONTRACT.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this CONTRACT by reference and will be known as the “Affirmative Action Program” provisions of this CONTRACT.

Any subcontract entered into by the CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

(DELETE) ARTICLE 33 - EQUAL EMPLOYMENT PRACTICES

Delete this Article.

(DELETE) ARTICLE 34 - AFFIRMATIVE ACTION PROGRAM

Delete this Article.

ARTICLE 35 – CHILD SUPPORT ASSIGNMENT ORDERS

Modify this Article to read as follows:

The CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, the CONTRACTOR shall fully comply with all applicable State and Federal employment reporting requirements. Failure of the CONTRACTOR to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of the CONTRACTOR to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the CONTRACTOR under this CONTRACT. Failure of the CONTRACTOR or principal owner to cure the default within ninety (90) days of the notice of default will subject this CONTRACT to termination for breach. Any subcontract entered into by the CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 36 – LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

Modify this Article to read as follows:

I. LIVING WAGE ORDINANCE

The CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 et seq., as amended from time to time. The CONTRACTOR further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by the CONTRACTOR for work to be performed under this CONTRACT must include an identical provision. **(EXHIBIT G)**

II. SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 et seq., as amended from time to time. Any subcontract entered into by the CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

ARTICLE 37 – AMERICANS WITH DISABILITIES ACT

Modify this Article to read as follows:

ARTICLE 37 – ACCESS AND ACCOMMODATIONS

The CONTRACTOR represents and certifies that:

- A. The CONTRACTOR shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments, and the California Government Code Section 11135;
- B. The CONTRACTOR shall not discriminate on the basis of a disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. The CONTRACTOR shall provide reasonable accommodation upon request to ensure equal access to CITY-funded programs, services, and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this CONTRACT are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

The CONTRACTOR understands that the CITY is relying upon these certifications and representations as a condition to funding this CONTRACT.

ARTICLE 38 – CONTRACTOR RESPONSIBILITY ORDINANCE

Modify this Article to read as follows:

The CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 et seq., as amended from time to time. Any subcontract entered into by the CONTRACTOR for work to be performed under this CONTRACT must include an identical provision. **(EXHIBIT H)**

ARTICLE 39 – LOS ANGELES BUSINESS INCLUSION PROGRAM

Modify this Article to read as follows:

Unless otherwise exempted prior to bid submission, the CONTRACTOR shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this CONTRACT. The CONTRACTOR shall utilize the Business Assistance Virtual Network (“BAVN”) at <https://www.labavn.org/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. The CONTRACTOR shall perform SUBCONTRACTOR outreach activities through BAVN. The CONTRACTOR shall not change any of its designated SUBCONTRACTORS or pledged specific items of work to be performed by these SUBCONTRACTORS, nor shall the CONTRACTOR reduce their level of effort, without prior written approval of the CITY.

(DELETE) ARTICLE 40 – EQUAL BENEFITS ORDINANCE

Delete this Article.

ARTICLE 41 – SLAVERY DISCLOSURE ORDINANCE

Modify this Article to read as follow:

ARTICLE 41 – DISCLOSURE ORDINANCES

Unless otherwise exempt in accordance with the provisions of this Ordinance, this CONTRACT is subject to the Slavery Disclosure Ordinance, Section 10.41 et seq., of the Los Angeles Administrative Code, as may be amended from time to time. The CONTRACTOR certifies that it has complied with the applicable provisions of this Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this CONTRACT. Any subcontract entered into by the CONTRACTOR for work to be

performed under this CONTRACT must include an identical provision. Exhibit E is attached hereto and incorporated herein by this reference.

The CONTRACTOR shall comply with Los Angeles Administrative Code Section 10.50 et seq., 'Disclosure of Border Wall Contracting.' The City may terminate this CONTRACT at any time if the CITY determines that the CONTRACTOR failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in LAAC Section 10.50.1.

ARTICLE 42 – CONTRACTOR PERFORMANCE EVALUATION ORDINANCE

No change to this Article.

ARTICLE 43 – MUNICIPAL LOBBYING ORDINANCE

No change to this Article.

ARTICLE 44 - FIRST SOURCE HIRING ORDINANCE

Modify this Article to read as follows:

The CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 et seq., as amended from time to time. Any subcontract entered into by CONTRACTOR for work to be performed under this CONTRACT must include an identical provision. **(EXHIBIT N)**

ARTICLE 45 - COMPLIANCE WITH LOS ANGELES CITY CHARTER SECTION 470(c)(12) FOR MEASURE H/CONTRACTOR CONTRIBUTIONS/FUNDRAISING

Modify this Article to read as follows:

ARTICLE 45 – RESTRICTIONS ON CAMPAIGN CONTRIBUTIONS AND FUNDRAISING IN CITY ELECTIONS

Unless otherwise exempt, if this CONTRACT is valued at \$100,000 or more and requires approval by an elected CITY office, CONTRACTOR, CONTRACTOR'S principals, and CONTRACTOR'S SUBCONTRACTORS expected to receive at least \$100,000 for performance under the CONTRACT, and the principals of those SUBCONTRACTORS (the "Restricted Persons") shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles the CITY to terminate this CONTRACT and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit

the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected CITY officials or candidates for elected CITY office for twelve (12) months after this CONTRACT is signed. Additionally, a CONTRACTOR subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any contractor subject to Charter Section 470(c)(12) shall include the following notice in any contract with any subcontractor expected to receive at least \$100,000 for performance under this CONTRACT:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles contract#_____. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“CITY”) officials and candidates for elected CITY office for twelve (12) months after the CITY contract is signed. You are required to provide the names and contact information of your principals to the CONTRACTOR and to amend that information within ten (10) business days if it changes during the twelve-month (12-month) time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

(EXHIBIT O)

ARTICLE 46 - IRAN CONTRACTING ACT OF 2010

No changes to this Article.

(ADD) ARTICLE 47 – COOPERATIVE PURCHASING (NOT APPLICABLE)

(ADD) ARTICLE 48 – LOCAL BUSINESS PREFERENCE ORDINANCE

The CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by the CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

(ADD) ARTICLE 49 – CONTRACTORS’ USE OF CRIMINAL HISTORY FOR CONSIDERATION OF EMPLOYMENT APPLICATIONS

The CONTRACTOR shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by the CONTRACTOR for work to be performed under this CONTRACT must include an identical provision.

(ADD) ARTICLE 50 – COMPLIANCE WITH IDENTITY THEFT LAWS AND PAYMENT CARD DATA SECURITY STANDARDS (NOT APPLICABLE)

(ADD) ARTICLE 51 – COMPLIANCE WITH CALIFORNIA PUBLIC RESOURCES CODE SECTION 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, the CONTRACTOR shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by the CITY. The CONTRACTOR is required to have all employees, volunteers, and SUBCONTRACTORS (including all employees and volunteers of any SUBCONTRACTOR) of the CONTRACTOR working on premises to pass a fingerprint and background check through the California Department of Justice at the CONTRACTOR’S sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

(ADD) ARTICLE 52 – POSSESSORY INTERESTS TAX

Rights granted to the CONTRACTOR by the CITY may create a possessory interest. The CONTRACTOR agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, the CONTRACTOR shall pay the property tax. The CONTRACTOR acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

(ADD) ARTICLE 53 – CONFIDENTIALITY(NOT APPLICABLE)

(ADD) ARTICLE 54 – COUNTERPARTS

This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the City) and sent by e-mail shall be deemed original signatures.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on the day and year written below.

CITY OF LOS ANGELES

**USA WASTE OF CALIFORNIA, INC.,
dba WASTE MANAGEMENT**

By: _____

By: _____
Larry Metter

Title: Commissioner, Board of Public Works

Title: President, Southern California Area

Date: _____

Date: _____

By: _____

Title: Commissioner, Board of Public Works

Date: _____

**APPROVED AS TO FORM
MICHAEL N. FEUER, City Attorney**

By: _____
Adena Hopenstand

Title: Deputy City Attorney

Date: _____

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By: _____

Title: Deputy City Clerk

Date: _____