

ORIGINAL

**MUNICIPAL
SOLID WASTE COLLECTION
AND DISPOSAL FRANCHISE CONTRACT
BETWEEN
THE CITY OF SANTA BARBARA
AND MARBORG INDUSTRIES, INC.
FOR THE CITY OF SANTA BARBARA**

Dated as of February 12, 2013

This municipal solid waste franchise agreement (hereinafter the "Franchise") is made and entered into as of February 12, 2013, (hereinafter referred to as the "Contract Date") by and between the City of Santa Barbara, a municipal corporation (hereinafter referred to as the "City") and MarBorg Industries, a California corporation (hereinafter referred to as "MarBorg").

MarBorg and the City agree as follows:

ARTICLE ONE

REPRESENTATIONS AND WARRANTIES OF MARBORG

MarBorg hereby makes the following representations and warranties for the benefit of the City as of the Effective Date of this Franchise:

1.01 Duly Organized and Qualified to do Business. MarBorg is duly organized and validly existing as a corporation in good standing under the laws of the State of California and qualified to do business in California.

1.02 Corporate Authorization. MarBorg has full legal right, power, and authority to execute, deliver, and perform this Franchise, and has duly authorized the execution and delivery of this Franchise by all necessary and proper action by its Board of Directors, or by its shareholders, if necessary.

1.03 Franchise Duly Executed. The persons signing this Franchise on behalf of MarBorg have been authorized by MarBorg to do so, and this Franchise has been duly executed and delivered by MarBorg in accordance with the authorization of its Board of Directors, or shareholders if necessary, and constitutes a legal, valid and binding obligation of MarBorg enforceable against MarBorg in accordance with its terms.

1.04 No Conflict with Applicable Law or Other Documents. Neither the execution and delivery by MarBorg of this Franchise, nor the performance by MarBorg of its obligations hereunder (i) conflicts with, violates or will result in a violation of any existing applicable law; or (ii) conflicts with, violates or will result in a breach or default under any term or condition of any existing judgment, order or decree of any court, administrative agency or other governmental authority, or of any existing Franchise or instrument to which MarBorg is a party, or by which MarBorg or any of MarBorg's properties or assets is bound.

1.05 No Litigation. There is no action, suit, proceeding, or investigation at law or in equity, before or by any court or governmental entity, pending or threatened against MarBorg, or otherwise affecting MarBorg, wherein an unfavorable decision, ruling, or finding, in any single case or in the aggregate, would materially adversely affect MarBorg's performance hereunder, or which, in any way, would adversely affect the validity or enforceability of this Franchise, or which would have a material adverse effect on the financial condition of MarBorg.

1.06 Financial Condition. MarBorg has made available to City information on its financial condition. MarBorg recognizes that City has relied on this information in evaluating the sufficiency of MarBorg's financial resources to perform this Franchise. To the best of MarBorg's knowledge, this information is complete and accurate, does not contain any material misstatement of fact and does not omit any fact necessary to prevent the information provided from being materially misleading.

1.07 Expertise. MarBorg has the expertise, equipment, physical plant, and professional and technical capability to perform all of its obligations under this Franchise. MarBorg has made available to City information on its equipment, physical plant, personnel and management experience. MarBorg recognizes that City has relied on this information in evaluating the sufficiency of MarBorg's resources to perform this Franchise. To the best of MarBorg's knowledge, this information is complete and accurate, does not contain any material misstatement of fact and does not omit any fact necessary to prevent the information provided from being materially misleading.

1.08 MarBorg's Investigation. MarBorg has made an independent investigation and analysis, the results of which are satisfactory to MarBorg, of the conditions and circumstances surrounding the Franchise, its content and preparation, and the work to be performed by MarBorg under the Franchise. The Franchise accurately and fairly represents the intentions of MarBorg, and MarBorg enters into this Franchise on the basis of that independent investigation and analysis.

1.09 Representations Made to City During Franchise Negotiations. All of the information submitted by MarBorg during its franchise negotiations with the City, including but not limited to the following: 1. MarBorg's written Proposal of September 12, 2011; 2. MarBorg's updated Proposal dated May 16, 2012; 3. The written materials submitted by MarBorg to the City and contained in the exhibits to this Franchise, and; 4. other written materials provided to the City during the negotiations for this Franchise by MarBorg for the purposes of allowing the City to evaluate the award of the Franchise to MarBorg, is complete and accurate, does not contain any material misstatement of fact and omit any fact necessary to prevent the information provided from being materially misleading or inaccurate.

ARTICLE TWO TERM

2.01 Effective Date of Franchise. The effective date of this Franchise shall be for a period of ten (10) years beginning June 7, 2013 – hereinafter referred to as the "Effective Date."

2.02 Term of Franchise.

A. The term of this Franchise shall commence on the Effective Date and, upon its due acceptance by MarBorg in accordance with the requirements of the City charter, shall end at midnight on June 7, 2023 unless earlier terminated as provided herein. The Collection of Municipal Solid Waste ("MSW") and Recyclable Materials within the City by MarBorg under the terms of this Franchise shall commence on 12:01 a.m. June 7, 2013.

2.03 Conditions to Effectiveness of Agreement.

A. **Obligation of City to Perform.** The obligation of the City to perform its contractual obligations under this Franchise is subject to MarBorg's satisfaction of the following franchise conditions and understandings on or before the Effective Date:

1. **Accuracy of Representations.** The representations and warranties of MarBorg made in Article 1 of this Franchise shall be true and correct on and as of the Effective Date.

2. **Absence of Litigation.** There shall be no litigation pending on the Effective Date in any court challenging the execution of this Franchise or seeking to restrain or enjoin its performance.

3. Furnishing of Bond (or Alternative Security) and Insurance. MarBorg shall have furnished the performance bond or alternative security, required by Article 9 hereof, and the evidence of insurance policies required by Article 10 hereof.

4. Effectiveness of City Approval. MarBorg understands and acknowledges that, under Article XIV of the Santa Barbara City charter, the action of the City Council approving this Franchise and authorizing its due execution by officers of the City must take the form of a City ordinance and that, in accordance with section 514 of the City charter, this ordinance will not have any legal effect and the Franchise will not be a binding contract until thirty (30) days after the adoption date of the required City ordinance, provided that the required approval ordinance has not been referred to the voters of the City during the thirty (30) day period.

5. Acceptance of the Franchise by MarBorg. MarBorg understands and acknowledges that this Franchise must be accepted in a timely manner and in writing by MarBorg in accordance with the requirements of the City charter in order for this franchise to take effect as a contract.

B. Obligation of MarBorg to Perform. The obligation of MarBorg to perform under this Franchise is subject to the satisfaction by the City on or before the Effective Date of both of the conditions set forth below:

1. Absence of Litigation. There shall be no litigation involving the City pending on the Effective Date in any court challenging the execution of this Franchise, or seeking to enjoin its performance.

2. Effectiveness of City's Approval. The action of the City Council to adopt a City ordinance approving this Franchise and authorizing its execution by officers of the City shall have taken final effect pursuant to state law, including the City charter.

C. Written Notice that Franchise Has Not Taken Effect. If either party wishes to assert that a pre-condition of this Franchise intended for its benefit has not been satisfied and has not been waived prior to the Effective Date, it must deliver written notice to that effect to the other party. If no such notice is received, the Franchise will become effective on the Effective Date and neither party may thereafter assert that a condition has not been satisfied or waived and that the Franchise is not effective. This paragraph is not intended to prevent the City from seeking to employ other remedies in the event a representation or warranty by MarBorg made pursuant to Article 1 is later discovered not to be true and correct or to remedy a failure by MarBorg to furnish the required insurance and bond.

2.04 Grant of Municipal Solid Waste Franchise Rights to Serve the City. Pursuant to the Charter and ordinances of the City of Santa Barbara and subject to the requirements and conditions of this Franchise, the City hereby awards to MarBorg the right, privilege, and duty, during the Term hereof, the following municipal solid waste franchise rights within the City of Santa Barbara:

1. to engage in the business of collecting, transporting and effecting the ultimate disposal of Municipal Solid Waste (hereinafter "MSW");
2. to Collect and transport Recyclable Material which is Delivered for Collection;
3. to Collect and transport Greenwaste which is Delivered for Collection;
4. to Collect and transport Foodscraps which is Delivered for Collection;

5. to Collect, transport and dispose of other Source Separated materials, as provided in this franchise; and

6. to use the City streets for the performance of the above-described services.

2.05 Scope of Franchise Services and Franchise Fees to City. Notwithstanding the general grant of franchise rights described in Section 2.04 above, a more detailed scope of the franchise services awarded to MarBorg by this Franchise and the specific aspects of this franchise which are exclusive to MarBorg are set forth in more detail in Section 14.25 hereof.

2.06 Franchise Fee Compensation to the City. As required by section 1405 of the City charter as consideration for the City's grant of this Franchise, MarBorg shall pay to the City an annual franchise fee in the amount of two percent (2%) of its total gross annual receipts as derived by MarBorg through all of its operations within the City – hereinafter the "Franchise Fee" as appropriate compensation to the City for allowing MarBorg the exclusive use of City streets and rights-of-way to operate an MSW franchise business within the City.

2.07 Payment of City Utility User Taxes and Other Fees Required by City. Unless otherwise collected by the City pursuant to the aspects of this Franchise which provided for City billing of MarBorg customers for MSW services, MarBorg shall also collect and transmit to the City the required City's utility users taxes in the manner mandated by Santa Barbara Municipal Code Chapter 4.24 as well as any City MSW billing fees as set forth in Section 6.01.

2.08 Written Acceptance of Franchise. Prior to the Effective Date, MarBorg shall accept the Solid Waste Collection and Disposal Franchise in writing on the terms and conditions set forth herein in the manner required by Section 1403 of the City charter.

ARTICLE THREE SCOPE OF WORK

3.01 Scope of Work - General. MarBorg shall perform the following franchise work during the term of this Franchise in a prompt, professional and thorough manner: (a) Collect, transport and dispose of all Municipal Solid Waste generated at Residential and Commercial Premises, (b) Collect, transport, and process Recyclable Materials, Foodwaste, and Greenwaste Delivered for Collection by participating Residential and Commercial Premises, (c) Provide services to City Premises as specified herein, and (d) Provide Recycling education and promotion activities as provided herein.

The franchise work to be done by MarBorg includes the furnishing of all labor, planning, coordination, supervision, equipment, transportation, materials, supplies, the payment of all fees, including the payment of Tipping Fees, licenses, taxes and charges, and all other items necessary to perform the MSW services required by this franchise. The enumeration of, and specification of requirements for, particular items of labor or equipment shall not relieve MarBorg of the duty to furnish all others that may be required by this Agreement, whether enumerated or not.

The work to be done by MarBorg shall be performed in a thorough and efficient manner, so that residents, Businesses and institutions within the City are provided prompt, reliable, courteous and high quality Solid Waste Collection and Recycling services at all times. Franchise Service shall be performed without regard to weather conditions or the of difficulty of Collection unless unforeseen adverse extreme weather conditions preclude access to the MSW as may be approved in writing by the City of Santa Barbara. Uncollected Municipal Solid Waste will continue to be the responsibility of MarBorg for

immediate collection and proper disposal when and as access becomes possible in the reasonable opinion of the City.

MarBorg shall perform all franchise work in accordance with the standards expressed in Exhibit Two hereof - all provisions of which are incorporated herein by this reference as though fully set forth herein. In addition, to the extent that MarBorg's September 2011 and May 2012 Proposals include representations to the City to perform other services in addition to those specifically listed herein, those representations are incorporated into this Franchise and those MSW services shall be performed.

3.02 Transition Period From Existing Franchises to this Franchise; Required Implementation Plan.

A. The City and MarBorg recognize that substantial planning will be required in order to ensure an orderly initiation of and transition to the MSW Collection services provided for in this Franchise during the period of time after this Franchise has approved by the City Council of City and before the Effective Date of this Franchise. In order to provide for this planning and well-ordered transition, MarBorg agrees, as soon as possible after the City Council approval of this Franchise but not less than thirty (30) days, to prepare and submit to the City a detailed written implementation plan (hereinafter the "Implementation Plan") to address the steps MarBorg will take, (and the schedule on which it will take them) for transitioning from operations under the two existing MarBorg franchises applicable to the City prior to the Effective Date and the operation of this Franchise as of the Effective Date. This Implementation Plan shall be approved by the Contract Administrator so long as it thoroughly addresses the issues and concerns listed in more detail in Exhibit Three hereto. Failure to submit a draft or revised Implementation Plan as required or, thereafter, to adhere to the Implementation Plan as it has been approved by the City (including the implementation schedule contained therein), shall constitute a potential breach of this Franchise which, if uncured, may, at the option of the City, constitute a default under Section 13.01.

B. **Collection Method.** The MSW collection method used by MarBorg in all sectors of the City will be semi-automated, as defined in Exhibit 1 attached hereto. Any change to a "Fully Automated" service in any neighborhood or other area must first be expressly approved by the City, which, MarBorg understands, will occur only following negotiations between MarBorg and the City over the cost impacts which may occur as a result of changing to Fully Automated Service.

C. **Ownership of MSW Materials.** Upon its Delivery for Collection, MarBorg will be considered by the City as being the legal owner all collected MSW materials, except that nothing herein shall make MarBorg the owner of any Unacceptable Waste which a Customer improperly attempts to dispose of through the Franchise Services.

3.03 Single Family Residential Collection Services. MarBorg will Collect all MSW, Recyclable Material, Greenwaste, household batteries and cell phones, Bulky Waste, White Goods generated at Residential Premises and Delivered For Collection at the frequencies and in the manner described in Exhibit Two hereof, at the various levels of collection service that may be selected by the Single Family Residential Customer. MarBorg will also provide a program for the collection of Sharps as such Program is described in more detail in Exhibit 2 hereof.

3.04 Multi-Unit Residential Collection Services. MarBorg shall Collect all MSW, Recyclable Material, Greenwaste, household batteries and cell phones, Bulky Waste, White Goods generated at Multi-Unit Residential Premises and Delivered for Collection in the manner described in Exhibit Two hereof, at the various levels of Collection service that may be selected by the Multi-Unit

Residential Property Owner Customer. MarBorg will also provide a program for the collection of Sharps as such Program is described in more detail in Exhibit 2 hereof.

3.05 Foodscraps Collections to Multi-Family Residential Customers. Upon six months prior written notice from the City to MarBorg directing it to do so, MarBorg shall offer to and shall commence collection of Foodscraps in dumpsters generated at Multi-Unit Residential Premises and Delivered for Collection in the manner described in Exhibit Two, at the various levels of Collection service that may be selected by the Multi-Family Residential Property Owner customer.

3.06 Commercial MSW Collection Services. MarBorg shall Collect all MSW, Recyclable Material, Greenwaste, and Foodscraps generated at Business Premises and Delivered for Collection in the manner described in Exhibit Two, at the various levels of Collection service that may be selected by the Customer.

3.07 Unscheduled "On-Call Services. MarBorg shall provide other Collection services as requested by Customers anywhere within the City on an "on-call" (i.e., as-needed) basis, including but not limited to Roll-Off Box service, for the collection of Construction and Demolition Debris, Greenwaste and Bulky Waste. Regular and repetitive collection of Recyclable Materials, Municipal Solid Waste collection services mandated by the Santa Barbara Municipal Code for Residential Premises and food serving Businesses and the collection of putrescible Municipal Solid Waste shall not constitute Unscheduled Service and shall be provided by MarBorg only as a Scheduled Service.

3.08 Collection Services for City Premises.

A. **City Premises Collection.** Except as specified in Section 3.08, MarBorg shall Collect Solid Waste from all Containers located at all City Premises, including without limitation, all buildings, facilities and areas owned, leased, or operated by City, the City Hall, all City fire stations and police stations, libraries, the airport, harbor and beach areas, parks, SBMTD bus stops located within the City rights-of-way, and any other City owned locations designated from time to time by the City in writing as requiring Collection services, at no additional cost to the City. The City Premises to be initially provided MSW service, together with the type and frequency of this service, are identified in Section 7 of Exhibit Two hereof. The City shall also have the right to add up to 300 new City Premises MSW Container locations for MarBorg pickup to the list set forth in Section 7 of Exhibit Two during the Term of the Agreement and to require the Collection of these designated Containers.

B. **City Annex Yard Collection.** MarBorg shall also Collect MSW, Greenwaste, Bulky Waste, and Construction/ Demolition Debris Delivered by the City for Collection at the City of Santa Barbara Corporate Annex Yard, located at 401 East Yanonali Street, at no cost to the City so long as such MSW Collection shall not exceed the lesser of either 3,000 tons of material or 750 Roll-Off Container pulls during any Calendar Year of the Franchise.

C. **City Spoils.** MarBorg shall also accept, handle, process and dispose up to two thousand (2,000) tons per Calendar Year of the Spoils generated or collected by City operations provided that the City delivers such spoils to the designated MarBorg Recycling Facility. For the purposes of this paragraph, "Spoils" shall be defined as dirt, rock, concrete, asphalt, roots, vegetation and any other material typically in or immediately attached to the ground. MarBorg will provide the Spoils services described in this subsection without charge to City. MarBorg will also be solely responsible for all fees, charges or taxes arising from or connected with any third party charge for the acceptance and processing of such Spoils. However, should such spoils exceed 2,000 tons in any given year, MarBorg will offer the

City an additional 1,000 tons of disposal each year provided that the City agrees to pay ninety percent (90%) of the applicable posted Tipping Fees for the additional amounts disposed.

D. **Zero Waste Events.** Upon a written request from the City provided not less than 72 hours prior to an event date, MarBorg shall deliver steam-cleaned Foodscraps Carts or Cans (in whatever quantities may be requested by the City) to City-owned or leased facilities for a City Zero-Waste event up to 70 times per Calendar Year. If provided with sufficient notice, MarBorg shall deliver the Containers up to two weeks prior to the event date and will Collect the Containers within one week following the event.

E. **Abandoned Waste Collection.** Within 72 hours of receiving telephonic, email, or written notice from a designated member of the City staff, MarBorg shall Collect and properly dispose of any and all abandoned Solid Waste, such as abandoned furniture, which may be deemed abandoned on City Premises by City staff at no cost to the City. MarBorg shall respond to up to 2,000 requests from the City per Calendar Year to Collect abandoned waste on City Premises.

F. **Proration of Amounts.** All Waste category amounts or requirements described above in subparagraphs (A) through (E) shall be appropriately pro-rated for partial franchise years, i.e. 1/12 of the amount for each month of the partial franchise year.

3.09 Recycling Programs.

A. **Residential and Business Recycling.** MarBorg will Collect Recyclable Materials, including, without limitation, all Source Separated Recyclable Material and Recyclable Material that is commingled in the same container (and in a manner consistent with the applicable City of Santa Barbara guidelines) which is either generated on or located at or provided by a participating Single Family Residential, Multi-Unit Residential, and Business Premise within the City at the frequencies and in the manner described in Exhibit Two hereto.

Recyclable Materials Collected must be delivered to the Recycling vendor site or service designated in writing by the City Contract Administrator pursuant to Section 3.13. In no event shall the Recycled Materials be disposed of in a landfill without the express prior written consent of the City Contract Administrator.

B. **City Public Service Recycling.** MarBorg shall Collect Recyclable Materials from Recycling Containers located at all City Premises, including, without limitation, all buildings, facilities and areas owned, leased, or operated by City, including, without limitation, the Recycling Containers located on State Street, Cabrillo Boulevard and Coast Village Road, at no cost to the City. MarBorg shall provide the City with suitable receptacles, stands, and Containers for use in the Collection of the Recyclable Materials as described in Exhibit 7. The City Premises to be provided MSW collection service initially, together with the type of and frequency of service, are identified in Exhibit Two.

MarBorg shall deliver the Recycled Materials Collected to the appropriate site or recycling service designed by the City Contract Administrator pursuant to Section 3.13. In no event shall the materials be disposed of in a landfill without the prior written consent of the City.

C. **State Waste Diversion Standards.** Materials Collected pursuant to this Section 3.09 shall be Recycled in quantities sufficient to meet or exceed State of California waste Diversion standards as applicable to the City and the State Diversion commitments set forth in Exhibit Four entitled "Diversion Requirements."

3.10 Emergency Waste Disposal Services. MarBorg will provide services to respond to City's requirements in the event of natural disasters, such as earthquakes and floods, within four (4) hours written or email notice from the City Contract Administrator. The City shall reimburse MarBorg for providing such emergency services based on the incremental costs incurred by MarBorg in performing such service and this reimbursement shall not be subject to the City's franchise fee or the imposition of other City imposed MSW fees or charges or City taxes.

3.11 Hours of Waste Collection. Collection of MSW may occur only during the hours authorized by the City as indicated below. MarBorg may not Collect MSW, conduct unscheduled on-call services, or Collect Recyclable Materials, Greenwaste, Foodscraps or other materials other than according than the following Franchise operation schedule, unless otherwise approved in writing by the City Contract Administrator:

Residential Collection: 7:00 am – 6:00 pm

Business Collection: 5:00 am – 6:00 pm

The City also reserves the right to limit Business Collection in specified areas to residential hours based on noise complaints from nearby residents affected by such Business Collections.

3.12 Holiday Schedule. MarBorg shall perform Collection Service regularly scheduled for a Holiday on the first business day immediately following the Holiday. "Holidays" are days when the Santa Barbara County Tajiguas landfill (or other Disposal Site approved by City) is closed (currently New Year's Day, Memorial Day, 4th of July, Labor Day, Thanksgiving, and Christmas Day).

3.13 Franchise Hauling Service Standards.

A. Litter and Spills:

1. **Litter.** MarBorg will clean up any and all litter caused by MarBorg's employees in the immediate vicinity of any Solid Waste storage area, including the areas where Containers are placed for Collection. Each Collection vehicle shall carry a broom and shovel at all times for this purpose. MarBorg shall discuss instances of repeated litter not caused by MarBorg with the Customer apparently responsible for such litter and report such instances to City. MarBorg may request the City's help in rectifying such litter situations if MarBorg has already attempted without success to have the customer correct the littering.

MarBorg will also use due care to prevent Solid Waste from being spilled or scattered during Collection and transportation. MarBorg shall not transfer loads from one vehicle to another on any public street, unless necessitated by a mechanical failure or accidental damage to a vehicle. MarBorg will immediately clean up any Solid Waste that it spills or scatters, including Solid Waste tracked onto any alley, street or public place by the Vehicles. If MarBorg fails to clean up such Solid Waste within twenty-four (24) hours' telephonic or other notice from the City, the City may clean up or cause to be cleaned up such Solid Waste and MarBorg will reimburse the City for the City's costs thereof. MarBorg shall be responsible for paying any fines imposed for improperly covering loads which may be assessed by the operator of any Disposal Facility, Organics Site and Processing Facility.

2. **Fluid Spills.** MarBorg will clean up any material, fluids or residue that is spilled or scattered by its employees within four hours of spilling or dropping the material or receiving notice of such spill from a Customer or the City.

MarBorg will cover equipment oil, hydraulic fluids, spilled paint, or any other liquid or debris resulting from MarBorg's operations or equipment repair immediately with an absorbent material and remove the spill from the street surface. MarBorg will equip its Collection vehicles with sufficient quantities of petroleum absorbent materials along with a broom and shovel.

MarBorg will maintain a log of spills that indicates the material spilled, quantity and remedial actions taken and will immediately report any spills entering or endangering any waterway or storm drain or any spill of forty-two (42) gallons or more to the State Office of Emergency Service (OES) as required by law.

B. Respect for Customer and City Property.

1. **Private Property.** MarBorg's employees will use due care in entering and exiting Customers' property or enclosures and use paved walks or surfaces where practicable. They may not trespass onto areas evidently intended to be secure nor loiter on Customers' property. They may not handle or meddle with private property, including drinking water from Customers' garden faucets or hoses, without permission. After making Collections, MarBorg's employees shall close all gates opened by them and should avoid crossing private or public landscaped areas or jumping over hedges and fences. Promptly upon receiving notice from the Customer of any damage to Customer's property by phone or other medium, MarBorg shall determine whether or not such damage was caused by the acts, or inattention, carelessness or negligence of MarBorg's employees. If MarBorg determines that its employees were responsible for such damage, MarBorg shall make a reasonable offer to compensate Customer for the damage within three (3) days of making this determination.

2. **Customer Containers.** MarBorg shall handle Containers with due care. MarBorg shall not throw or drop Containers from trucks or roughly handle, damage or break them. MarBorg shall return Containers to within five feet of the location from which they were picked up by MarBorg's employees, upright, with lids properly and fully secured and shall ensure that Containers are not deposited to obstruct any passable driveway, sidewalk or street.

3. **Damage to Pavement or Utilities.** MarBorg shall be responsible to prevent any damage to driving surfaces where Containers are located on public or private property, ordinary wear and tear excepted. When the City or a Customer can demonstrate, to satisfaction of City, that said damage is the result of such Franchise Vehicles exceeding the legal maximum weight limits of the State or the negligent operation of Vehicles by MarBorg's employees, MarBorg will be responsible for repairing the damage. MarBorg shall also be responsible for damage to any public property or to private utilities, whether located on public property or on private property and, when City or customer can demonstrate to satisfaction of City that said damages are the result of the inattention, carelessness or negligence of MarBorg's agents or employees, MarBorg will be responsible to repair such damage. The City or a Customer, as the case may be, may ask MarBorg to promptly repair or replace such damaged pavement or utilities to satisfaction of customer or City, as the case may be, or repair and replace them itself or through a third party, in which event MarBorg shall reimburse the Customer for his or her direct costs thereof and City its cost, including, without limitation, direct costs, administrative costs, and consequential damages.

C. **Noise.** MarBorg will conduct Collection as quietly as possible. MarBorg will promptly resolve any reasonable noise complaints to the City's and Customer's satisfaction.

D. **Missed Pickups.** MarBorg shall provide a special pickup or other corrective action acceptable to Customer within twenty-four (24) hours (Sundays and Holidays excepted) of

telephonic or other notice to MarBorg of a missed scheduled pickup or other complaint and related Service breaches hereunder at no charge to Customer or City, and shall pay liquidated damages in accordance with Section 13.02 F. If MarBorg does not timely provide such special pick up, City may provide for such pickup itself or through a third party and MarBorg shall reimburse City the City's costs in doing so.

E. **Extra Pick Ups.** MarBorg shall Collect material Delivered for Collection by Customers requesting Extra Pickup Service (as defined in Exhibit One hereof) on the next Service Day following receipt of the Customer's request.

3.14 Transportation and Disposal of MSW; Delivery of Recyclable Materials and Greenwaste. MarBorg will transport and deliver all MSW, Recyclable Materials, Foodscraps, and Greenwaste Collected pursuant to this Franchise only to the facilities or locations designated in writing for the disposal of such materials by the City, provided that nothing herein shall preclude MarBorg from directly transferring franchise materials from one MarBorg vehicle to another MarBorg vehicle or from consolidating franchise materials at MarBorg facilities prior to the delivery of such franchise materials to the delivery locations designated by the City.

A. **MSW.** Unless and until the City designates a different Disposal Site in writing, MarBorg shall deliver all MSW, pursuant to this Agreement, to the Santa Barbara County Tajiguas Landfill site.

B. **Greenwaste.** Unless and until the City designates a different location in writing, MarBorg shall deliver all Greenwaste to the Santa Barbara County Tajiguas Landfill site.

C. **Foodscraps.** Unless and Until the City designates a different Disposal Site in writing, MarBorg shall deliver all Foodscraps Collected pursuant to this Agreement to the County of Santa Barbara Transfer Station.

D. **Source Separated Recyclable Materials.** Unless and until the City designates a different location in writing, MarBorg shall deliver all other Source Separated Recyclable Materials Collected from Carts and Cans to the County of Santa Barbara Transfer Station.

E. **Source Separated Recyclable Materials Collected from Businesses.** Unless and until the City designates a different location, MarBorg shall deliver all Source Separated Recyclable Materials Collected from Business, Multi-Unit Residential and City Premises Dumpsters, and all Bulky Waste and White Goods Collected pursuant to this Agreement to the MarBorg Recycling Facility.

With City's prior written express permission, MarBorg may deliver rich Business loads of MSW Collected from Businesses and City Premises on scheduled routes to the MarBorg Recycling Facility. City shall have the sole and absolute discretion to grant, not grant, or to revoke such permission and to designate an alternate disposal site or processing facility for such Business materials at any time.

F. **Recyclable Materials from Dumpsters and Roll-Off Boxes.** Unless and until the City designates a different location, all Recyclable Materials (including Construction and Demolition debris) that are Collected from Franchised Bulky Waste shall be delivered to MarBorg Recycling Center.

G. **Intermediate Sorting of Collected Materials.** City has the right under this Franchise to preclude MarBorg from conducting or doing any intermediate sorting of any material Collected for Scheduled Service.

H. Maintenance of Recycling Records. MarBorg will, at all time during the term of this Franchise, maintain accurate records of the quantities of all Recyclable Materials delivered to the Recycling Centers and Disposal Facilities and shall cooperate with the City or its agents in any audits or investigations of such records for such amounts and deliveries to recycling facilities.

I. Cooperation for the Purposes of Maximum Recycling. MarBorg will cooperate with the operator(s) of the Recycling Centers and Disposal Site(s) with regard to operations therein, including but not limited to the following: 1. complying with directions from the operator to unload Collection vehicles in designated areas; 2. accommodating to maintenance operations and construction of new facilities; 3. cooperating with the operator's Hazardous Waste exclusion program; and 4. cooperating with the operator's tonnage tracking system.

3.15 City's Right to Modify or Expand the Scope of Services. The City may direct MarBorg to perform additional MSW, Greenwaste, Foodscrap and/or Recyclable Materials collection service or may similarly modify MarBorg's obligations under Article 5 (Equipment And Personnel), Article 6 (Other Collection Related Services) or Article 7 (Record Keeping, Reporting And Inspections.)

Without limiting the general authority of the above-stated paragraph, in particular, the City may modify the scope of services in any of the following circumstances:

1. To require the Co-Collection of Foodscrap and Greenwaste in the same Container from Residential and Business Customers;

2. To require the Implementation of a "Wet/Dry" Collection system whereby organic material, including Foodscrap and Greenwaste, are co-Collected in the same Container and Recyclables are Collected in a separate Container at intervals greater than or equal to once every seven days; or

3. To require the Implementation of pilot programs and innovative services that may entail new collection methods, different types of services and/or new requirements for Waste Generator.

If such changes cause an increase or decrease in the cost of performing the services, an equitable adjustment in MarBorg's Compensation will be made with the method for determining the amount of such an adjustment to be established in Section 12.07 hereof.

3.16 Advisory Services. MarBorg shall provide, at no cost to the City, the following Franchise advisory services.

A. General Consultations. MarBorg shall provide general consultations on MSW collection, recycling, composting and similar matters, including preparation of analyses and written reports, providing cost estimates for proposed projects or programs, and commenting in writing on proposed federal or State legislation or regulation affecting MSW or recycling.

B. Technical Assistance. Upon request, MarBorg will provide technical assistance to property owners, architects, general contractors, and the City, who may request such assistance, including reviewing building plans and estimating the volume of MSW, Recyclable Materials, Foodscrap or Greenwaste to be generated or recovered and developing Container-sharing agreements among multiple Customers. In providing such assistance, personnel representing MarBorg may be required to visit sites in the City in order to properly render such technical assistance.

C. **Regularly Scheduled Status Meetings.** MarBorg will, at the frequency, dates, times and locations determined necessary by the City, ensure the attendance of qualified, knowledgeable employees to attend meetings of the City Council or committees thereof. MarBorg's employees shall be prepared to discuss the general status of on-going Franchise operations, service levels and standards, customer complaints and other matters of concern to the City. From time to time, MarBorg may be required by City staff to also attend meetings of City commissions or advisory bodies, or to meet with representatives of other local jurisdictions to discuss matters related to this Franchise, MSW, recycling, composting, diversion programs, funding opportunities, joint informational and public education campaigns and similar matters related to integrated waste management.

D. **Access to MarBorg Customer Information System.** MarBorg will provide access to its Customer information system to the City staff and train City staff as necessary to the City's satisfaction in how to use the MarBorg customer information system. City staff must also be able to access MarBorg's Customer information system from City offices. MarBorg will provide up to four software licenses requested by City necessary for this access and will be responsible for the cost of obtaining and renewing such licenses throughout the Term of this Franchise.

E. **Enforcement of Anti-Scavenging Laws.** MarBorg will cooperate with the City in enforcing City anti-scavenging laws against a person alleged to have violated Public Resources Code Section 41950, including when necessary assistance to the City in prosecuting City-instituted legal proceedings to prevent scavenging contrary to law.

3.17 AB 939 and City Required Recycling and Diversion Efforts. MarBorg shall be responsible for ensuring that City meets the state statutory 50% Diversion requirement under AB 939 and will defend and indemnify the City as outlined in Section 11.04 hereof with respect to such requirements if and when requested by the City. MarBorg acknowledges and understands that the City may also pursue additional City Recycling and Diversion activities where it deems necessary and appropriate even if the State AB 939 mandates are satisfied. As an integral component of the City's Diversion efforts, MarBorg shall perform specific Recycling and Diversion activities as directed by the City in writing in order to meet the City's Diversion goals.

A. **Specific Diversion Goals.** MarBorg shall be required to meet the diversion goals and commitments outlined in contained in Exhibit Four.

B. **Recycling Advisory PSA Messages.** MarBorg will provide assistance to the City in the City's placement of a written recycling message on the bottom of monthly City utility bills. The message may be revised by the City quarterly.

C. **Support for "Looking Good Santa Barbara."** MarBorg agrees to provide continuing financial support for the City's "Looking Good Santa Barbara" Program or such other similar City supported program or programs as may be designated in writing from time to time by the City Contract Administrator. The funds contributed by MarBorg under this subsection C shall be used only for program staff salaries and supplies. For the City's fiscal year 2013-2014, the total funding to be provided by MarBorg for programs pursuant to this subsection D will be the amount of Eighty Thousand Dollars (\$80,000). MarBorg will remit the full payment for the fiscal year to the City by August 1st of that year.

The amount of financial support for Looking Good Santa Barbara to be provided by MarBorg will be adjusted in each fiscal year by a Consumer Price Index adjustment, beginning July 1st of the City's fiscal year 2014-2015 (i.e., July 1, 2014.) The Consumer Price Index adjustment will be a fraction, the numerator of which is the Consumer Price Index as of December in the year in which rates

are being changed minus the Consumer Price Index as of the December twelve (12) months earlier, and the denominator of which is the Consumer Price Index as of the December twelve (12) months earlier, and rounded to two decimal places. The Consumer Price Index to be used is the Los Angeles-Riverside-Orange County Metropolitan Area Consumer Price Index (Urban Wage Earners and Clerical Workers, 1982-84=100) compiled and published by the United States Department of Labor, Bureau of Labor Statistics, or a successor index thereto approved by the Bureau of Labor Statistics.

D. Support for Public Education Programs. MarBorg also agrees to provide continuing financial support for the City's public education program for Solid Waste management. For the City's fiscal year 2013-2014, the total funding to be provided by MarBorg for programs pursuant to this subsection D shall be One Hundred Forty One Thousand and Six Hundred Dollars (\$141,600). MarBorg will remit the full payment for the fiscal year to the City by August 1, 2013.

This amount of MarBorg support for City's Public Education Program shall be adjusted in each fiscal year by a Consumer Price Index adjustment, beginning in the City's fiscal year 2014-2015. The Consumer Price Index adjustment will be a fraction, the numerator of which is the Consumer Price Index as of December in the year in which rates are being changed minus the Consumer Price Index as of the December twelve (12) months earlier, and the denominator of which is the Consumer Price Index as of the December twelve (12) months earlier, and rounded to two decimal places. The Consumer Price Index to be used is the Los Angeles-Riverside-Orange County Metropolitan Area Consumer Price Index (Urban Wage Earners and Clerical Workers, 1982-84=100) compiled and published by the United States Department of Labor, Bureau of Labor Statistics, or a successor index thereto approved by the Bureau of Labor Statistics.

City will provide MarBorg with an opportunity to review and comment on the City's public education materials prior to the general release of such materials to the public.

E. Maximum Efforts and Cooperation for Diversion. MarBorg will perform the provisions of the Franchise, extend Services as required, and cooperate with other providers of Solid Waste management Services, the County of Santa Barbara and City staff, as necessary for the City to attain the City's Recycling and Diversion goals which may be in addition to or greater than state mandated Diversion rate or Diversion requirements set forth in Exhibit Four.

F. Diversion Rates. MarBorg will identify the Diversion rate obtained for each of the material streams contracted for under this franchise to the City in writing upon the City's request, as outlined in Exhibit Four and Exhibit Ten.

G. Diversion Records. MarBorg shall maintain records in a format approved by the City Contract Administrator of tons of material delivered to any landfill for disposal, for alternative daily cover ("ADC"), or other beneficial uses constituting Diversion, and tons of material diverted from landfills and make such records readily available to the City upon request.

H. Diversion Containers and Services. In order to encourage Customers to decrease the amount of waste that is sent to landfills, MarBorg shall offer its Customers, at no additional cost, the Diversion Containers set forth in Exhibit Seven, and the free Diversion Services set forth in Exhibit Two.

I. Customers Who Fail to Recycle. MarBorg will instruct employees to identify Customers who regularly place Recyclable Material or Greenwaste in MSW Containers so that such Customers can be notified by MarBorg or the City of the need to Recycle and the availability of additional Recyclable Material Containers. MarBorg will inform such Customers of the importance of

separating discarded materials so that more can be Collected as Recyclables or Greenwaste and, where appropriate, will offer to furnish such Customers with additional Containers that can be used for that purpose. MarBorg will notify the Contract Administrator through its monthly reports, of Customers who do not respond to MarBorg's efforts to change their waste disposal practices.

J. **Public Diversion Information – Prior City Review.** The recycling and diversion releases, public service announcements, and other public announcements, information and education messages developed under this section shall be submitted for review by the City Contract Administrator prior to release and shall not be released until approved by the City Contract Administrator.

K. **CalRecycle Requirements.** MarBorg will maintain a Recycling and Diversion effort that will provide for Diversion of waste materials according to standards of, and at a rate of Diversion that satisfies the CalRecycle requirements for diverting waste from landfills for the Scheduled Service that MarBorg provides as well as for the Unscheduled Services MarBorg provides

L. **MarBorg ABOP Facility.** MarBorg will continue to operate the City's Antifreeze, Batteries, Oil and Paint Recycling Facility (ABOP Facility) at its current locations within the City at no cost to the City. MarBorg shall operate the ABOP Facility six days per week, between 8 a.m. and 4 p.m., at the MarBorg Recycling Facility as defined in Section 3.18 hereof or at any other facility that is located within a two mile radius of the MarBorg Recycling Facility. MarBorg shall accept all ABOP materials brought to MarBorg's ABOP Facility, whether delivered by City or any resident within the City or surrounding unincorporated areas. The materials to be accepted, handled and disposed of under the ABOP Program are all batteries of any size, including but not limited to household, marine and automobile batteries, motor oil, latex paint, anti-freeze, fluorescent tubes, compact discs, video tapes and floppy disks. MarBorg shall be entirely responsible for the costs of receiving, handling and disposing of ABOP materials and shall charge neither City nor any Residential Customer who deposits ABOP materials with MarBorg for any of MarBorg's costs, charges, fees or taxes associated with the receiving, handling or properly disposing of the ABOP materials when received from a SFR or Multi-family residential household. However, MarBorg may charge a Business Customer for ABOP disposal services. In its monthly report to City, MarBorg will report complete data regarding the prior month's ABOP usage and the Customer origin in a form acceptable to City.

M. **Neighborhood Clean-Up and City Remodels.** MarBorg will provide Roll-Off Boxes, portable toilets and other unscheduled disposal services, such as trash cans, whenever requested by any department of the City and such equipment or disposal services are for use in connection with City-sponsored programs, neighborhood clean-ups or in connection with minor remodeling work undertaken at a City building or facility. MarBorg will provide such equipment and services completely free of charge to City and MarBorg shall be solely responsible for the costs of, and all fees, charges or taxes arising from, the provision of such equipment and services to the City to the extent the costs does not exceed \$10,000 per year with the costs determined by the standard and typical rates and charges charged by Marborg for such services within Santa Barbara County and provided further that the \$10,000 annual amount shall be adjusted by the increase or decrease in CPI as such adjustments are provided for in Section 3.17 hereof.

3.18 Continued Operation of the MarBorg Recycling Facility within the City.

A. **Basis of Franchise Grant by City.** MarBorg acknowledges and understands that the grant of this Franchise is based on an understanding that MarBorg will continue to operate its construction and demolition recycling facility located at 119 North Quarantina Street (hereinafter the "MarBorg Recycling Facility" or "MRF") and that this operation is part of the scope of work required by

the City under this Franchise and the Term of this Franchise and the City's decision to enter into this Franchise relates to MarBorg's covenant to continue operate the MRF as the City's MSW franchisee.

B. Operation of MRF. MarBorg shall operate the MRF as follows:

1. **Term of Operation.** MarBorg will operate the MRF for the Term of this Franchise and it shall not be sold, transferred or assigned to any other person or entity without the express written consent of the City. MarBorg acknowledges that, if the MRF has not operated for a period of thirty consecutive calendar days then this Franchise shall be subject to termination by the City on the Franchise's next anniversary date of the Effective Date which is not less than nine months after the beginning of the period of non-operation.

2. **Identity of MRF Operator.** MarBorg agrees that only MarBorg, or a wholly-owned subsidiary of MarBorg, shall operate the MRF during the Term of this Franchise. Any attempt to assign, sell, or transfer the MRF or transfer the duty to operate the MRF to any other person or entity which does not hold the rights of the franchisee under this Franchise without the express consent of the City is prohibited and shall be considered a breach of this Franchise. Should this Franchise be sold, transferred or assigned to another Solid Waste franchisee of the City then only that MSW franchisee so approved by the City may operate the MRF.

3. **Materials Accepted at the MRF.** MarBorg will accept for disposal all self-hauled Municipal Solid Waste, Construction & Demolition Debris, Greenwaste, and Recyclable Materials at the MRF for the Term of this Franchise. For purposes of this subsection, "self-hauling" is defined as any person or Business that is not otherwise providing a service to handle, Collect or dispose of Solid Waste but who collects and hauls Solid Waste created by themselves, their Business or their property.

4. **Public Awareness Program.** MarBorg shall operate certain public viewing areas for the MRF as was provided under the facility's Development Plan approved by the City Planning Commission, during the MRF's regular operating hours. MarBorg will develop a program to promote public awareness the services available at the MRF and of the need to Recycle and to divert materials from landfills, which efforts shall include both public and private school children and MarBorg shall appoint an employee as a liaison for such program. The development of the public awareness program and its liaison shall be entirely at MarBorg's cost. MarBorg shall inform all public and private schools within the City of Santa Barbara of the public awareness program and the availability of the liaison to explain and encourage an understanding of local Recycling facilities. MarBorg shall also advertise and make known to the same schools that the MarBorg Recycling Facility is available and accessible to those schools, and other interested groups, as part of a public awareness and education process. MarBorg shall provide for the liaison, or other MarBorg employee, to be available to explain Recycling facilities from the MRF's public viewing area.

5. **"Operation" of the MRF Defined.** For purposes of this section (Section 3.18) "operate" shall mean that the MRF is open, operating, and properly maintained to accept and process Construction and Demolition Debris and MarBorg is continuously and satisfactorily performing all functions required of the MRF as described in Sections 3.18 and this Section for a period of not less than five (5) days per week, eight (8) hours each day.

C. Sale, Transfer, or Assignment of MRF. The MRF Facility shall always be owned or controlled by the same legal entity that holds the rights of the franchisee under this City MSW franchise. The attempted sale, transfer or assignment of the MRF to any entity other than MarBorg or to a legal entity that does not also hold a valid assignment of this Solid Waste City franchise from the City

shall be of no legal effect. The provisions of Section 14.01 regarding sale, transfer or assignment shall be particularly applicable to the City's expectation that MarBorg (or a wholly-owned or controlled subsidiary entity of MarBorg) will control and operate the MarBorg Recycling Facility for the Term of this Franchise.

Notwithstanding the above, the City acknowledges that as of the Effective Date, ASTI Holding Company (a wholly-owned subsidiary company of MarBorg) is the owner of the real property located at 119 North Quarantina Street in the City of Santa Barbara which is the site of the MRF and that ASTI Holding Company is an approved wholly-owned subsidiary of MarBorg. The City understands and acknowledges that MarBorg also owns the building and improvements situated on the MRF property. MarBorg covenants and agrees that for so long as it holds this Franchise, ASTI or MarBorg shall continue to own and MarBorg operate the MRF except as provided for in this Section.

D. City Option to Purchase MarBorg Recycling Facility. The City shall have the option to purchase the MarBorg Recycling Facility ("Option to Purchase") at its fair market value during the term of this Franchise and for two years after this Franchise's term terminates or otherwise expires. City shall have the right to exercise the option to purchase the MarBorg Recycling Facility only when all of the following conditions occur:

1. MarBorg has failed to open and operate (as defined in Section 3.18) the MarBorg Recycling Facility for a period in excess of thirty consecutive days at any time during the term of the Franchise after it is constructed and completed in accordance with Section 3.18 and even though MarBorg may subsequently re-open and re-operate the facility; and

2. The MarBorg Recycling Facility is the only facility capable of handling a minimum of five hundred tons per day of mixed Construction and Demolition Debris within the southern part of Santa Barbara County (i.e. south of the Gaviota tunnel and on the coastal side of the County) open to the public.

3. A state or federal law mandating municipal recycling efforts remains in force and effect and applicable to the City.

E. City Purchase of the MarBorg Recycling Facility. Should the conditions by which the City may exercise its Option to Purchase as described under subsection D above occur and should the City choose to exercise its option, MarBorg's sale of the MarBorg Recycling Facility to City shall be accomplished as follows:

1. **Purchase and Sale Agreement.** The terms and conditions of the Option to Purchase shall be those set forth in the Franchise and the Real Estate Purchase and Sale Agreement attached hereto as Exhibit Fourteen ("Purchase Agreement") except that the fair market value purchase price, which shall be determined at the time the option is exercised shall be arrived at in accordance with the following provisions.

2. **Exercise of City's Option.** The Option to Purchase may be exercised by City delivering to MarBorg written notice of the exercise of the Option to Purchase ("Exercise Notice"), which shall recite that the necessary conditions for exercise of the Option to Purchase exist and that the Option to Purchase is exercised without condition or qualification.

3. Mutual Negotiation Period. Upon receipt by MarBorg of the Exercise Notice, the City and MarBorg shall endeavor to come to an agreement regarding the amount of the fair market value purchase price of the MarBorg Recycling Facility within thirty days.

4. Determining Fair Market Value. If the City and MarBorg are unable to agree upon a purchase price for the MarBorg Recycling Facility within the allowed thirty (30) day period, then the following method shall be used to determine the fair market value purchase price of the MRF:

(a) The City and MarBorg shall each appoint a real estate appraiser with at least five (5) years full-time commercial/industrial appraisal experience in the area in which the premises are located and have experience in appraising recycling facilities, or will consult with an appraiser experienced in appraising recycling facilities, to determine the purchase price for the MarBorg Recycling Facility. If either party fails to appoint an appraiser within fifteen days after the other party has given notice of the name of its appraiser, the single appraiser so appointed shall be the sole appraiser and shall make such determination. If each party appoints an appraiser as provided in this section, the two appraisers shall promptly endeavor to make such determination.

(b) If the two appraisers appointed as provided hereunder are unable to agree within thirty days after the second appraiser has been appointed on the City's purchase price for the MRF, then the two appraisers shall endeavor to elect a third appraiser within the next succeeding fifteen-day period. If the two appraisers are unable to agree on a third appraiser, either party may, by giving fifteen days' notice to the other party, apply to the presiding judge of the Santa Barbara County Superior Court for the selection of a third appraiser who has at least five years experience in appraising commercial properties in the City of Santa Barbara and who is not active in any other capacity for either party.

(c) Within fifteen days after the selection of the third appraiser, a majority of the appraisers shall determine purchase price. If a majority of the appraisers are unable to establish the purchase price for the MarBorg Recycling Facility, the three appraisers' values shall be added together, their total divided by three, and the resulting quotient shall be the City's purchase price for the MarBorg Recycling Facility provided. However, if the low appraisal or the high appraisal is more than ten percent (10%) lower or higher than the middle appraisal, the lower appraisal or the higher appraisal or both shall be disregarded. If only one appraisal is disregarded, the remaining two appraised values shall be added together, their total divided by two, and the resulting quotient shall be the purchase price. If both the low appraisal and the high appraisal are disregarded then the middle appraisal shall constitute the prevailing purchase price for the MRF.

5. Execution of Purchase Agreement. Upon determination of the purchase price of the MarBorg Recycling Facility, the City shall, within five working days, execute the Purchase Agreement with the determined purchase price inserted and provide three (3) copies of the Purchase Agreement to MarBorg, who shall then execute the Purchase Agreement within five working days and return it to the City.

6. Escrow. Upon the full execution of the Purchase Agreement, the City shall open an escrow with a title/escrow company located within the City for the purchase of MarBorg Recycling Facility. City shall deposit any monies required by the Purchase Agreement and a fully executed copy of the Purchase Agreement with the title/escrow company. The escrow will be conducted pursuant to the instructions set forth in the Purchase Agreement.

7. Current Fee Owner of Property. MarBorg, on behalf of ASTI Holding Company, warrants that ASTI Holding Company is the owner of the real property upon MarBorg Recycling Facility and has marketable and insurable fee simple title to the MarBorg Recycling Facility

clear of restrictions, leases, liens, and other encumbrances, except as permitted in the Purchase Agreement. If City exercises the Option to Purchase, MarBorg further warrants that ASTI Holding Company (or ASTI's City approved successor in interest) will convey title to the MarBorg Recycling Facility by grant deed.

8. Recordation of Option Agreement. The City may, at its discretion, record a memorandum of option in the official records of Santa Barbara County providing notice of the City's conditional option right to purchase the MRF under the circumstances provided for herein.

F. City's Right of First Refusal to Purchase the MRF.

1. City shall also have a right of first refusal to purchase and acquire the MarBorg Recycling Facility upon the terms and conditions of that certain Right of First Refusal Agreement, a copy of which is attached hereto as Exhibit 16 and incorporated herein by reference.

2. Notwithstanding Section 3.17F above, MarBorg shall have the right at any time to solicit or receive offers for the purchase of its MarBorg Recycling Facility from third parties, and should MarBorg receive such an offer at a price that exceeds the value determination made by the appraiser or appraisers under Section 3.17F, the higher value shall govern and apply to any Option to purchase the said Facility which City may exercise pursuant to Section 3.17F.

**ARTICLE FOUR
HAZARDOUS WASTE**

4.01 General. MarBorg will take reasonable measures to notify Customers of the Customer's responsibility to dispose of hazardous waste in a responsible and legal manner. MarBorg shall take reasonable measures to review matter deposited with refuse and recyclable materials to eliminate hazardous material from the matter collected. MarBorg shall cooperate as required to provide for reasonable disposal of any hazardous material.

4.02 Annual Notice to Customers. MarBorg shall notify all Customers at least once a year of (i) the prohibition against the set out and delivery to MarBorg of Hazardous Waste and (ii) the obligation of each Customer to provide for the proper handling and disposition of Hazardous Waste. This notification shall be provided by including a separately printed information sheet or card as an insert, for City to distribute with bills.

4.03 Individual Notice to Customer. When any Hazardous Waste is located with material Deposited for Collection, MarBorg shall take appropriate steps to properly segregate the Hazardous Waste and notify the Customer of the Customer's responsibilities for proper disposal. MarBorg will develop a protocol and form of Notice, to be approved by the City and attached to the Franchise as Exhibit Five. This notice will be developed in cooperation with other affected public agencies, other waste disposal companies, and with companies having experience with disposal of Hazardous Waste.

4.04 MarBorg to Segregate and Dispose. In the event MarBorg inadvertently collects any Hazardous Waste and during the course of transportation and disposition becomes aware that it has collected Hazardous Waste, MarBorg shall segregate such Hazardous Waste, and shall arrange for its transport to a properly permitted recycling, treatment or disposal facility of MarBorg's choosing. MarBorg shall be responsible for handling and arranging the proper transport and disposition of all Hazardous Waste that is collected or received by MarBorg, but may engage a licensed and permitted

Hazardous Waste transport company to assist it. MarBorg may attempt to identify, locate and bill the responsible Waste Generator for additional costs incurred in disposing of such Hazardous Waste.

4.05 Operating Procedures and Employee Training. MarBorg shall establish, implement and maintain written operating procedures designed to ensure MarBorg's use of procedures for disposal of Hazardous Waste, which are approved by the City Contract Administrator. MarBorg shall establish, implement and maintain a training program for all employees responsible for the identification of Hazardous Waste. MarBorg shall maintain documentation which describes the training received by its employees.

4.06 Household Hazardous Waste. During the Term, the City will participate in and cooperate with appropriate regulatory and governmental agencies for the collection and proper disposal of household Hazardous Waste within the City, but nothing in this Franchise shall be construed as requiring either the City or, except as otherwise provided for herein, MarBorg, to establish a specific program or to expend a specific amount of funds for such purpose.

ARTICLE FIVE EQUIPMENT AND PERSONNEL

5.01 General. MarBorg shall furnish all equipment necessary to perform the MSW Franchise Services required by this Franchise except for the MSW Cans for Single Family Residential Premises, which are to be furnished by the Customers and except for MSW compactors at Business, Industrial or Institutional Premises which may be furnished by the Customer.

5.02 Vehicles.

A. **General.** A list of current MarBorg Collection and Auxiliary vehicles in use to Service the franchise area is shown on Exhibit Six. MarBorg will replace all of the vehicles listed in Exhibit Six that are ten years old or more within one year of the Effective Date, and thereafter will replace any vehicle used in connection with the Franchise as it reaches the point at which it has been in use for ten years. The existing vehicle fleet listed in Exhibit 6 will be replaced with new previously unused vehicles that run on compressed natural gas. Such vehicles shall be of type and specification listed on Exhibit 6.

B. **Inventory of Vehicles.** When required by the Implementation Plan (and in any event no later than sixty (60) days before service commences after the Effective Date), MarBorg shall furnish City with an inventory which lists for all vehicles the following information:

- Type (e.g., front end loader, compactor, etc.)
- Manufacturer
- Year of Manufacture
- Model Number
- ID Number
- DMV License Number
- Capacity
- Type of Fuel Used

- Date of Acquisition
- Other Information Required By City

MarBorg shall also update the inventory of its vehicles annually on its required Annual Franchise Report.

C. **Vehicle Registration.** MarBorg shall register all vehicles, except those if any which are used solely on MarBorg's premises, with the California Department of Motor Vehicles and shall keep such registrations in full force and effect. Registration certificates shall be made available for inspection by City on request.

D. **Vehicle Identification.** MarBorg's name, local telephone number, and a unique vehicle identification number for each vehicle shall be prominently displayed on all vehicles. City shall determine all details, including size, color and location of text and I.D. numbers. No other signs or markings shall be placed on vehicles or other equipment without City approval, except for safety markings or operational instructions.

E. **Cleaning and Maintenance of Franchise Facilities, Equipment, and Vehicles.**

1. **Generally.** MarBorg shall maintain all of its properties, facilities, and equipment used in providing service under this Franchise in a safe, neat, clean and operable condition at all times.

2. **Cleaning.** The exterior and interior of vehicles used in the Collection of MSW, Recyclable Materials, Greenwaste or Foodscraps shall be maintained in good condition, free of dirt, damage, scrapes and other unsightly defects during normal use. MarBorg shall wash the front bonnet and cab of the front loading trucks each business day. Each such front loading truck shall be washed over its entire surface at least once each week and as may be necessary to maintain a clean appearance. The rear gasket of the back hatch of each front loading truck shall be steam cleaned at least once every two weeks, and at more frequent intervals when necessary to maintain the truck in a clean condition. Rear loading trucks shall be washed at least once each week. Rear loading trucks shall be washed more frequently if there are conditions of weather or use which cause the truck to get dirty more quickly. The rear gasket of the back hatch of each rear loading truck shall be steam cleaned at least once every two weeks, and at more frequent intervals when necessary to maintain the truck in a clean condition. The City may inspect franchise vehicles at any time to determine compliance with these sanitation requirements and aesthetic conditions. MarBorg shall make vehicles available to the City for inspection at the direction of the City Contract Administrator at any frequency it may request.

3. **Painting.** All vehicles used in collection of MSW and Recyclable Materials shall be repainted by MarBorg as necessary to present a well maintained appearance, free from discoloration, scrapes and other damage. The bonnet of front loading trucks shall be repainted at least every year. The remainder portions of the front loading trucks and the rear loading trucks shall be painted as necessary to keep such well maintained appearance. The City may determine that repainting a specific vehicle earlier (due to graffiti, damage, etc.) is necessary to ensure that the vehicle gives the appearance of having been repainted within the preceding twelve (12) months.

4. **Maintenance.** MarBorg shall inspect each vehicle daily to ensure that the vehicle and all equipment is operating properly; vehicles which are not operating properly shall be taken out of service until they are repaired and do operate properly. MarBorg shall perform or cause to be performed all scheduled maintenance functions in accordance with the manufacturer's specifications and

schedule. MarBorg shall keep accurate records of all vehicle maintenance, recorded according to date and mileage, and shall make such records available to the City upon request.

5. **Repairs.** MarBorg shall repair, or arrange for the repair of, all vehicles and equipment for which repairs are needed because of accident, breakdown or any other cause so as to maintain all equipment in a safe and operable condition. If an item of repair is covered by a warranty, MarBorg shall obtain warranty performance. MarBorg shall maintain accurate records of repair, which shall include the date/mileage, nature of repair and the signature of a maintenance supervisor that the repair has been properly performed.

6. **Storage.** MarBorg shall arrange to store all vehicles and other equipment in safe and secure location(s) arranged by MarBorg and approved by City. Facilities used for storage shall comply with all zoning and land use requirements applicable to the facility. City shall have access to the facility during MarBorg's typical hours of operation.

F. **Operation of Vehicles.** MarBorg Vehicles shall be operated in compliance with the California Vehicle Code, and all applicable safety regulations and local ordinances. MarBorg shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by state or local weight restrictions on vehicles. MarBorg is solely responsible for paying any fines imposed by the California Highway Patrol, or other regulatory agencies, for violation of these requirements. MarBorg shall allow vehicles to be operated only by its employees who are appropriately licensed by the California Department of Motor Vehicles.

G. **Other State Vehicle Requirements.** MarBorg shall ensure all vehicles comply with applicable emission control standards, noise standards, and safety standards and shall send copies of California Highway Patrol inspection reports on vehicles to City within ten (10) days after receiving such reports. MarBorg shall make vehicles available for inspection by City upon request.

5.03 MSW and Recycling Containers.

A. **Generally.** MarBorg shall purchase and distribute new and distinct Cans, Carts and Dumpsters for customer storage of Recyclable Materials, Greenwaste and Foodscraps to all Customers. MarBorg shall also purchase and distribute new Cans, Carts and Dumpsters for storage of MSW to all Business and Multi-Unit Residential Customers. MarBorg will purchase and distribute new Carts for storage of MSW to all Single Family Residential Customers. MarBorg shall not be required to provide MSW Cans to Single Family Residential Customers.

Container volumes available for each material type and Customer type shall include those listed on the Rate Schedule in Exhibit Eleven. The type, size and quantity of the Containers are shown on Exhibit Seven ("MarBorg-furnished Containers"). Throughout the Term of the Agreement, MarBorg will distribute, maintain, repair and replace all MarBorg-furnished Containers as outlined in Exhibit Seven.

If there is a disagreement between MarBorg and a Customer about the size of Container which the customer should use or over the frequency of Service appropriate at a particular Premises, MarBorg shall inform City, provide all relevant information to City, and cooperate with City's investigation of the matter. The City's determination on such questions shall be binding on MarBorg. If a Customer refuses to accept and pay for the level of Service the City determines is necessary, the City may institute Municipal Code enforcement proceedings with respect to that customer, but has no obligation to MarBorg under this Franchise to do so.

MarBorg shall also provide 32-gallon plastic Recyclable Material Containers for State Street, Cabrillo Boulevard and Coast Village Road sidewalks as set forth in Section 3.08(B) of this Agreement and in Exhibit Two.

B. Inventory of Certain Franchise Equipment. When required by the Implementation Plan as described in Section 3.02 hereof (and in any event no later than sixty (60) days before the Effective Date), MarBorg shall furnish the City with an inventory of Carts, Cans, Dumpsters, and Roll-Off Boxes in inventory and placed in service by type, number and capacity and date of acquisition. MarBorg shall update the inventory of Containers and Roll-Off Boxes annually on its Annual Report provided to the City.

5.04 MarBorg Personnel.

A. Generally. MarBorg shall furnish such competent and qualified drivers, mechanical, supervisory, clerical, managerial and other personnel as may be necessary to provide the services required by this Franchise in a safe, efficient, reliable and courteous manner. The minimum complement of employees which MarBorg will provide for the scope of work described in this Franchise shall be as set forth on Exhibit Eight.

B. Driver Qualifications. All MarBorg drivers shall be trained and qualified in the operation of collection vehicles and must have in effect a valid driver's license, of the appropriate class, which allows them to legally operate the vehicle on public streets issued by the California Department of Motor Vehicles. Each driver shall carry a copy of his or her driver's license during work hours and while operating a vehicle.

C. Uniforms. MarBorg will require its drivers, and all other employees who come into contact with the public in the City during working hours, to wear standardized company uniforms bearing MarBorg's name, and to provide some means of identifying the employee. The City shall have the right to approve the style and color of the uniforms or the request changes in the uniform. Such uniforms shall always present a freshly cleaned appearance. Employees shall be instructed to present employment identification cards to City staff, Customers, security guards and law enforcement officers upon request during all MarBorg work hours.

D. Safety Training and Customer Service Training. MarBorg shall provide suitable operational and safety training for all of its employees who utilize or operate vehicles or equipment for collection of Solid Waste or Recyclable Materials or who are otherwise directly involved in such collection. MarBorg shall train its employees involved in solid waste collection to identify, and not to collect, Hazardous Waste. MarBorg shall provide Customer Service Training to all employees interfacing with the public including the Field Supervisor and administrative employees responding to public complaints and inquiries.

E. No Gratuities. MarBorg shall not permit its employees to demand, solicit, receive, or accept, either directly or indirectly, any additional monetary compensation or gratuity or any other thing of non-minimal value from members of the public for performing any work required by this Franchise.

F. Employee Conduct and Courtesy. MarBorg shall use its best efforts to assure that all employees present a good appearance and conduct themselves in a courteous manner. MarBorg shall regularly train its employees in customer courtesy, shall prohibit the use of loud or profane language, and shall instruct collection crews to perform the work as quietly as possible. If any employee

is found not to be courteous or not to be performing services in the manner required by this Franchise, MarBorg shall take all necessary corrective measures, including, but not limited to, transfer, discipline or termination. If City has notified MarBorg of a complaint related to discourteous behavior, MarBorg shall, upon request of City, reassign the employee to duties not entailing contact with the public while MarBorg is pursuing its investigation or disciplinary process.

G. Use of Field Supervision. MarBorg shall designate one qualified employee as supervisor of field operations, who shall be responsible for checking on collection operations, including responding to complaints. MarBorg shall notify City, in writing, of the name of the supervisor of field operations prior to commencing operations and whenever there is a change in the staffing of the position. The field operations supervisor shall be equipped with a vehicle and mobile telephone.

H. Hiring of Franchise Employees. MarBorg shall conduct a thorough background check of each applicant for employment, which will, at a minimum, include a check of driving records through the state Department of Motor Vehicles, record of criminal convictions, and references to the extent allowed by law. MarBorg shall maintain a force of employees who are of good character and who do not have a history of being convicted of theft or violence. All MarBorg applicants shall be required to take a standard pre-screening test for presence of illegal drugs and alcohol as a condition of employment to the extent allowed by law. MarBorg shall comply with federal immigration laws when hiring employees and shall maintain records as required by such federal laws. MarBorg will furnish City with a copy of its training manual and schedule of training of new employees during the transition period provided for in Section 3.02; the City may require MarBorg to include specific topics in such employee manual and training program. The City staff may attend and observe any safety or operational training classes. Nothing in this Section 5.04.H shall be construed to give City control over the selection, retention, or supervision of MarBorg's employees.

I. Ongoing Training and Required Testing. MarBorg will provide regular safety training on an ongoing basis and shall conduct random drug and alcohol testing of those employees deemed to be in "safety sensitive positions" as providing in and in compliance with regulations issued by the U.S. Department of Transportation for such positions. Such testing shall be conducted according to a program of compliance approved by the City Contract Administrator.

J. Living Wage Ordinance Certification. MarBorg certifies that it has and it will comply with the requirements of the City's Living Wage Ordinance, as certified in the attached Exhibit 17.

ARTICLE SIX OTHER FRANCHISE COLLECTION RELATED SERVICES

6.01 Billing.

A. City Billing of Franchise Services. City will prepare and mail bills for all Solid Waste Collection Services provided by MarBorg under Sections 3.03, 3.04 (except scheduled compactor Services,) 3.05 and 3.06, as part of the City's Water and Sewer Service billing process and it will maintain accurate records of all Customer bills issued and of all payments received as described in more details in Exhibit 10. The City shall remit to MarBorg the franchise revenue amounts received by the City net of the City's franchise fee and City MSW Program fees – in the following manner:

1. The City's franchise fee . A franchise fee payable by MarBorg to the City equivalent to two percent of the gross receipts received by MarBorg for all franchise services performed pursuant to this Franchise;

2. The City MSW Program Fees: a City MSW program fees of 8.08% of Hauler Revenues from all sectors, as well as a City MSW Program Fee of 5.54% of Hauler Revenues for Business sector revenues only.

3. A City billing service charge to MarBorg of five percent (5%) of Hauler Revenues as reimbursement to the City for the use of its billing services to bill Franchise customers.

MarBorg understands and acknowledges that the City may change the structure or amount of City Program fees after written notice and consultation with MarBorg and that the costs, if any, associated with such a change in structure or amount may be passed through to franchise customers, with a corresponding adjustment in the franchise rates.

B. Change in General MSW Billing. If the City chooses to designate MarBorg to assume Customer billing responsibility during the Term of the Franchise, MarBorg will not be required to pay the City the 5% billing service charge.

C. MarBorg Billing for Unscheduled and Special Services. MarBorg will prepare and mail bills (or deliver by hand if advance payment required) for all Unscheduled Service, scheduled Roll-Off Box Services, special and miscellaneous Collection Services, and for Services provided by it to Customers under Section 3.07 hereof, when such services are not programmed into the City's municipal utility billing system and billed by the City.

If the City Council of the City has established by ordinance or resolution rates for the types of Franchise Services provided for in Section 14.25 ("Scope of Services"), which are to be billed by MarBorg, MarBorg shall bill at those established rates. City may establish rates for any Services set forth in Section 14.25 ("Scope of Services") provided for herein, whether such rates were established upon execution of this Franchise or at a subsequent date during the term of this Franchise.

MarBorg's bills shall describe the Service(s) provided, the applicable rate(s) for such Service(s), including Tipping Fees, material type, the weight, and the dates that Services were provided to its customers in a readily understandable format. MarBorg shall submit the bill format to City during the transition period and shall use bills in the approved format.

6.02 Franchise Revenue Payments By City to MarBorg. City shall remit to MarBorg the Franchise revenues received net of City franchise fees and City Program Charges (as described in Section 6.01(A) by the twentieth (20th) day of the month the City's receipt of the revenues. The City's remittances to MarBorg shall commence on the twentieth (20th) day of the month following the first month of collections under this Franchise, i.e., August 20, 2013.

City will have no obligation to MarBorg to collect delinquent MSW bills through administrative action or judicial proceedings or otherwise. However, the City agrees to assign its rights to receive payment from MarBorg Customers for those bills that are more than sixty (60) days delinquent to MarBorg and to assist MarBorg in its efforts to collect by providing account information.

6.03 Collection and Payment By MarBorg to City of the City's UUT. As required by the Santa Barbara Municipal Code, MarBorg will collect and remit to the City the City's Utility User Tax [currently in the amount of six percent (6%) of gross utility revenues] for all amounts billed by MarBorg

for unscheduled, "on-call" Services – all pursuant to the requirements of SBMC Chapter 4.24, the City's "Utility Users Services Tax. – the City's "UUT."

6.04 Payment by MarBorg to the City of the City's Franchise Fee. MarBorg will pay the City's franchise fee of two percent (2%) of all of its Gross [franchise] Revenues for unscheduled, on-call Service pursuant to the requirements of Article XIV of the City Charter and such franchise fees shall be paid to the City in the same manner and at the same time as MarBorg's payment of City's UUT amounts and that the payment of the franchise fees are lieu of any permit fee which the City customarily charges for an unscheduled hauler's permit.

6.05 Quarterly Reporting to City of Amounts Due the City from MarBorg. MarBorg shall also submit to City on or before the twentieth (20th) day of the month following the end of each calendar quarter (i.e., April 20, July 20, October 20, and January 20) a report, in a form acceptable to and approved by the City Contract Administrator, listing by date and amount all bills issued under Section 6.01 through 6.05 during the preceding quarter, together with a check to the City for the taxes, franchise fees and other amounts due to the City under this Franchise. MarBorg understands and acknowledges that the amounts due the City as UUT and franchise fees are based on the gross amount billed a customer, not than the amount received by MarBorg, and that MarBorg, and not the City, is solely responsible for collecting such amounts from its customers.

6.06 Non-Payment for Services. MarBorg may request to be allowed to discontinue MSW service and collect Containers from those Customers whose accounts are more than forty (40) days delinquent, provided, however, that no MSW service will be discontinued without the prior written approval of the City Contract Administrator which City approval shall not be unreasonably withheld.

6.07 Free MSW Service Provided by MarBorg. The City understands and acknowledges that MarBorg may elect to provide free service to certain Customers and certain of its employees, at its discretion. When such service is granted, however, the City will be provided with prior written notice specifically listing who is to receive such free service and the amount such service would otherwise cost. For each Customer (or MarBorg employee who resides within the City), MarBorg will be the billable party for such service and will remit full payment for such service to the City Utility Billing Office (including all required City fees and UUT amounts). MarBorg understands that the MSW services fees for this free service will thereafter be remitted back to MarBorg net of City Program Fees, the City UUT, and the required City franchise fee, through normal monthly net Franchise revenue payments from the City to MarBorg.

6.08 Public/Customer Service and Accessibility.

A. **Office Location.** MarBorg shall establish and maintain a business office available to MarBorg Customers within the City.

B. **Office Hours.** MarBorg's office shall be open to the public from 8 a.m. to 5 p.m. Monday through Friday and 8 a.m. to 3 p.m. on Saturday. The office may be closed on Sundays and National Holidays. MarBorg shall maintain a 24 hour answering service for hours that the office is not open for business.

C. **Availability of Customer Service Representatives.** MarBorg shall ensure that the local office is adequately staffed during office hours with representatives of MarBorg who are trained in Customer Service and are knowledgeable about local streets, public safety emergency and utility service providers, are familiar with City's specific services and programs, and in general able to

communicate with the City and members of the public in person and by telephone, to respond to service requests and complaints and to accept payments from customers.

D. Telephone and Communication Systems for Customer Service and MarBorg Employees. MarBorg shall provide telephone and similar communication systems at its local office during business hours for the purposes of responding to Customer complaints or concerns and for the purposes of communicating with its field employees. MarBorg shall provide a telephone system, staffed by adequate personnel, including customer service representatives, and with toll-free telephone line capacity, to ensure that a minimum of ninety percent (90%) of all incoming calls shall be answered by a receptionist, operator or customer service representative, in person and not by machine or other automated method, before the fourth (4th) ring, ninety percent (90%) of all callers for service shall not be required to wait on hold more than thirty (30) seconds before being connected with a customer service representative and that callers will receive a telephone busy signal less than three percent (3%) of the time on average. In order to adequately and objectively document MarBorg's performance and provide for the convenience of Customers, MarBorg shall require that the telephone system provided and maintained, whether leased or owned, is capable of: measuring the total number of incoming callers, callers answered and callers receiving a busy signal; day of week and time of day call distribution, and similar information. Reports containing this information shall be provided to the City weekly, on Tuesday for the preceding week. The telephone system provided by MarBorg shall comply with all federal, state or local laws or regulations related to accessibility or ability for members of the public to communicate with that system and with MarBorg. MarBorg shall provide bilingual (English and Spanish) customer service representatives. MarBorg shall also maintain a toll-free emergency telephone number answered locally by a live person for use during other than normal business hours. MarBorg shall have a representative, or an answering service to contact such representative, available at the emergency telephone number during hours when the office is closed. MarBorg shall arrange for both the regular and emergency numbers to be listed in all telephone directories generally distributed in the City and on all MarBorg's bills and schedules of services or rates. MarBorg shall provide evidence of compliance with the telephone system described herein in its monthly reports as described in Exhibit Ten.

MarBorg shall also provide and maintain in good working order an up-to-date communication system with which to communicate with its collection vehicle drivers and other field personnel conducting business or servicing Customers in and around the City. If determined necessary by the City, MarBorg shall provide City with all necessary radio transmitting and receiving frequencies to be used by MarBorg to communicate with its drivers and other field personnel.

E. Customer Correspondence. MarBorg shall respond promptly to all written correspondence from City or customers. MarBorg shall send a copy of the customer's correspondence to the City Contract Administrator, together with MarBorg's response, at the same time that the response is mailed to the Customer.

F. Franchise Maps, Collection Schedules, Customer Information. MarBorg shall furnish the City with maps and schedules for all Collection routes at the time required by the Implementation Plan and in any event no later than April 1, 2013, and shall update such maps and schedules whenever a change occurs. MarBorg shall submit current maps and schedules annually to City with its Annual Report (or upon a specific request from the City) and have current maps and schedules available for inspection by the public and City at its business office.

G. Public Information Brochures. In addition to the above, MarBorg shall prepare public information cards or brochures containing information about the Collection Services including: schedules and methods of collection; charges; billing and payment procedures; etc. MarBorg shall

distribute such information cards by first class mail to the occupants of all Residential, Business, Industrial and Institutional Premises prior to May 1, 2013. Such Information cards or brochures shall be revised and distributed whenever, in the reasonable opinion of City, there is any material change in the information and, in any event, at least once each year of the Term, prior to January 1, commencing January 1, 2014.

H. **New Customer Information** . New Customer Packets shall also be mailed to each newly subscribing Customer and to City Residential or Business Customers. MarBorg shall submit drafts of the maps, schedules and information cards or brochures to City for approval prior to distribution.

6.09 Future Updates to City CIS Billing System.

A. **Customer Information:** MarBorg will collect and maintain the following information on Customer accounts during each customer service contact event with the account holder: full first name, middle initial and last name of account holder; address of the property where Containers are serviced; Customer mailing address; Customer electronic mail address; Customer landline and mobile phone numbers; information regarding Customer complaints; last four digits of account holder's Social Security Number, or full Tax Identification Number if Business or Home Owner's Association. On a monthly basis, MarBorg will update all changes to Customer information listed above in the City's Utility Billing System

B. **Identification of Rich Loads.** MarBorg will accurately record and maintain information in the CIS Billing System about Rich Loads, as described in Exhibit Four, that are sorted after Collection, identifying such Containers as "high content, "medium content" and "low content" MSW Containers.

C. **City Premises.** MarBorg will accurately record and maintain information in the CIS Billing System on the services it provides to Collect Containers on all City Premises.

6.10 Service Complaints. MarBorg shall be responsible for the prompt and courteous attention to, and prompt and reasonable resolution of, all Waste Generator complaints relating to service, equipment and billing. Any electronic, written or verbal communication to MarBorg to identify a defect or deficiency in service shall be addressed by MarBorg as a complaint. MarBorg shall record in a separate log, the format of which is approved by the City, all complaints, noting the name and address of complainant, date and time of complaint, nature of complaint, and nature and date of resolution. This complaint log shall be available for inspection by City. In addition, MarBorg shall compile a summary statistical table of the complaint log and submit the table to City by the 15th day of each month.

MarBorg shall respond to all complaints from Waste Generators within twenty four (24) hours of its receipt of notice of the complaint. In particular, if a complaint involves a failure to Collect MSW, MarBorg shall Collect the MSW in question within such twenty four (24) hours period, provided it has been Delivered for Collection in accordance with the Franchise.

6.11 Changes in Collection Schedule. MarBorg shall obtain written approval from City prior to any material change in Collection operation including the addition or deletion of any new routes or the material modification or deletion of an existing route.

6.12 Obligation Not to Commingle. MarBorg shall not commingle MSW with Source-Separated Greenwaste, Foodscraps, or Recyclable Materials. MarBorg shall keep the collection and transport of Recyclable Materials, Foodscraps, and Greenwaste separate from the collection and transport

of MSW to the extent feasible, in order to prevent commingling and the resulting contamination of the Recyclable Materials/Foodscraps/Greenwaste stream.

6.13 Report of Accumulation of MSW: Unauthorized Dumping. MarBorg shall direct its drivers to note (1) the addresses of any Premises at which they observe that MSW is accumulating and is not being Delivered for Collection and (2) the address, or other location description, at which MSW has been dumped on private property in an apparently unauthorized manner. MarBorg shall provide the address or description of such a location to City within two (2) working days of the observation of accumulated MSW in order to assist the City in securing compliance with the City's Municipal Code.

ARTICLE SEVEN RECORDKEEPING, REPORTING, AND INSPECTIONS

7.01 Recordkeeping Generally. MarBorg recognizes that maintenance of accurate and complete records of its operations and timely submission to City of accurate and complete reports is an essential aspect of the service to be provided by it under this Franchise. MarBorg shall keep and maintain, within the County of Santa Barbara, complete and accurate accounting, statistical, financial, customer, personnel, and other records related to its performance under this Franchise including all such records as may be necessary to develop the financial statements and other reports required by this Franchise and to substantiate MarBorg's revenues and expenses related to this Franchise – all in accordance with generally accepted accounting principles. MarBorg agrees to conduct data collection, information and record keeping, and reporting activities necessary to comply with applicable laws and regulations and meet the reporting and MSW program management needs of the City. The specific requirements set out in this and other Articles of this Franchise shall not be considered limiting or necessarily complete. City may at any time and from time to time direct that the records and reports to be maintained and provided by MarBorg be modified in nature, type, number, format or frequency.

MarBorg shall maintain complete and accurate records as required to conduct its operations, to support requests it may make to the City, and to respond to requests from the City. Adequate record security shall be provided and continuously maintained by MarBorg to preserve records from loss or damage due to events, such as fire, theft and earthquake. Electronically maintained records shall be protected and backed up. All records shall be maintained, and City shall be provided access to them, for five (5) years after the expiration or earlier termination of this Franchise.

The records of MarBorg and any affiliated companies conducting operations under the Franchise shall be made available to City for inspection and copying during normal business hours upon 72 hours prior written notice from the City Contract Administrator. The City may review and utilize any of the records described in this section for any purpose and may provide access thereto and copies thereof to other cities and public agencies.

7.02 Records – Specific Requirements. MarBorg shall maintain complete and accurate records of the following:

A. **Personnel Records for Employees.** A roster containing the full name, social security number, job classification and salary rate of each employee, results of employee pre-employment drug testing, driver safety training, required DOT driver drug and alcohol testing records, and hazardous materials identification training.

B. **Operational Records.** Records for each route listing each customer account; records of the tons of MSW, Recyclable Material, Greenwaste and Foodscraps, Bulky Waste and White

Goods, household batteries and cell phones Collected and number of Sharps Containers distributed; records of Customer complaints; records of phone response standards; vehicle maintenance and repair records; California Highway Patrol inspection records; vehicle and container inventories; and, weights and tipping receipts of each load delivered to the Disposal Site or Processing Facilities by truck number and route number.

C. **Disposal Records.** Records showing the number of tons of Franchise MSW disposed of each day.

D. **Diversion Records.** Records showing the number of tons of Recyclable Materials, Greenwaste and Foodscraps, segregated by material type, from Source-Separated Containers and through sorting at the MarBorg Recycling Facility.

E. **Financial/Accounting Records.** Records showing the costs of all Franchise operations using the format of the chart of accounts shown on Exhibit Nine; Records showing billings issued and revenues received for all solid waste management services that are billed by MarBorg. [“Financial Records” for purposes of this Franchise are defined in Exhibit One.] Financial Records shall be maintained in accordance with Generally Accepted Accounting Principles, consistently applied. All such business records must be supported by source documents, purchase invoices, income tax returns and any other records and document reasonably necessary to verify the report by MarBorg.

7.03 Record Reporting Format. MarBorg shall compile and submit complete and accurate reports required by this Franchise in the format for Scheduled and Unscheduled Services and at the frequencies specified on Exhibit Ten.

7.04 Inspections of Records by City. The City shall have the right, but not the obligation, to observe and inspect all of MarBorg’s operations involved in providing services under this Franchise to determine whether MarBorg is performing in accordance with this Franchise and applicable laws and regulations. MarBorg shall cooperate fully with such inspections. In connection therewith, the City shall have the right to enter any of MarBorg’s facilities, inspect equipment, materials and supplies, accompany MarBorg’s employees in MarBorg’s vehicles during operations (i.e., “ride alongs”), speak to any of MarBorg’s employees and receive a response to any inquiries directed to such employees, and review and make copies (at City’s expense), of all of MarBorg’s operational financial and other business records related to this Franchise including weight tickets or other records received from the Disposal Facility operator showing each vehicle delivering Solid Waste from City to the Disposal Site by date, weight and Tipping Fee charged. If City so requests, MarBorg shall make specified personnel available to accompany City employees on inspections and “ride alongs.” MarBorg will cooperate during such inspections and shall promptly make available for inspection such records as the City, or its agent, may request.

7.05 Other Report Formats. Franchise records shall be maintained by MarBorg in forms and by methods that facilitate flexible use of the data contained within such reports and records as needed in order to structure reports. Reports are intended to compile recorded data into useful forms of information that can be used to, among other things, to do the following:

A. Analyze rates and evaluate the efficiency of operations;

B. Evaluate past and expected progress towards achieving goals identified in the California Public Resources Code, CalRecycle and other objectives;

- C. Determine needs for adjustments to current, or implementation of new, programs;
and
- D. Evaluate Customer service and complaints.

MarBorg may propose report formats that are responsive to the objectives of each report. The format of each report shall be approved in advance by City. MarBorg agrees to submit all reports on computer discs or by electronic means in a format compatible with the City's software/computers, if requested by City. MarBorg shall provide a statement, under penalty of perjury, signed by an authorized official representing MarBorg, certifying that the report being submitted is true and correct.

7.06 Adverse Information.

A. **Reporting Adverse Information to the City.** MarBorg shall provide to City two copies (one to City Clerk and one to City Contract Administrator) of all reports, pleadings, applications, notifications, Notices of Violation, communications or other material relating specifically to MarBorg's performance of services pursuant to this Franchise, submitted by MarBorg to, or received by MarBorg from, the United States Environmental Protection Agency, CalRecycle, the Securities and Exchange Commission, Santa Barbara County Department of Health Services, or any other federal, state or local agency, including any federal or state court. Copies shall be submitted to the City simultaneously with MarBorg's filing or submission of such matters to said agencies. MarBorg's routine day-to-day correspondence to and from said agencies need not be submitted to the City, but shall be made available to City for inspection promptly upon City's written request.

B. **Failure to Report to City.** The refusal or failure of MarBorg to file any required reports, or to provide required information to City, or the inclusion of any materially false or misleading statement or representation by MarBorg in such report shall be deemed a material breach of the Franchise and, if not cured in a timely manner, as provided in this Franchise, a default.

7.07 City Right to Inspect Records. City shall have the right to inspect or review the records described in this Article of MarBorg or its related party entities that the City shall deem, in its sole discretion, necessary or convenient to evaluate annual reports for adjustments to MarBorg's Compensation, MarBorg's performance provided for in this Franchise, or any other purpose relevant to this Franchise. City, and auditors and other agents selected by the City, shall have the right, during regular business hours, to conduct onsite examinations and audits of the books, records and accounting systems of MarBorg and to make copies, at the expense of City, of any documents relevant to this Franchise, including source documents such as purchase invoices, tax returns, and cancelled checks.

If at any time during the Term said books, records and accounts are deemed inadequate or incomplete in accordance with the standard set forth herein, MarBorg shall, within sixty (60) days of a request from City, revise, adjust, complete, procure and maintain such books, records and accounts so that they thereafter conform to said standards, in City's reasonable judgment.

In the event that discrepancies in reporting by MarBorg are discovered in connection with any audit or review of reports made by MarBorg, which discrepancies are more than 10% over or under the amount reported for the category, class or type of report made for that reporting period, MarBorg shall pay to the City of Santa Barbara a sum equal to one half (50%) of the costs incurred by City to conduct that particular audit or review for that reporting period.

ARTICLE EIGHT INDEPENDENT CONTRACTOR

8.01 MarBorg Operates as an Independent Contractor In the performance of services under this Franchise, MarBorg shall be, and is considered, an independent contractor, and is not an agent or employee of the City, except only as may be expressly provided herein. MarBorg has and shall retain the exclusive right and responsibility for and to exercise full control over the employment, employee benefits, employee supervision and direction, employee compensation and discharge of all persons or employees assisting MarBorg in the performance of MarBorg's Franchise services. MarBorg shall be solely responsible for all matters relating to the payment of its employees, including compliance with social security, pension and benefits, vacation or sick or similar accrued time, withholding and all regulations governing such matters, and shall be solely responsible for MarBorg's own acts and those of MarBorg's agents and employees.

8.02 No Partnership or Joint Venture Created. Nothing in this Franchise shall be construed as creating a partnership or joint venture between the City and MarBorg, or as giving the City a duty to supervise or control the acts or omissions of any person performing services or work under the Franchise.

8.03 No Entitlement to Benefits. Neither MarBorg nor its officers, employees, agents or subcontractors shall be entitled to any retirement benefits, workers' compensation benefits or any other benefits, which accrue to any City employees, and MarBorg expressly waives any claim it may have to acquire to such benefits.

ARTICLE NINE SECURITY FOR PERFORMANCE

9.01 Franchise Performance Bond. MarBorg shall, at MarBorg's sole cost and expense, concurrently with the execution of this Franchise, provide the City with a performance bond issued by a surety company and in a form satisfactory to the City and approved by the City Attorney, in the amount of Six Million Dollars (\$6,000,000.00). The performance bond shall secure the due performance by MarBorg of all of its obligations under this Agreement and shall indemnify the City against any losses or expenses sustained by the City caused by MarBorg's default under Section 13.01. Any surety providing a bond hereunder shall be an admitted surety in the State of California with an A.M. Best Insurance Reports rating of at least "A," Class VIII or larger.

9.02 Alternative Security. City may, in its sole discretion, allow MarBorg to provide alternative security in the amount set forth in Section 9.01, in the form of (a) a prepaid irrevocable standby bank letter of credit in form and substance satisfactory to City Contract Administrator (and approved as to form by the City Attorney) and issued by a financial institution acceptable to City, or (b) a certificate of deposit in the name of the City with a financial institution acceptable to City.

ARTICLE TEN INSURANCE

10.01 Types and Amounts of Coverage. MarBorg, at MarBorg's sole cost and expense, shall procure from an insurance company or companies admitted to do business in the State of California and shall maintain such insurance in full force at all times during the Term of this Franchise (with the exception of Environmental Impairment Liability Insurance, which shall be in effect no later than June 8, 2013) the following types and amounts of insurance:

A. **Workers' Compensation and Employer's Liability.** MarBorg shall maintain workers' compensation insurance covering its employees in statutory amounts and otherwise in compliance with the laws of the State of California. MarBorg shall maintain employer's liability insurance in an amount not less than One Million Dollars (\$1,000,000) per accident or disease. In the event MarBorg is self-insured as to workers' compensation, it shall furnish a Certificate of Consent to Self Insure issued by the California Department of Industrial Relations.

B. **Commercial General Liability.** MarBorg shall maintain commercial general liability insurance Coverage shall be at least as broad as Insurance Services Office Form CG 00 01, with limits of not less than Five Million Dollars (\$5,000,000) per occurrence , covering all claims and all legal liability for personal injury, bodily injury, death, and property damage, including the loss of use thereof, arising out of, or occasioned in any way by, directly or indirectly, MarBorg's performance of, or its failure to perform, Services under this Franchise. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this franchise or the general aggregate limit shall be twice the required occurrence limit.

The insurance required by this Subsection shall include: (a) Premises Operations; (b) Products and Completed Operations; (c) Personal Injury Liability with Employment Exclusion deleted; (d) Broad Form Blanket Contractual, with no exclusions for bodily injury, personal injury, or property damage; and (e) Broad Form Property Damage, including Completed Operations.

C. **Environmental Impairment Liability.** MarBorg shall maintain environmental impairment liability insurance in the amount of Five Million Dollars (\$5,000,000) covering liability arising from the release of waste materials, contaminants or pollutants to the extent it is available at a commercially reasonable price.

D. **Automobile Liability Insurance.** MarBorg shall maintain automobile liability insurance. Coverage shall be at least as broad as Insurance Services Office Form Number CA 0001 covering Code 1 (any auto) with coverage limits of not less than Five Million Dollars (\$5,000,000) per occurrence, for personal and bodily injury and property damage. Such coverage shall include, but shall not be limited to, the use of owned, non-owned and hired vehicles and equipment used by MarBorg in the performance of its activities contemplated under this Franchise.

E. **Collision, Fire, and Theft Insurance.** MarBorg shall maintain property insurance covering its vehicles equipment and facilities against loss or damage due to events such as fire, collision and theft. The policy(ies) shall be written on an "all risks" and "replacement cost" basis and may contain a deductible or self insured retention no larger than One Hundred Thousand Dollars (\$100,000).

10.02 Acceptability of Insurers. The insurance policies required by this Article shall be issued by an insurance company or companies authorized to do business in the State of California and with a rating in the most recent edition of A.M. Best's Insurance Reports of size category VIII or larger and a rating classification of A or better. Each company shall be an "admitted insurer" subject to the jurisdiction of the California Insurance Commissioner.

10.03 Other Insurance Requirements. The required insurance policies are to contain, or be endorsed to contain, the following specific provisions in favor of the City:

A. General Liability and Automobile Liability Coverages.

1. The City, its elected and appointed officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of MarBorg; products and completed operations of MarBorg; premises owned, leased or used by MarBorg; or vehicles owned, leased, hired or borrowed by MarBorg. The coverage shall contain no special limitations on the scope of protection afforded to the additional insureds.

2. MarBorg's insurance coverage shall be primary insurance as respects the City and the other additional insureds. Any insurance or self-insurance maintained by the City or other additional insureds shall be excess of MarBorg's insurance and shall not contribute with it.

3. Any failure by MarBorg to comply with reporting provisions of the policies shall not affect coverage provided to the City and other additional insureds.

4. Coverage shall state that MarBorg's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

B. Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City and the other additional insureds for losses arising from work performed by MarBorg under this Franchise.

C. All Coverages. Each insurance policy required by this Article shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City Clerk.

10.04 Required Endorsements. Without limiting the generality of Section 10.03, the policies shall contain endorsements in substantially the following form:

A. Workers' Compensation Policy.

1. "Insurer waives all right of subrogation against the City and its officials, employees and volunteers for losses arising from work performed by MarBorg under its Franchise with the City."

B. Comprehensive General Liability and Automobile.

1. "The City, its officers, employees, and agents are additional insureds on this policy."

2. "This policy shall be considered primary insurance as respects any other valid and collectible insurance maintained by the City, including any self-insured retention or program of self-insurance, and any other such insurance shall be considered excess insurance only."

3. "Inclusion of the City as an additional insured shall not affect the City's rights as respects any claim, demand, suit or judgment brought or recovered against MarBorg. This policy shall protect MarBorg and the City in the same manner as though a separate policy had been issued to each, but

this shall not operate to increase the company's liability as set forth in the policy beyond the amount shown or to which the company would have been liable if only one party had been named as an insured."

C. **Environmental Impairment Liability.** Endorsements (1) through (3) in Section 10.4.B, above, are required, if available at a commercially reasonable price.

10.05 Delivery of Proof of Coverage. On or before the Effective Date, MarBorg shall furnish the City with certificates of each policy of insurance required pursuant to Sections 10.01. A, B and D, in form and substance satisfactory to the City. MarBorg shall furnish a certificate of the policy required by Sections 10.01. C and E on or before June 7, 2013. Such certificates shall show the type and amount of coverage, effective dates, and dates of expiration of policies and shall be accompanied by originals of all required endorsements. The certificates and endorsements for each policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. If at any time the City so requests, complete certified copies of each policy, together with all endorsements, shall also be promptly delivered to the City. MarBorg shall periodically furnish renewal certificates to the City to demonstrate maintenance of the required coverages throughout the Term.

10.06 Deductibles. No policy required by this Article, other than by Section 10.01 E, shall contain a deductible without the prior written approval of the City. A deductible of up to One Hundred Thousand Dollars (\$100,000) may be allowed if MarBorg remains responsible for paying losses and related investigations, claims administration and defense expenses, the City is satisfied that MarBorg is financially capable of making the required payments, and the Guaranty provided pursuant to Section 14.17 covers this obligation.

10.07 Other Insurance Requirements.

A. **Insurance Provided by Subcontractors.** In the event any services are delegated to a subcontractor, MarBorg shall require such subcontractor to provide statutory workers' compensation insurance and employer's liability insurance for all of the subcontractor's employees engaged in the work. The liability insurance required by Section 10.01.B through D shall cover all subcontractors or the subcontractor must furnish evidence of insurance provided by it meeting all of the requirements of this Article.

B. **MarBorg's Compliance with Insurer's Requirement.** MarBorg shall comply with all requirements of the insurers issuing policies. The carrying of insurance shall not relieve MarBorg from any obligation under this Franchise, including those imposed by Article 11. If any claim is made by any third Person against MarBorg or any subcontractor on account of any occurrence related to this Franchise, MarBorg shall promptly report the facts in writing to the insurance carrier and to the City.

C. **Failure to Maintain Insurance.** If MarBorg fails to procure and maintain any insurance required by this Franchise, the City may take out and maintain, at MarBorg's expense, such insurance as it may deem proper and deduct the cost thereof from any monies due MarBorg. Alternatively, the City may treat the failure as a material breach of Franchise which, if not cured as provided in Section 13.01, allows the City to terminate this Franchise, or invoke any other remedy for a default.

D. **Occurrence Basis Coverage.** The commercial general liability insurance required by Section 10.01.B shall be written on an "occurrence," rather than a "claims made" basis, if such coverage is obtainable. If it is not obtainable, MarBorg shall arrange for "tail coverage" to protect

the City from claims filed during the three years immediately following the expiration or earlier termination of this Franchise relating to incidents which occurred prior to such expiration or termination.

ARTICLE ELEVEN INDEMNIFICATION OF CITY

11.01 MarBorg's Duty to Defend and Indemnify the City. Except for a claim that the City has enacted a tax, fee, or assessment in a manner contrary to Article XIII C or XIID of the state constitution, MarBorg shall to the maximum extent permitted by law investigate, defend with counsel approved by the City, indemnify and hold harmless the City and the City's officers, employees, appointed and elected officials, agents, volunteers, successors, and assigns (collectively "Indemnitees") from any and all claims, demands, damages, costs, expenses (including without limitation fees of consultants, expert witnesses and attorneys), special and consequential damages, natural resource damages, punitive damages, fines, penalties, suits or actions, causes of action, legal or administrative proceedings, demands, debts, liens (collectively referred to herein as "Claims") and other expenses of any kind and description including, but not limited to, injury to or death of any and all persons (including, but not limited to, MarBorg, its subcontractors, agents and/or employees and their successors and assigns as well as the City or the City's agents, and all third parties), or on account of all property damage of any kind, whether tangible or intangible, including loss of use resulting there from, arising in connection with the work performed by MarBorg pursuant to this Franchise or caused or occasioned in whole or in part by MarBorg, its subcontractors, agents and/or employees. MarBorg's duty to defend, indemnify and hold harmless the City arising during the Term shall survive the expiration or earlier termination of this Franchise. Any legal counsel selected by MarBorg in defense or prosecution of legal matters identified in this agreement shall be mutually acceptable to MarBorg and to City and approved by the City Attorney in writing. The City's approval of such counsel will not be unreasonably withheld.

Without limiting the generality of the foregoing, MarBorg's indemnification shall include personal injury, death or damage to property (including contamination); product liability; violation of federal, state or local law including the Environmental Laws; or any other Claim whatsoever connected with the activities of MarBorg, its subcontractors, agents, and/or employees under this Franchise or on account of the performance or character of the work performed hereunder, including unforeseen difficulties, accidents, occurrences or omissions, including, but not limited to, any negligent, reckless, or willful failure to comply with Article 4; any Claim MarBorg, or its subcontractors, agents and/or employees, has breached an express or implied warranty of merchantability or fitness for particular use or any other warranty relating to any materials marketed pursuant to this Franchise; or any Claim that any of them has violated any license, copyright, or other limitation on MarBorg's use of computer software in connection with MarBorg's performance of services under this Franchise; any Claim that the City has provided MarBorg a Franchise or franchise term which allegedly violates state or federal law; and any Claim arising from City's performance under this Franchise. The provisions of this Section 11 are not intended as a waiver of MarBorg's rights, if any, under the California Tort Claims Act.

11.02 The City to Provide Notice of Claims. The City shall provide MarBorg with prompt notice of any Claims received by it, and MarBorg shall assume the defense of any Claim, with counsel approved by the City, and MarBorg shall have authority to settle any Claim provided such settlement fully releases and extinguishes City's alleged liability under the Claim. Where a conflict of interest exists between the City and MarBorg with respect to a Claim which is covered by Section 11.01, MarBorg shall provide the City with independent legal counsel, approved by the City, at MarBorg's expense.

11.03 Hazardous Waste Indemnification. MarBorg shall investigate, indemnify, defend with counsel approved by the City, protect and hold harmless the City against all Claims, of any kind whatsoever paid, incurred or suffered by, or asserted against City arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Wastes at any place where MarBorg stores or disposes of Hazardous Wastes pursuant to this Franchise except to the extent that MarBorg can demonstrate that such Claim arises solely from Hazardous Wastes collected and deposited by City employees acting within the ordinary course and scope of their employment. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, ("CERCLA"), 42 U.S.C. Section 9607(e), and California Health and Safety Code Section 25364, to defend, protect, hold harmless and indemnify the City from liability. The City has not, and, by this Franchise does not, instruct MarBorg on its collection methods, nor supervise the collection and disposal of waste, and nothing in this Franchise, or other action of the City shall be construed to place title to such waste in MarBorg or City.

11.04 Integrated Waste Management Act Indemnification. Should MarBorg fail to achieve the diversion requirements set forth in Section 3.17 then MarBorg agrees to defend, with counsel approved by the City, indemnify and hold harmless the City against all fines and/or penalties imposed by the California Integrated Waste Management Board, to the maximum extent permitted by Public Resources Code Section 40059.1, or as such section may be amended from time to time. MarBorg shall be entitled to assert any and all administrative remedies available to it, or City, in defense of the imposition of such fines or penalties.

ARTICLE TWELVE MARBORG FRANCHISE REVENUE

12.01 Generally. MarBorg shall perform the MSW Services and provide the equipment, materials, and supplies required by this Franchise in consideration of its receipt of the following: (a) the right to receive the amounts billed by the City of Santa Barbara at the MSW rates designated as "hauler compensation" as set forth herein and in Exhibit Eleven and as they may be adjusted from time to time as provided in this Article; (b) the right to an assignment from City of nonpaying Customer accounts pursuant to Section 6.02; (c) the right to bill Customers for unscheduled Services, if any, provided pursuant to Section 3.07; and (d) the right to use City streets and rights of way to operate an MSW franchise within the City. The franchise revenues from these sources shall be the full, entire and complete compensation due to MarBorg for all labor, equipment, materials, supplies, insurance, bonds, taxes, overhead, profit and all other things necessary to perform all the Services required by this Franchise at the time and in the manner prescribed.

12.02 Initial MSW Billing Rates. For Franchise Services billed by the City to Customers, rates for Services billed prior to July 1, 2013 shall be those rates adopted by the City Council and in effect on the Effective Date. Rates for Franchise Services billed on or after July 1, 2013 shall be those set forth in Exhibit Eleven, adjusted as provided herein and subject to the due review and public hearing approval of such rates by the City Council in the manner required by state Constitution and state law.

12.03 Annual CPI Rate Adjustments During Term of Franchise. The rates reflected in Exhibit 11, and the rates in effect as of June 30th of each succeeding year, shall be adjusted upward or downward to reflect changes that occur in the cost of doing business as measured by fluctuations in the Consumer Price Index. The Consumer Price Index adjustment will be a fraction, the numerator of which is the Consumer Price Index as of December in the year in which rates are being changed minus the

Consumer Price Index as of the December twelve (12) months earlier, and the denominator of which is the Consumer Price Index as of the December twelve (12) months earlier, and rounded to two decimal places. The fraction will then be adjusted by a multiplier of 0.70. The resultant fraction will then be applied to each rate.

The changes will become effective with Customer bills issued by the City for Services provided on or after July 1 of the year in which rates are charged.

The Consumer Price Index to be used for this annual adjustment is the Los Angeles-Riverside-Orange County Metropolitan Area Consumer Price Index (Urban Wage Earners and Clerical Workers, 1982-84=100) compiled and as published by the United States Department of Labor, Bureau of Labor Statistics, or a successor index used by the Department of Labor.

12.04 Maximum CPI-Based Annual Increase or Decrease. Notwithstanding the foregoing, the maximum increase or decrease in Franchise Rates in any year under Section 12.03 will be five percent (5%), regardless of the amount by which the applicable Consumer Price Index has increased or decreased during the twelve (12) month period ending the preceding January.

12.05 Design of Rate Schedule. City reserves its legislative discretion and in accordance with state Constitutional requirements to adjust particular components of the Franchise rate schedule by amounts greater or less than the applicable percentage adjustment required by Section 12.03, in order to accomplish health, social, economic and/or environmental goals, so long as the aggregate adjustment generates an amount of revenue substantially equivalent to the amount of revenue generated by the single percentage calculated under Section 12.03. If City intends to adjust rates differentially, rather than by a single percentage, it will give MarBorg notice thereof on or before March 15 of the year in which rates are to be adjusted, together with a proposed rate schedule and calculations showing that the proposed differential rate adjustment is substantially equivalent, in economic terms, to a uniform increase by the applicable percentage. (A rate schedule which will generate revenue within \$10,000 of the revenue projected to be generated within that year as a result of a uniform percentage adjustment shall be considered substantially equivalent. For the purpose of projecting revenues, the Tons of MSW collected in the previous year shall be used.)

MarBorg shall have thirty (30) days in which to submit comments to the City on the proposed rates. Such comments may address both the revenue projections and any impacts which revised rates might have on MarBorg's costs of performance. The City will consider such comments and will meet with MarBorg, if requested, to discuss the revenue, cost and operational impacts of the proposed rates. If MarBorg does not submit any comments within thirty (30) days from the City's notice, it will be presumed to be satisfied with all aspects of the proposed differential rate schedule.

12.06 Adjustments to Rates Based on Changes in Disposal Costs. If the tipping fee charged at Santa Barbara County's Tajiguas Landfill (or at whatever Disposal Site then in use with the permission of the City), or at the City-designated Foodscraps processor, is changed for whatever reason including, but not limited to, new or increased taxes or regulatory fees, the rates shall be adjusted accordingly in accordance with the procedures provided for in this franchise for rate adjustments and as required by state law.

12.07 Adjustments to Rates Based on Changes in the Scope of Work. Whenever practicable, the City shall provide MarBorg written notice for any requested change in services. Within 45 days following notice of the requested change, MarBorg shall submit a written proposal to the City containing the following:

- A. The Collection methodology to be employed;
- B. The Equipment to be utilized (Vehicles, containers, etc.);
- C. The Labor requirements involved in the change (Number of employee by classification);
- D. Types of containers to be used for the change;
- E. Estimated tonnage to be collected and methodology for determining tonnage;
- F. Description of end use of collected material;
- G. Three (3) year projection of the financial impact on MarBorg of the program's operation in a balance sheet and operating statement including appropriate documentation of the key assumption underlying the projections and the support for those assumptions, giving full effect to the savings or costs to existing services and the rate impact to affected MarBorg customers;
- H. A schedule for MarBorg to implement the change;
- I. The requested adjustment to MarBorg's compensation, if any, as a result of the change; and
- J. In the case of a reduction in service, a proposal from MarBorg's regarding those costs which are reduced from prior service and a schedule for divesting such costs from the provision of the service.

The City will have 90 days from the receipt of MarBorg's proposal to evaluate MarBorg's request and to complete any required due diligence and, if necessary, to negotiate with MarBorg over the terms and conditions related to the implementation of the City's requested change in service. An adjustment in MarBorg's compensation will include the incremental change in cost which results from the City's change plus a profit of 8% on top of the incremental costs.

If the City and MarBorg are unable to agree upon such terms and conditions, the Contract Administrator will issue a determination of the appropriate adjustment amount in writing within 120 days following the receipt of MarBorg's proposal. MarBorg may appeal this determination within 30 days to the City Administrator, whose decision will be final.

12.08 Adjustments to Rates Based on Extraordinary Events.

The parties acknowledge that there may be infrequent extraordinary events which, although they do not prevent either party from performing, and thus do not implicate the Force Majeure provisions, nevertheless increase or decrease the cost of providing service by four percent (4%) or more, such that MarBorg's Compensation and the rate adjustment mechanism provided in this Franchise result in MarBorg suffering losses, or enjoying profits, which are substantially outside the commercially reasonable expectations of the parties. The obligation of the parties in such event is to act reasonably toward each other in arriving at an appropriate adjustment in rates. An example of such an event is an earthquake or flood which closes the road to the Disposal Site, thus requiring MarBorg to traverse a more difficult and circuitous secondary road or to deliver MSW to a different, more distant, disposal site, or a war or embargo which increases the cost of fuel by 300% or more. A change in the market price of Recyclable Materials is not such an event.

If one party believes such an event has occurred and warrants an increase or decrease in the rates different from that provided in Section 12.03, it shall notify the other, providing a full explanation and a proposed change in rates.

12.09 Request from MarBorg for Special Rate Increase Consideration. No earlier than five years after the Effective Date of this Franchise, MarBorg may request to demonstrate to the City Contract

Administrator that its franchise has become structurally unprofitable over the entire term of the Franchise. In such case, MarBorg may request that the City Council, with the express written concurrence of the City Contract Administrator, consider a special Franchise rate increase. MarBorg will reimburse the City for the full cost of outside auditing services contracted by the City to evaluate such request and MarBorg understands that the City will be entitled to full and complete access to all MarBorg records in order to determine whether such a Special Rate Increase may be appropriate or warranted and, if so, the amount of adjustment warranted. The approval of such rate increase will be at sole discretion of the City Council.

12.10 Information Supporting Requests for Adjustments in Rates. If an adjustment in rates is requested as a result of a change in Disposal Costs (Section 12.06), a change in the scope of work directed by City (Section 12.07), or an Extraordinary Event (Section 12.08), MarBorg shall promptly furnish to City all relevant operational and financial information and records necessary to evaluate the request. Additionally, if required by City, MarBorg shall also provide a copy of its annual audited financial statements for the most recently completed fiscal year prepared in accordance with Generally Accepted Accounting Principles and audited by a Certified Public Accountant ("CPA"), licensed to practice by the California Department of Consumer Affairs Board of Accountancy, in accordance with Generally Accepted Auditing Standards. Such CPA shall be entirely independent of MarBorg and shall have no financial interest whatsoever in the business of MarBorg.

The City Contract Administrator may specify the form and detail of the financial statements and may, for example, require a supplementary combining schedule showing the results of MarBorg's operations under this Franchise separately from any other of its operations included in the financial statements. The supplemental schedule shall be provided to City on a compiled basis.

MarBorg's agreement with the CPA for the audit shall require the CPA to make available to City, or to City's designated representative, the CPA's working papers and the disclosure letter prepared by it. MarBorg shall provide City with access to and copies of any other documents requested by City relating to information in the disclosure letter. If requested by City, MarBorg shall submit a statement listing any of its subcontractors or suppliers which are subsidiaries or affiliates of MarBorg or of MarBorg's parent company or companies. There will be no charge to City for the audit, the cost of which is included in MarBorg's Compensation.

If City fails or refuses to increase rates as requested by MarBorg, MarBorg may not terminate this Agreement or refuse to continue to provide service for the remaining term of the Franchise.

12.11 Rates not to Exceed Comparable Localities. Notwithstanding any other provision of this Article 12 or the Franchise to the contrary, the MSW rates authorized under this Franchise shall not exceed, by more than fifteen percent (15%), the average of those rates charged in the city of Goleta, the city of Ventura, and the unincorporated areas of Santa Barbara County. The City shall, in making its determination of comparability, consider those factors which tend to influence rates, including, without limitation, the following:

- a. Type and frequency of service offered;
- b. Variations in collection methods;
- c. Account density;
- d. Population served;
- e. Ratio of commercial to residential accounts;
- f. Existence of rate subsidies;
- g. Landfill tipping fees;

- h. MRF tipping fees;
- i. City-imposed fees;
- j. Level of free city service;
- k. Distance to waste processing or disposal facilities;
- l. Authorized hours of collection.

12.12 Sharing of Business Sector Recycling Revenues. The City and MarBorg agree to defer the commencement of any agreement to share revenue from the business sector derived from the sale of commingled recyclable materials collected by MarBorg pursuant to its exclusive franchise until after January 1, 2014.

ARTICLE THIRTEEN DEFAULTS AND REMEDIES

13.01 Events of Default. Each of the following shall constitute an event of default hereunder:

A. If MarBorg fails to perform its obligations under this Franchise and (i) the failure to perform the obligations required by Articles 3 [with the exception of §3.16(c) and §3.17(1)], 4 or 10 of this Franchise is not completely cured and corrected within two (2) business days after receiving notice from the City specifying the breach; or (ii) in the case of any other breach of this Franchise, the breach continues for more than fifteen (15) calendar days after written notice from the City for the correction thereof;

B. There is a seizure or attachment of, or levy affecting possession of, the operating equipment of MarBorg, including without limitation, its vehicles, maintenance or office facilities, of such proportion as to substantially impair MarBorg's ability to perform under this Franchise, and which is not released, bonded or otherwise lifted within forty-eight (48) hours;

C. To the extent allowed by law, MarBorg files a voluntary petition for debt relief under any applicable bankruptcy, insolvency, debtor relief or other similar law or consents to the appointment of or taking of possession by a receiver or similar official of any substantial part of MarBorg's property, or makes any general assignment for the benefit of MarBorg's creditors, or fails generally to pay MarBorg's debts as they become due;

D. To the extent allowed by law, a court having jurisdiction enters a decree or order for relief in respect of MarBorg, in any involuntary case brought under any bankruptcy, insolvency, debtor relief or similar law appointing a receiver, or similar official for any part of MarBorg's operating equipment or assets, or orders the winding up or liquidation of the affairs of MarBorg;

E. MarBorg fails to provide reasonable assurances of performance as required under Section 13.02.E of this Franchise;

F. MarBorg fails to adhere to the Implementation Plan approved by the City under Section 3.02;

G. The failure of any representation and warranty made by MarBorg in Article 1 of this Franchise or if such representation or warranty proves to be false or misleading in any material respect;

H. MarBorg is found to have knowingly violated the Act, any Environmental Law (as defined in Exhibit 1), or any permit, order or rule of any regulatory agency in connection with MarBorg's performance of this Franchise and such finding has become final and not subject to further appeal; and

I. If MarBorg, or any of its directors or officers is convicted of a felony arising directly out of the performance of any act related to this Franchise which, in the reasonable opinion of the City, compromises the ability of MarBorg to perform all of its obligations under the Franchise, the City will, prior to terminating the Franchise, provide MarBorg with reasonable opportunity to demonstrate that the quality, integrity and reliability of franchise service that has not been impacted by the actions of MarBorg and that proper franchise service will be maintained in accordance with the Service Standard established herein. The City will expect that MarBorg will terminate officer or employee convicted of a felony which, may impact MarBorg's performance under the reasonable opinion of the City, this franchise within fifteen (15) days of such conviction so that he or she is no longer involved in service to the City. ["Conviction," for purposes of this section, includes a plea of guilty or no contest.]

J. **Default by City.** The failure of the City to perform any of the obligations imposed on the City pursuant to this Franchise Agreement.

13.02 Remedies Available for an Event of Default.

A. Termination.

1. **By the City.** Upon an event of default as defined in Section 13.01(A) through 13.01(I) which is not cured to the satisfaction of the City as required by §13.01(A), the City shall have the right to terminate this Franchise upon a notice of not less than thirty (30) days, provided such termination shall be authorized by the action of City Council following a noticed City Council hearing.

2. **By MarBorg.** Upon an event of default as defined in Section 13.01(J) which is not cured to the reasonable satisfaction of MarBorg within a period of thirty (30) day prior written notice of the event of default by MarBorg to City, MarBorg shall have the right to terminate this Franchise.

B. **Use of Property Upon Default.** In the event of MarBorg's default, the City shall have the right to use any of MarBorg's land, equipment, facilities and other property reasonably necessary for the provision of services hereunder and the billing and collection of fees for those services. The City shall have the right to continue use of such property until other suitable arrangements can be made for the provision of such services, which may include the award of a Franchise to another service provider. MarBorg shall be entitled to the reasonable rental value of such property (not to exceed the revenue otherwise anticipated under terms of this Franchise), which shall be offset against the damages due the City as a result of MarBorg's default. MarBorg agrees that it will fully cooperate with the City to effect the City's use of such property. The City may immediately engage all or any personnel necessary for the provision of services, including, if the City so desires, employees previously employed by MarBorg. MarBorg further agrees, if the City so requests, to assist the City in securing the services of any or all management or office personnel employed by MarBorg whose skills are reasonably necessary for the continuation of services. The City agrees that it assumes complete responsibility for the proper, normal use of such equipment and facilities while in its possession. MarBorg agrees that the City's exercise of its rights under this Section: (i) does not constitute a taking of private property for which compensation must be paid; (ii) will not create any liability on the part of the City to MarBorg other than the payment of reasonable rental value as provided for in this subsection; (iii) does not exempt MarBorg

from the indemnity provisions of Article 11 which are meant to extend to circumstances arising under this Section.

C. **Monetary Damages.** MarBorg shall be liable to City for all direct and consequential damages arising out of MarBorg's default. This section is intended to be declarative of existing California law. The City may offset such damages against sums which would otherwise be due to MarBorg.

D. **Specific Performance.** By virtue of the nature of this Franchise, the urgency of timely, continuous and high-quality service, and the lead time required to effect alternative service, the remedy of damages for a breach hereof by MarBorg is inadequate and the City shall be entitled to injunctive relief compelling the specific performance of MarBorg's obligation hereunder.

E. **Right to Demand Assurances of Performance.** If MarBorg (i) is the subject of any labor unrest including work stoppage or slow down, sick out, picketing or other concerted job actions; (ii) appears in the reasonable judgment of the City to be unable to regularly pay bills as they become due; or (iii) is the subject of a civil or criminal judgment or order entered for violations of environmental laws, and the City believes in good faith that MarBorg's ability to perform has been placed in substantial jeopardy, the City may, at its option, in addition to all other remedies that it may have, demand from MarBorg reasonable assurances of timely and proper performance of this Franchise, in such form and substance that the City believes is reasonably necessary in the circumstances.

F. **Right to Liquidated Damages.**

1. **Generally.** The City finds, and MarBorg understands and acknowledges, that as of the time of the execution of this Franchise, it is impractical, if not impossible, to reasonably ascertain the extent of damages which would be incurred by City as a result of a breach by MarBorg of its obligations under this Franchise. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that (a) substantial damage results to members of the public who are denied services or denied quality or reliable service, (b) such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Franchise to individual members of the general public for whose benefit this Franchise exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms, and (c) the termination of this Franchise for such breaches, and other remedies are, at best, a means of future correction and not remedies which make the public whole for past breaches.

2. **Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The parties further acknowledge that consistent, reliable Collection Service is of utmost importance to City and that City has considered and relied on MarBorg's representations as to its quality of service commitment in awarding the Franchise to it. MarBorg and the City further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. MarBorg and the City further recognize that if MarBorg fails to achieve the performance standards, City and its residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages which City will suffer. Therefore, without prejudice to City's right to treat such non-performance as an event of default under this Article, the parties agree that the liquidated damage amounts contained in Exhibit Thirteen (13) represent a reasonable estimate of the amount of such damages due to the City considering all of the circumstances existing on the date of this Franchise, including the relationship of the sums to the range of harm to City that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical. In placing their initials at the places provided, each party

specifically confirms the accuracy of the statements made above and the fact that each party has had ample opportunity to consult with legal counsel and obtain an explanation of the liquidated damage provisions at the time that the Franchise was made

MarBorg
Initial Here DJB

City Contract Administrator
Initial Here AS

MarBorg agrees to pay (as liquidated damages and not as a penalty) the amounts set forth in Exhibit Thirteen.

3. **Notice to MarBorg.** The City may determine the occurrence of events giving rise to liquidated damages through the observation of its own employees, agents or representatives or through investigation of Customer complaints.

Prior to assessing liquidated damages, City shall give MarBorg notice of its intention to do so. The notice will include a brief description of the incident(s)/non-performance. MarBorg may review (and make copies at its own expense) all non-confidential information in the possession of the City relating to incident(s)/non-performance. MarBorg may, within ten (10) days after receiving the notice, request a meeting with the City Contract Administrator. MarBorg may present evidence in writing and through testimony of its employees and others relevant to the incident(s)/non-performance. The City Contract Administrator will provide MarBorg with a written explanation of the determination on each incident(s)/non-performance prior to authorizing the assessment of liquidated damages. The decision of the City Contract Administrator shall be final.

4. **Amount.** The City may assess liquidated damages for each calendar day or event, as appropriate, that MarBorg is determined to be liable in accordance with this Franchise.

5. **Payment.** MarBorg shall pay any liquidated damages assessed by City within ten (10) days after they are assessed. If not so paid, City may offset the amount of liquidated damages against collection revenue to be paid to MarBorg pursuant to Section 6.02.

G. **City's Remedies Cumulative.** The City's right to terminate this Franchise, to make use of MarBorg's properties and all other remedies of this Article are cumulative, not exclusive, and the City's termination of this Franchise or exercise of one or more rights shall not constitute an election of remedies. All remedies provided in this Article shall be in addition to any and all other legal and equitable rights and remedies which the City may have.

13.03 Excuse from Performance.

A. **Force Majeure.** Neither MarBorg nor the City shall be excused from the performance of its obligations under this Franchise except where a party's failure to perform is due to an event of Force Majeure, as defined in Exhibit One of this Franchise ("Force Majeure.")

B. **Obligation to Restore Ability to Perform.** Any suspension of performance by a party pursuant to this Section shall be only to the extent, and for a period of no longer duration than, required by the nature of the event, and the party claiming excuse from obligation shall use its best efforts in an expeditious manner to remedy its inability to perform, and mitigate damages that may occur as result of the event.

C. **Notice.** The party claiming excuse shall deliver to the other party a written notice of intent to claim excuse from performance under this Franchise by reason of an event of Force Majeure. Notice required by this Section shall be given promptly in light of the circumstances, but in any event not later than five (5) days after the occurrence of the event of Force Majeure. Such notice shall describe in detail the event of Force Majeure claimed, the services impacted by the claimed event of Force Majeure, the expected length of time that the party expects to be prevented from performing, the steps which the party intends to take to restore its ability to perform, and such other information as the other party reasonably requests.

D. **City's Rights in the Event of Force Majeure.** The partial or complete interruption or discontinuance of MarBorg's services caused by an event of Force Majeure shall not constitute an event of default under this Franchise. Notwithstanding the foregoing: (i) the City shall have the right to make use of MarBorg's facilities and equipment in accordance with Section 13.02.B of this Franchise in the event of non-performance excused by Force Majeure; (ii) if MarBorg's excuse from performance for reason of Force Majeure continues for a period of thirty (30) days or more, the City shall have the right, in its sole discretion, to immediately terminate this Franchise; (iii) if MarBorg is unable to collect and dispose of MSW as required by this Franchise for a period of three (3) or more consecutive days or for any three (3) days in a seven (7) day period as a result of Force Majeure, the City shall have the right to make use of MarBorg's property in accordance with Section 13.02.B; and (iv) if MarBorg's inability to collect and dispose of MSW continues for fourteen (14) days or more from the date by which MarBorg gave or should have given notice under Section 13.03.C, the City may terminate this Franchise.

ARTICLE FOURTEEN OTHER FRANCHISE COVENANTS

14.01 Restrictions on Assignment.

A. MarBorg understands and acknowledges that this Franchise involves rendering a vital and critical municipal service to the City's residents and businesses, and that the City has selected MarBorg to perform the services specified herein based, among other things, on (i) MarBorg's level of experience, skill and solid local reputation for conducting its MSW and Recyclable Materials management operations in a safe, effective and responsible fashion, at all times in keeping with applicable environmental laws, regulations and best management practices; and (ii) MarBorg's financial resources to maintain the required disposal equipment and to support its insurance and indemnification obligations to the City under this Franchise; and (iii) MarBorg's covenant to continue to own and operate the MRF in connection with this Franchise. The City has relied on each of these factors, among others, in choosing MarBorg to perform the services to be rendered by MarBorg under this Franchise and it agreeing to a ten (10) year Franchise term.

Given the above considerations in awarding this Franchise to MarBorg, MarBorg, its successors and assigns, shall not assign, either voluntarily or by operation of law, sell, subcontract or transfer any portion of this Franchise nor the MarBorg Recycling Facility, or of its interest in or control of this Franchise or MarBorg Recycling Facility, nor allow any other person or entity (except MarBorg's authorized representatives) to exercise MarBorg's rights or obligations under this Franchise, without the express prior written consent of the Santa Barbara City Council which consent may be withheld in the reasonable discretion of City based on the City considerations expressed herein. Further, MarBorg understand and acknowledges that any permitted assignment of this Franchise consented to by the City must include, as part of that assignment, full ownership of the real property and business operations that comprise the MarBorg Recycling Facility and a commitment by the franchise assignee to own and operate the MRF facility during the remaining term of the Franchise.

B. MSW Qualifications of Any Assignee or Transferee. Any proposed assignee shall have well-established qualifications as a solid waste hauler in Santa Barbara County or an adjacent county and a proven history of financial responsibility in order to fulfill the obligations that would be undertaken through this Franchise. City's consent to MarBorg to assign, sell, subcontract or transfer this Franchise may include the following requirements:

1. That the assignee has the necessary and appropriate operating capital and equipment and industry experience to operate in the City of Santa Barbara and to fully comply with the terms of this Franchise;

2. That the assignee is financially responsible as evidenced by City's audited review of not less than 3 years of financial statements of the proposed assignee;

3. That the assignee has a sufficient level of experience and success in recycling in other communities to indicate the ability to meet City's diversion goals; and

4. That the assignee has no criminal record that would otherwise indicate corrupt or unfair business practices; and

5. Any other consideration that the City may determine is necessary to evaluate the transferee's ability to provide superior solid waste service to the City of Santa Barbara under the terms of this Franchise.

C. Examples of Assignment Transfers. For the purposes of this Section, the following acts of MarBorg are examples of and shall be considered assignments and shall require the express prior written consent of City in order to be effective:

1. Partnership Transfers. If MarBorg is a partnership, a transfer of capital interest to a new partner or partners which computed alone or cumulatively with previous transfers would result or has resulted in the transfer of ownership of a more than ten percent (10%) interest in the capital of the partnership, provided that the following partnership transfers shall not be considered in computing whether a cumulative total of more than ten percent (10%) of the capital of a partnership has been transferred:

(a) Transfers to persons who are related by blood or marriage to the transferring partner or to a trust established for the benefit of the transferring partner or such persons;

(b) Transfers resulting from the death of the partner whether such transfers are made pursuant to the will of the deceased partner an inter-vivos trust instrument or the laws of intestacy;

(c) Any transfer of the partnership interest to persons or entities who are then partners in the partnership or to other persons or entities who were shareholders of any corporate partner of the partnership at the time the partnership became MarBorg.

2. Corporate Transfers. The transfer of more than fifty percent (50%) of the voting stock in a corporation which is either itself MarBorg, or is a general partner in a partnership which is MarBorg, provided that the following transfers shall not be considered in computing whether a cumulative total of more than fifty percent (50%) of the voting stock has been transferred:

(a) Transfers to persons who are related by blood or marriage to the transferring shareholder or to a trust established for the benefit of the transferring shareholder or such persons;

(b) Transfers resulting from the death of the shareholder whether such transfers are made pursuant to the will of the deceased shareholder an inter-vivos trust instrument or the laws of intestacy;

(c) Any transfer of stock of the corporation to persons or entities who were shareholders of the corporation at the time the corporation became the franchisee (as listed on the attached list of shareholders attached hereto as Exhibit Fifteen or if the corporation is a general partner of the franchisee, any transfer of stock of the corporation to persons or entities who are then general partners in that partnership or other persons or entities who were shareholders of the corporate partner or any other corporate partner at the time the partnership became the franchisee.

D. Need for Written Consent/Assumption. Any proposed transferee, by instrument in writing, shall, for itself and its successors and assignees, and expressly for the benefit of the City, have expressly assumed all of the obligations of MarBorg under this Franchise and agreed to be subject to all of the conditions and restrictions to which MarBorg is subject provided, however, that the fact that any transferee of this Franchise, or any other successor in interest whatsoever to MarBorg, whatsoever the reason, shall not have assumed such obligations unless and only to the extent otherwise specifically provided in this Franchise or agreed to in writing by the City, and shall not relieve nor except such transferee or successor from or of such obligations, conditions or restrictions or deprive or limit the City of or with respect to any rights or remedies or controls with respect to this Franchise.

It is the intent of this Franchise, to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided otherwise in this Franchise, that no transfer of this Franchise, or any interest herein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the City of or with respect to any rights or remedies or controls provided in or resulting from this Franchise;

E. City Review of Assignment Agreement. No assignment shall be approved by the City until there has been submitted to City for its review, and City has approved, all instruments and other legal documents involved in effecting transfer of the Franchise or any portion thereof.

F. Future Changes in Control or Management of MarBorg; List of Shareholders.

For purposes of this section a "significant change" is defined to include the addition or departure of a managing or general partner in the case of a partnership or, in the case of a corporation, the purchase or sale of fifty-one percent or more of the stock of the corporation by one or more shareholders within a six-month period.

MarBorg represents and agrees for itself and any successor in interest of itself that there shall be no significant change (voluntary or involuntary) in the ownership, membership, management or control of MarBorg which would prevent or impair the ability of MarBorg to complete its obligations under this Franchise without the prior written approval of City.

MarBorg shall promptly notify City of any and all significant changes in the membership, management or control of MarBorg whether legal or beneficial, or of any other act or transaction involving or resulting in any change in the ownership or identity of MarBorg, or with respect to the identity of the parties

in control of MarBorg or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. MarBorg hereby acknowledges that this Franchise may be terminated by City if there is any significant change in the ownership, membership, management, or control of MarBorg whether legal or beneficial, or of any other act or transaction involving or resulting in any change in the ownership or identity of MarBorg, or with respect to the identity of the parties in control of MarBorg or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information except that this Section (Section 14.01F) shall not apply to any transfers described in Section 14.01C(2)(i) and (ii).

For the purposes of effectuating this provision of the Franchise, MarBorg represents that the List of MarBorg shareholders attached hereto as Exhibit Fifteen is true and accurate at the time of the execution of this Franchise and as of the Effective Date.

G. Delivery to City. No assignment of any interest in this Franchise made with City's consent, or as herein otherwise permitted, shall be effective until there shall have been delivered to City an executed counterpart of such assignment containing an assumption agreement executed by the assignor and the proposed assignee, wherein and whereby such assignee assumes due performance of the obligations on the assignor's part to be performed under this Franchise to the end of the term hereof.

The consent by City to an assignment hereunder shall not in any way be construed to relieve MarBorg from obtaining the express consent in writing of City to any further assignment.

H. Successors and Assigns. The terms, covenants and conditions contained herein shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators and assigns of the parties hereto.

I. Assignment Fee.

Except as hereinafter provided, MarBorg shall pay to City, in addition to the expenses described in subparagraph A above, as a condition for City approval of any proposed assignment an assignment fee in the following amounts, as applicable:

During Franchise year commencing June 7, 2013:	\$2,500,000.00
During Franchise year commencing June 7, 2014:	\$2,250,000.00
During Franchise year commencing June 7, 2015:	\$2,000,000.00
During Franchise year commencing June 7, 2016:	\$1,750,000.00
During Franchise year commencing June 7, 2017:	\$1,500,000.00
During Franchise year commencing June 7, 2018:	\$1,250,000.00
During Franchise year commencing June 7, 2019:	\$1,000,000.00
During Franchise year commencing June 7, 2020:	\$750,000.00
During Franchise year commencing June 7, 2021:	\$500,000.00
During Franchise year commencing June 7, 2022:	\$250,000.00
During Franchise year commencing June 7, 2023:	\$ -0-

Notwithstanding the foregoing, MarBorg shall have no obligation to pay the City an assignment fee, and the assignment fee provisions of this subparagraph D shall not apply, in the event that an assignment is proposed by MarBorg due to the death or disability, of any two or more of the following members of the Borgatello family which occurs within any twelve (12) month period of time who, the City understands to be all key employees of MarBorg and actively involved in the present operations and management of the

business which is the subject of this Agreement, to wit: Mario A. Borgatello, David J. Borgatello, Brian D. Borgatello, M. Anthony Borgatello, II.

14.02 Binding on Successors. This Franchise shall be binding on, and inure to the benefit of, the successors and permitted assigns of the parties.

14.03 Subcontracting. MarBorg shall not engage any subcontractors to perform any of the services required by it under this Franchise without the prior written approval of the City. MarBorg shall notify the City no later than ninety (90) days prior to the date on which it proposes to enter into a subcontract. City may approve or reject any proposed subcontract and/or subcontractor in its sole discretion if the proposed subcontract relates to services to be performed by MarBorg pursuant to Articles 3 through 6 of this Franchise. City's consent to a subcontract and/or subcontractor shall not be unreasonably withheld as to other aspects of this Franchise that are not deemed to involve essential services to the City.

14.04 Nondiscrimination. MarBorg shall not discriminate or permit discrimination against any person or group of persons in any manner prohibited by federal, state or local laws. MarBorg shall observe and provide all performance required of a MarBorg pursuant to Santa Barbara Municipal Code Section 9.126.020, attached hereto as Exhibit Twelve, which prohibits discrimination in the performance of City contracts.

14.05 Compliance with Law; Permits. MarBorg shall comply, at its sole expense, fully and faithfully with all federal, state and local laws, ordinances, regulations and permit requirements, including those enacted or imposed by the City, as they may be amended from time to time, applicable to its performance under this Franchise, including, but not limited to those relating to the public's health, safety and welfare and the City's Municipal Code and regulations adopted by the City Council pursuant thereto.

MarBorg shall obtain, maintain throughout the Term and comply with, at MarBorg's sole expense, all permits, licenses, and approvals required to perform the services to be performed by MarBorg, including a business license from the City.

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

If to City: Santa Barbara City Clerk
 735 Anacapa Street
 P.O. Box 1990
 Santa Barbara, California 93102

With a separate copy
to: Solid Waste Contract Administrator,
 Finance Department
 735 Anacapa Street
 P.O. Box 1990
 Santa Barbara, California 93102

and: Santa Barbara City Attorney's Office

ATTN: City Attorney
Post Office Box 1990
Santa Barbara, CA 93101

If to MarBorg: MarBorg Industries
728 East Yanonali Street
P.O. Box 4127
Santa Barbara, California 93140

Either party may designate a different mailing address by providing written notice to the other party as provided in this Section. Notice by City to MarBorg of a missed pick-up or a service problem or customer complaint may be given to MarBorg orally by telephone to MarBorg's local office, with written confirmation sent within twenty-four (24) hours of the oral notification.

14.07 Waiver. Waiver of any term or condition contained in this Franchise by any party to the Franchise shall be in writing and shall not be construed as a waiver of a subsequent breach or failure of the same term or condition or a waiver of any other term or condition contained in the Franchise. The subsequent acceptance by City of any fee, or any other monies which become due from MarBorg to City shall not be deemed to be a waiver by City of any breach or violation of any term, covenant or condition of this Franchise.

14.08 Section Headings. The section headings of this Franchise are not part of this Franchise and shall have no effect upon the construction or interpretation of any part of this Franchise.

14.09 Interpretation. Each party has participated in the development of this Franchise. Accordingly, the rule of construction, to the effect that any ambiguities are to be resolved against the drafting party, shall not be employed in the interpretation of this Franchise.

14.10 References to Laws. All references in this Franchise to laws and regulations shall be understood to include such federal and State of California laws or regulations as they may be subsequently amended or re-codified thereafter, unless otherwise specifically provided. In addition, references to specific governmental agencies shall be understood to include agencies which succeed to or assume the functions they are currently performing.

14.11 Entire Agreement. This document contains the entire agreement of the parties hereto with respect to matters covered hereby, and no other agreement, statement or promise made by any party hereto, or agent of such party, which is not contained herein, shall be binding or valid.

14.12 Severability. If any term or provision of this Franchise, or the application of any term or provision of this Franchise to a particular situation, is held to be void, invalid, illegal or unenforceable by a court of competent jurisdiction, then notwithstanding, such term or provision of this Franchise or the application of this Franchise to other situations shall remain in full force and effect.

Notwithstanding the foregoing, if any material term or provision of this Franchise or the application of such material term or condition to a particular situation is held to be void, invalid, illegal or unenforceable by a court of competent jurisdiction, then the parties hereto agree to work in good faith and fully cooperate with each other to amend this Franchise.

14.13 Amendment. No modification, amendment or supplement to this Franchise shall be binding on the parties unless it is made in writing, duly authorized by MarBorg and the City, and signed by both parties.

14.14 Governing Law. This Franchise shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

14.15 Jurisdiction. Any litigation or lawsuit between the parties arising out of this Franchise shall be brought and concluded in the courts of the State of California, which shall have exclusive jurisdiction of such lawsuits. With respect to venue, the parties agree that this Franchise is made in and will be performed in south Santa Barbara County.

14.16 Conflict of Interest. MarBorg warrants that it has not employed any officer or employee of the City nor offered any gift, gratuity, contingent fee nor any other thing of value to such officer or employee of the City in order to secure his or her assistance in obtaining this Franchise. MarBorg agrees that it will not, during the Term, give or offer anything of value to a City officer or employee, the offer or receipt of which would violate the state Political Reform Act of the state of California law.

14.17 Exhibits Incorporated. Exhibits One through Seventeen attached hereto are incorporated herein by this reference.

14.18 Parties in Interest. Nothing in this Franchise is intended to confer any rights to any person other than the parties to this Franchise and their successors and permitted assigns.

14.19 Cooperation with Subsequent Providers. At the expiration of the Term, or in the event of the Franchise's earlier termination, MarBorg, at its own expense, shall cooperate fully and in good faith with the City and any subsequent service provider to ensure an orderly transition. Such cooperation shall include, but not be limited to, providing complete routing information, route maps, accounts by type and number, mailing labels of Customers with accounts, and other similar information and coordinating with City and subsequent service providers with respect to exchanging MSW and recycling containers. With respect to the exchange of containers, MarBorg shall not remove a container from any Customer's premises until the earlier of (1) the date replacement containers are provided to the Customer, or (2) three (3) months after the expiration or termination of this Agreement. Upon City direction, MarBorg agrees to sell any or all service assets to Customers or the City at fair market value. SUCH OBLIGATIONS OF MARBORG SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

14.20 Statutory Continuation Rights Not Applicable. Upon expiration, or earlier termination, the City shall have no continuing obligations to MarBorg other than those expressly provided for in this Franchise. In connection therewith, MarBorg acknowledges that Public Resources Code Section 49520 *et seq.* are not applicable to this Franchise by virtue of its exclusive nature and afford it no rights to notice or continuation of service greater than or different from those provided under this Franchise.

14.21 No Damages for Invalidity of Franchise. If a final judgment of a court of competent jurisdiction determines that this Franchise is illegal or was unlawfully entered into by the City, neither party shall have any claim against the other for damages of any kind (including but not limited to loss of profits) on any theory.

14.22 Definitions. Capitalized terms in this Franchise shall have the meanings set forth in the definitions contained in Exhibit One.

14.23 Representatives of the Parties. References in this Franchise to the "City" shall mean the City Council and all actions to be taken by the City shall be taken by the City Council, except as provided below. The City Council may delegate, in writing, authority to the City Contract Administrator, and may permit the City Contract Administrator, in turn, to delegate in writing some or all of such authority to subordinate officers. MarBorg may rely upon actions taken by such delegates if they are within the scope of the authority properly delegated to them.

MarBorg shall, by the Effective Date, designate in writing a responsible officer who shall serve as the representative of MarBorg in all matters related to the Franchise and shall inform the City in writing of such designation and of any limitations upon his or her authority to bind MarBorg. The City may rely upon action taken by such designated representative as actions of MarBorg unless they are outside the scope of the authority delegated to him/her by MarBorg as communicated to the City.

14.24 No Contractual Obligation to Enforce Municipal Code Provisions. City may, in its sole discretion, determine whether and in what circumstances enforcement of provisions of the City's Municipal Code, including but not limited to those relating to the obligation of owners and occupants of Premises to use and pay for the services of MarBorg, is in the public interest. City undertakes no obligation, by virtue of this Franchise, to MarBorg to enforce such provisions through civil actions, or termination of other utility services provided by City. MarBorg assumes the business risk of inability to collect bills rendered to Customers for any reason including but not limited to a Customer's insolvency.

14.25 Scope of Services.

A. **MSW.** Except as specifically provided in this Franchise, MarBorg shall have the exclusive franchise right, privilege and duty to Collect MSW from Single Family Residential, Multi-Unit Residential, Business, and City Premises on a regularly scheduled basis, commencing June 7, 2013, and throughout the Term.

MarBorg's exclusive right does not extend to, and City may permit the Collection of the following materials by other Persons without seeking or securing any approval from MarBorg:

1. MSW which is removed from any Premises by the Customer and transported by the Customer, or by his or her full time employees, to a Processing or Disposal Facility.
2. MSW, including but not limited to Construction and Demolition Debris, which is Collected on an occasional, non-scheduled basis utilizing drop boxes, dumpsters or similar apparatus.
3. Construction and Demolition Debris that is removed by a licensed contractor as an incidental part of a total construction, remodeling or demolition service offered by that contractor.
4. Animal waste from slaughterhouses or butcher shops for use as tallow.
5. By-products of sewage treatment including sludge, grit and screenings.
6. The casual or emergency Collection of MSW by City employees in the normal course of their employment.

B. **Greenwaste.** Except as specifically provided in this Franchise, MarBorg shall have the exclusive right, privilege and duty to Collect Greenwaste from Single Family Residential, Multi-

Unit Residential, Business, and City Premises on a regularly scheduled basis commencing June 7, 2013 and continuing throughout the Term.

MarBorg's exclusive rights do not extend to, and City may permit the Collection of Greenwaste by other persons, in the following circumstances, without seeking or securing any approval from MarBorg:

1. Collection of Greenwaste by a gardening, landscape or tree trimming company utilizing its own equipment as an incidental part of a total service offered by the company.

2. Greenwaste which is removed from any Premises by the Customer and transported by the Customer or by his or her full time employees to a Processing or Disposal Facility.

3. Greenwaste which is Collected on an occasional, non-scheduled basis, utilizing drop-boxes, dumpsters or similar apparatus.

C. **Foodscraps.** Except as specifically provided in this Franchise, MarBorg shall have the exclusive right, privilege and duty to Collect, on a regularly scheduled basis, Foodscraps which are Source Separated and Delivered for Collection from Business Premises from June 7, 2013 and continuing throughout the Term.

Upon implementation of Foodscraps Collection Services for Multi-Unit Residential Premises, as outlined in Section 3.04, MarBorg shall have the exclusive right, privilege and duty to Collect, on a regularly scheduled basis, Foodscraps which are Source Separated and Delivered for Collection from Multi-Unit Residential Premises from June 7, 2013 and continuing throughout the Term.

MarBorg's exclusive right does not extend to, and City may permit the Collection of the following materials by other Persons without seeking or securing any approval from MarBorg:

1. Foodscraps which are removed from any Premises by the Customer and transported by the Customer, or by his or her full time employees, to a Processing or Disposal Facility.

D. **Recyclable Materials.** Except as specifically provided in this Franchise, MarBorg shall have the exclusive right, privilege and duty to Collect, on a regularly scheduled basis, Recyclable Materials which are Source Separated and Delivered for Collection from Single Family Residential Multi-Unit Residential Premises and Business Premises continuing throughout the Term. MarBorg is hereby designated as the City's authorized Recycling agent for purposes of state Public Resources Code Section 41950 et seq. This Franchise is not intended to, and does not, affect or limit the right of any person to donate or sell Recyclable Materials or to transport them personally to a licensed Solid Waste processing or transfer facility.

This grant to MarBorg of an exclusive Franchise, right and privilege to Collect Greenwaste Foodscraps, and Recyclable Materials within the city of Santa Barbara shall be interpreted to be consistent with all applicable federal and state laws. In the event that future interpretations of current law, or enactment of new laws, limit the ability of the City to lawfully provide for the scope of Franchise services as specifically set forth herein, MarBorg agrees that the scope of the Franchise will be limited to those services and materials which may be lawfully provided for and that the City shall not be responsible for any lost profits claimed by MarBorg to arise out of resulting new limitations on the scope of the Franchise.

14.26 Counterparts. This Franchise, consisting of fifty-three (53) pages, not including Exhibits One through Seventeen attached hereto, shall be executed in duplicate originals, each of which shall be deemed to be an original.

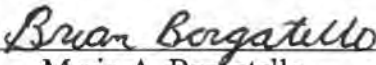
The City may, but will not be required, to take action to defend the grant of the exclusive franchise to MarBorg. MarBorg may defend the validity and enforceability of the exclusive franchise and will pay all costs related to such defense.

IN WITNESS WHEREOF, the parties hereto have executed this Solid Waste Collection and Disposal Franchise as of the day and year first above written.

CITY OF SANTA BARBARA

By: 
City Administrator

MARBORG INDUSTRIES, INC.

By: 
Mario A. Borgatello
President

ATTEST:

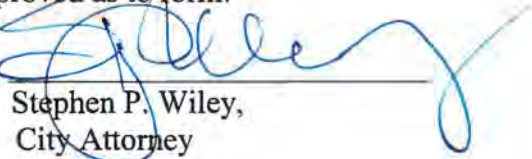
By: 
City Clerk

By: 
David J. Borgatello
Secretary

Approved as to Content:

By: 
Robert Samario, Contract Administrator

Approved as to form:

By: 
Stephen P. Wiley,
City Attorney

Approved as to insurance:


By: 
Mark Howard, Risk Management

EXHIBIT ONE

DEFINITIONS

Terms used in this Franchise have the meanings specified below for the purposes of this Franchise, including all exhibits, unless the context clearly indicates otherwise.

Act means the California Integrated Waste Management Act, Public Resources Code Section 40000 *et seq.*, including all regulations promulgated thereunder by CalRecycle.

AB 341 Customer means Business Customers that generate a minimum of four (4) cubic yards of Municipal Solid Waste per week and Multi-Unit Residential Customers comprised of five (5) or more Dwelling units.

Agreement means the written document and all amendments thereto between City and MarBorg governing the provision of Collection Services as provided herein, including all exhibits hereto, as it may be amended from time to time.

Auxiliary Vehicle any vehicle, other than a Collection Vehicle, that is used by MarBorg to provide Collection Services pursuant to this Franchise Agreement.

Bulky Waste means discarded furniture (including, but not limited to, chairs, sofas, mattresses and rugs); appliances (including, but not limited to refrigerators, ranges, washers, dryers, water heaters, dishwashers, plumbing, small household appliances and other similar items, commonly known as "white goods"); electronic equipment (including, but not limited to stereos, televisions, computers and VCRs and other similar items commonly known as "electronics waste or e-waste"); residential wastes (including, but not limited to wood waste, tree branches, scrap wood); clothing; and tires. Bulky Waste does not include Construction and Demolition Debris.

Business means any Premises, including Industrial and Institutional Premises, which are not Residential Premises or Public Premises.

Calendar Year means a period of twelve (12) months beginning January 1st and ending December 31st.

CalRecycle means the California Department of Resources Recycling and Recovery.

Can means a plastic receptacle of approximately thirty-two (32) gallons, with a lid and handles, capable of being collected manually.

Cart means a heavy plastic receptacle with a rated capacity of at least thirty-two (32) gallons and not more than ninety-six (96) gallons, having a hinged tight-fitting lid, and two (2) wheels, that is approved by City and is colored and labeled as designated by City.

City means the City of Santa Barbara, including any areas annexed to it after the Effective Date, and provided, however, that provision of service in annexed areas will be determined by the City at such time as any annexation is proposed.

City Legislation means the City Municipal Code, and any ordinance, resolution or other formal enactment by the City Council which now exists or which may hereafter be adopted.

City Premises means Premises owned, leased, occupied or used by the City including, without limitation all public buildings, airports, wharf, parks, harbor and facilities, recreation areas, streets, sidewalks and plazas.

Code means the Santa Barbara Municipal Code as it may be amended from time to time.

Collect; Collection means the collection of Municipal Solid Waste, Recyclable Materials, Greenwaste, Foodscrap, Bulky Waste, White Goods, household batteries and cell phones and their transportation to a Disposal Facility or Processing Facility in accordance with this Agreement.

Collection Vehicle means a vehicle with three or more axles that is used to provide Collection Services pursuant to this Franchise Agreement as set forth in Exhibit Six.

Construction and Demolition Debris means discarded materials, including brick, wood and concrete, resulting from the construction, remodeling, repair or demolition of buildings and other improvements,.

Container means Carts, Cans, or Dumpsters used for Collection of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap. Container also includes bags and other receptacles used for the Collection of household batteries, cell phones and Sharps.

Contract Administrator means the City Finance Director or his/her designee.

Contract Year means a period of twelve (12) months beginning July 1st and ending June 30th.

Customer means a Person in charge of Premises, including owners, tenants, occupants or other Persons having the care and control of Premises, to which MarBorg is required to, or does, provide Services.

Delivered for Collection means the placement of Municipal Solid Waste, Recyclable Material, Greenwaste, Foodscrap, Bulky Waste, White Goods, household batteries, cell phones and Sharps at a location authorized or designed by City Legislation or this Agreement for pickup by MarBorg, and placed in a Container if required by City Legislation.

Disposal Facility means the sanitary landfill or other solid waste disposal facility, including a transfer station, designated by City in or pursuant to Section 3.14.

Diversion means to make use of discarded materials for any purpose and, therefore, to avoid disposal of such material at the Disposal Facility.

Dumpster means a Container, with a capacity of at least one and one-half (1-1/2) cubic yards designed or intended to be mechanically dumped into a loader packer type truck.

Dwelling means any individual living unit in a Single Family Residential or Multi-Unit Residential structure or building, a mobile home, or a motor home located on a permanent site intended for, or capable of being utilized for, residential living other than a hotel or motel.

Effective Date means the date specified in Section 2.01.

Event of Default is defined in Section 13.01.

Environmental Law means all federal, state, local, or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or requirements of any government authority regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance (as defined subsequently in this Agreement), or pertaining to occupational health or industrial hygiene (and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Property), occupational or environmental conditions on, under, or about the Property, as now in effect, including without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") [42 USCS §§ 9601 et seq.]; the Resource Conservation and Recovery Act of 1976 ("RCRA") [42 USCS §§ 6901 et seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act ("FWPCA") [33 USCS §§ 1251 et seq.]; the Toxic Substances Control Act ("TSCA") [15 USCS §§ 2601 et seq.]; the Hazardous Materials Transportation Act ("HMTA") [49 USCS §§ 1801 et seq.]; the Insecticide, Fungicide, Rodenticide Act [7 USCS §§ 136 et seq.]; the Superfund Amendments and Reauthorization Act [42 USCS §§ 6901 et seq.]; the Clean Air Act [42 USCS §§ 7401 et seq.]; the Safe Drinking Water Act [42 USCS §§ 300f et seq.]; the Solid Waste Disposal Act [42 USCS §§ 6901 et seq.]; the Surface Mining Control and Reclamation Act [30 USCS §§ 1201 et seq.]; the Emergency Planning and Community Right to Know Act [42 USCS §§ 11001 et seq.]; the Occupational Safety and Health Act [29 USCS §§ 655 and 657]; the California Underground Storage of Hazardous Substances Act [H & S C §§ 25280 et seq.]; the California Hazardous Substances Account Act [H & S C §§ 25300 et seq.]; the California Hazardous Waste Control Act [H & S C §§ 25100 et seq.]; the California Safe Drinking Water and Toxic Enforcement Act [H & S C §§ 24249.5 et seq.]; the Porter-Cologne Water Quality Act [Wat C §§ 13000 et seq.] together with any amendments of or regulations promulgated under the statutes cited above and any other federal, state, or local law, statute, ordinance, or regulation now in effect that pertains to occupational health or industrial hygiene, and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Property, or the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.

Extra Pickup means placement by the Customer of MSW, Recyclable Materials, Greenwaste or Foodscraps that is contained in bags or bundles at the set-out location for Collection by MarBorg for the rate set forth in Exhibit Eleven. Extra Pickup Service shall be considered a Scheduled Service whether materials are Collected by MarBorg on the regular service day or on an alternate day.

Financial Records include MarBorg's financial statements (including balance sheet, revenue, expense and cash flow statements, schedules and notes), general ledger, cash receipts and disbursements journals, bank accounts, and tax returns.

Foodscraps means scraps and trimmings from food preparation generated by food processing establishments, grocery stores, institutional cafeterias (such as prisons, schools and hospitals), restaurants, and/or residential food scrap collection. These materials include, but not limited to: meat, fish and dairy waste, agricultural products, fruit and vegetable waste, grain waste and acceptable food packaging such items as pizza boxes, paper towels, waxed cardboard, contaminated paper products and other items deemed "compostable" by the manufacturer such as tableware, utensils and other implements used to serve or store food products.

Force Majeure means riots, wars, civil disturbances, insurrections, epidemics, hurricanes, earthquakes, floods, fire, acts of God, and other similar catastrophic events which are not the fault of and beyond the reasonable control of City or MarBorg. Labor unrest, including but not limited to strikes, work stoppages or slowdowns, sickouts, picketing, or other concerted job action conducted by MarBorg's employees or directed at MarBorg shall not constitute events of force majeure.

Franchise means this Franchise for Integrated Waste Management Services including all exhibits and attachments, and any amendments thereto.

Fully Automated means a system of solid waste collection that uses a Collection vehicle equipped with a mechanical/robotic arm, which lifts and empties Containers without the driver having to leave the cab of the vehicle.

Greenwaste means prunings, brush, leaves, grass clippings, hedge trimmings, small branches and other similar vegetative waste, but does not include stumps or similar bulky wood material which does not fit within the Greenwaste container provided by MarBorg.

Gross Revenues means total cash receipts collected from Customers for the provision of services pursuant to this Agreement, without any deductions. Gross Receipts do not include revenues from the sale of Recyclable Materials.

Hauler Revenues means gross receipts less City fees and the Billing Fee that are assessed on Customer bills.

Hazardous Waste means a waste, or combination of wastes, which because of its quantity, concentration of physical, chemical or infectious characteristics, may do either of the following: (1) cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness; (2) pose a substantial present or potential hazard to human health or environment when improperly treated, stored, transported or disposed of or otherwise managed. Hazardous Waste includes all petroleum products and distillations of petroleum products, all substances defined as hazardous waste, extremely hazardous waste or acutely hazardous waste in California Health and Safety Code Sections

25110.02, 25115 and 25117 or in future amendments to or recodifications of such statutes or identified and listed as hazardous waste by the U.S. Environmental Protection Agency pursuant to the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901, *et seq.*).

Household Hazardous Waste means Hazardous Waste generated in small quantities at Residential Premises.

Implementation Plan means the plan that MarBorg shall complete as set forth in Section 3.02A of this Franchise Agreement.

Industrial Premises means Premises occupied by manufacturing operations and other industrial facilities.

Institutional Premises means Premises occupied by educational, health care, correctional, religious, research and other similar facilities.

MarBorg means the solid waste collection and disposal hauler contracted with the City of Santa Barbara to collect and dispose of Municipal Solid Waste, Recyclable Materials, Greenwaste, Foodscraps, Bulky Waste, White Goods, household battery and cell phones and Sharps or otherwise permitted for services pursuant to this agreement for all or a portion of such work.

Multi-Unit Residential (MUR) means any residence, or group of residences, with two (2) or more Dwelling units, including any flat, apartment, duplex, triplex, condominium, town home or other Premises, other than a hotel or motel, used for housing persons and serviced with one (1) or more common containers.

Municipal Solid Waste (MSW) means putrescible and nonputrescible solid, semisolid and liquid wastes (including garbage, rubbish, trash, refuse and rubble as defined in the City's Municipal Code), paper, ashes, Construction and Demolition Debris, Bulky Wastes, discarded home and industrial appliances, manure, and other discarded substances and materials.

Municipal Solid Waste does not include (1) Hazardous Waste (2) low level radioactive waste regulated under California Health and Safety Code Section 25800 *et seq.*, (3) Greenwaste which has been Delivered for Collection as part of the City's Greenwaste program, (4) medical waste which is regulated pursuant to Health and Safety Code Section 11760, (5) Recyclable Material which have been Source Separated and Delivered for Collection as part of the City's Recycling program; and, (6) Foodscraps which have been Source-Separated and Delivered for Collection as part of the City's Foodscraps program

Non-Collection Notice means a form developed by MarBorg, in a form and substance satisfactory to City, and provided at MarBorg's cost, which is at least 2" by 6" in size, on which MarBorg has provided MarBorg's phone number and indicated the reasons for MarBorg's refusal to Collect the material, giving reference to the section of this Agreement which has been violated, and which gives grounds for MarBorg's refusal either in writing or by means of a check system.

Person means an individual, limited liability company, association, trust, corporation, partnership, political subdivision, government agency, municipality, the United States, the State and any other entity whatsoever.

Premises means any land or building on which Municipal Solid Waste, Greenwaste, Foodscraps or Recyclable Material is generated or accumulated.

Processing Facility means the facility or facilities for sorting and/or processing Municipal Solid Waste, Recyclable Material or Foodscraps designated in or pursuant to Section 3.14.

Proposal means the Proposals submitted by MarBorg to City dated September 12, 2011 and May 16, 2012, including all attachments and material incorporated by reference.

Recycle; Recycling means the process of collecting, sorting, cleaning, treating and reconstituting materials that would otherwise become Municipal Solid Waste and returning those materials to the economic mainstream in the form of raw materials for new, reused or reconstructed products.

Recyclable Material means those materials designed in this Agreement for Collection and Recycling which are segregated by the Customer at the source of generation and set out for Collection. Recyclables include newsprint (including inserts, coupons and store advertisements); mixed paper (including magazines, catalogs, envelopes, junk mail, corrugated cardboard, brown bags and paper, paperboard, paper egg cartons, milk and juice cartons, office ledger paper, legal pad backing, shoeboxes and telephone books); glass containers, (including brown, clear blue and green glass bottles and jars); aluminum, (including beverage containers and foil products); scrap and cast aluminum; steel including "tin" cans, aerosol cans (empty, non-toxic products) and scrap; bimetal containers; all plastics (#1-7), except expanded Polystyrene (EPS); plastic bags; aseptic packaging; textiles; household batteries and cell phones when packaged as described in Appendix Two; and those materials as may be added to this Agreement by City.

Residential means any Premises which constitutes a Dwelling as defined or provided in the Santa Barbara Municipal Code.

Rich Load means Municipal Solid Waste Containers from Business Customers that are identified as "High Content," "Medium Content" and "Low Content" in the City's Utility Billing and that contain concentrations of Recyclable Materials meeting the thresholds as shown on Figure One of Exhibit Four.

Roll-Off Box means metal container of between eleven (11) and fifty (50) cubic yards that is normally loaded onto a motor vehicle and transported to an appropriate facility. A Roll-Off Container may be open topped or enclosed with or without a compaction unit.

Scheduled Services means the Collection, processing and disposal of Municipal Solid Waste from Residential and Business Customers at fixed locations; regular and scheduled collection, processing and disposal of Greenwaste Recyclable Material and Foodscraps; and the

Collection, processing and disposal of Solid Waste from Public Premises, as may take place as a recurring weekly, or periodic, service.

Semi Automated means a system of solid waste collection that requires the Collection vehicle driver or other member of the collection crew to manually deliver the Container to the Collection vehicle, connect the Container to the vehicle's tipping mechanism and empty the Container.

Service or Services means all of the obligations of MarBorg to City and Customers hereunder.

Sharps means any device having acute rigid corners, edges, or protuberances capable of cutting or piercing, including, but not limited to hypodermic needles, hypodermic needles with syringes, blades, needles with attached tubing, syringes and acupuncture needles.

Single Family Residential (SFR) means a Single Family Residential dwelling, or a Multi-Unit Residential Dwelling wherein each individual Dwelling unit subscribes for the set-out and accumulation of Solid Waste through the use of non-shared Carts or Cans.

Solid Waste means all of the waste or discarded materials within the City of Santa Barbara, including, without limitation, all Municipal Solid Waste, Recyclable Materials, Foodscraps, Greenwaste, Bulky Waste, White Goods, Construction Demolition Debris and other materials Collected or transported by MarBorg.

Source Separated means (1) the placement or separation of Recyclable Material, Greenwaste, Foodscraps, household batteries, cell phones and White Goods (if segregated from other waste) into one or more Containers or bindings by the Customer, (2) the binding of Recyclable Material, Greenwaste, Foodscraps, household batteries, cell phones and White Goods (if segregated from other waste) separately from other waste material by the Customer, or (3) the physical separation of Recyclable Materials, Greenwaste, Foodscraps, household batteries, cell phones and White Goods from other waste material by the Customer.

State means the State of California.

Term means the Term of this Agreement.

Tipping Fee means the amount, in Dollars per Ton, charged by the operator of the Disposal Site or Processing Facility to accept Municipal Solid Waste, Greenwaste and Foodscraps.

Unacceptable Waste means any and all waste, including but not limited to, Hazardous Waste, the acceptance or handling of which would cause a violation of any permit condition or legal or regulatory requirement, damage or threatened damage to MarBorg's equipment or facilities, or present a substantial endangerment to the health or safety of the public or MarBorg's employees; provided, that de minimis quantities or waste of a type and amount normally found in Residential Municipal Solid Waste after implementation of programs for the safe Collection,

Recycling, treatment, and disposal of Household Hazardous Waste in compliance with Sections 41500 and 41802 of the California Public Resources Code shall not constitute Unacceptable Waste. Unacceptable waste does not include electronics waste and universal waste such as household batteries and cell phones when placed for Collection as set forth in this Agreement or as otherwise directed by City.

Unscheduled Service means placement and removal of Roll-Off Containers of any size on an occasional, non-recurring basis, in response to a specific request for service at a specific Premises, as provided for in Section 3.07. Unscheduled Service shall not be used for putrescible wastes.

White Goods means discarded household appliances such as washers, dryers, refrigerators, stoves, water heaters, freezers, small air conditioning units, and other similar items.

EXHIBIT TWO

SCOPE OF SERVICES: MUNICIPAL SOLID WASTE, GREENWASTE, FOODSCRAPS RECYCLABLE MATERIAL, BULKY WASTE, WHITE GOODS, SHARPS, HOUSEHOLD BATTERY AND CELL PHONE COLLECTION

Section 1. Single Family Residential Collection Services

A. Conditions of Service.

MarBorg shall provide the following Services to Single Family Residential Customers provided that materials set out for Collection are accessible to MarBorg's Collection crew and/or vehicle:

1. Collection of Municipal Solid Waste, Recyclable Material and Greenwaste that is placed in Containers regardless of whether or not the lid of the Container is closed, except as described in Section Four;
2. Collection of extra Greenwaste left in bags or bundles as described in Section D;
3. Collection of household batteries and cell phones as described in Section E;
4. Collection of Bulky Waste as described in Section F;
5. Collection of White Goods as described in Section G;
6. Collection of Sharps as described in Section H; and,
7. Collection of extra MSW, Greenwaste and Recyclable Material during the Christmas Holiday as described in Section I.

B. Default Capacity.

Basic Service consists of 32 gallons of Municipal Solid Waste, 96 gallons of Recyclable Materials and 96 gallons of Greenwaste. In no case shall MarBorg deliver less than 32 gallons of Municipal Solid Waste Service to SFR Customers.

C. Additional Municipal Solid Waste, Recyclables and Greenwaste Capacity.

As requested by SFR Customers, MarBorg shall provide additional MSW and Greenwaste Service in excess of the default capacities at the rates set forth in Exhibit Eleven and shall provide Recyclable Material Collection, without limitation, at no additional charge to SFR Customers.

D. Extra Greenwaste Collection.

MarBorg shall provide SFR Customers with up to six additional bags or bundles of Greenwaste Collection at no additional charge to during each full or partial calendar year. The bags or bundles of Greenwaste shall be placed adjacent to Containers at the set out location.

E. Household Batteries and Cell Phones.

MarBorg shall Collect household batteries and cell phones from Customers on the same Service day as Recyclable Material at no additional charge to SFR Customers. Customers shall place household batteries and cell phones in plastic bags and placed on top of the Recyclable Material Cart or Can. At the request of SFR Customers, MarBorg shall provide zip-top bags to containerize household batteries and cell phones.

F. Bulky Waste.

MarBorg shall provide Collection of Bulky Waste two (2) times per full or partial Calendar Year at no additional charge to SFR Customers. SFR Customers shall place Bulky Waste loose at the curb. MarBorg shall Collect Bulky Waste at least two (2) times per week to prevent lengthy accumulation of materials at the curb.

When Bulky Waste Collection is requested by a SFR Customer, MarBorg shall enter a note into the City's utility billing system and shall mark the service as complete when the items are Collected. If MarBorg provides access to its Customer Service System to the satisfaction of City as set forth in Section 3.15(D) of the Agreement, City may relieve MarBorg of the requirement to enter a note into the City's Utility Billing System.

Upon receiving notification by a SFR Customers to close an active account, MarBorg shall notify the Customer of Bulky Waste and White Goods Collection Service to which the SFR Customer is entitled.

G. White Goods.

MarBorg shall provide unlimited White Goods Collection per full or partial Calendar Year at no additional charge to SFR Customers. White Goods shall be placed loose at the curb. MarBorg shall Collect White Goods at least two (2) times per week to prevent lengthy accumulation of materials at the curb.

When White Goods Collection is requested by the Customer, MarBorg shall enter a note into the City's utility billing system and shall mark the service as complete when the items are Collected. If MarBorg provides access to its Customer Service System to the satisfaction of City as set forth in Section 3.15(D) of the Agreement, City may relieve MarBorg of the requirement to enter a note into the City's Utility Billing System.

Upon receiving notification by Customers to close an active account, MarBorg shall notify the Customer of White Goods Collection Service to which the Customer is entitled.

H. Sharps.

MarBorg shall provide mail-in Sharps Collection at no additional charge to SFR Customers. At the request of Customers, MarBorg shall deliver Sharps Containers to the SFR Customer's doorstep, or other location requested by the Customer within seven (7) days. The Containers shall conform to the specifications outlined in MarBorg's September 12, 2011 proposal and shall be provided by MarBorg at no charge. When full, Customers shall package the Container according to the directions provided and mail it to the address printed on the shipping box provided. MarBorg shall pay for all postage costs and shall complete the shipping manifests on behalf of the Customer.

I. Extra Holiday Collection.

MarBorg shall provide extra Collection of MSW, Greenwaste, including Christmas trees, and Recyclable Material, without limitation, between December 26th through January 9th of each year at no additional charge to SFR Customers. Customers shall place extra materials in bags or bundles at the set out location. Christmas trees, which are

stripped of ornaments, garlands, tinsel, flocking and stands shall be Collected. Trees shall be Collected whole. Customers need not cut trees into lengths.

J. ABOP/Buy-Back Facilities.

MarBorg shall accept all ABOP materials delivered by SFR Customers as set forth in Section 3.16(L). MarBorg shall provide such Services without charge to SFR Customers.

K. Collection Frequency.

MarBorg shall provide SFR Collection Services at least one (1) time per week, but no more than one (1) time per week on a scheduled route basis. SFR Customers requesting Collection Service at frequencies greater than one time per week will be deemed Multi-Unit Residential Customers. MarBorg shall identify such customers in the City's utility billing system.

MarBorg may schedule Collection of Municipal Solid Waste, Recyclable Material and Greenwaste Collection on the same work day.

L. Collection Location.

MarBorg shall Collect Municipal Solid Waste, Recyclable Material and Greenwaste wherever on the premises the Container(s) are delivered for Collection, including the backyard or sideyard, at the direction of the SFR Customer. The default Container and Service location shall be Cans Collected from the backyard or sideyard ("backyard Service").

1. **Curbside Service.** At the request of the SFR Customer, MarBorg will Service Carts placed at the curb for Collection ("curbside service"). There will be no rate discount for curbside Cart Service. Before assigning a SFR Customer to curbside Service, MarBorg will advise the Customer of that Customer's right to elect backyard Service. MarBorg shall provide backyard Cart Service at the request of Customers at the rates set forth in Exhibit Eleven.
2. **Distance Charges.** MarBorg may apply distance charges set forth in Exhibit Eleven as follows:
 - a. **Carts and Cans:** MarBorg shall Collect Cans located within 100 feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by MarBorg and the Customer at the basic rate set forth in Exhibit Eleven. MarBorg may charge an additional Distance Charge as set forth on Exhibit Eleven for Cans located greater than 100 feet of the curb swale, paved surface of the public roadway, closest accessible roadway. Distance Charges shall be added to backyard Carts when applicable.
 - b. **Dumpsters:** MarBorg shall Collect Dumpsters located within 25 feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by MarBorg and the Customer at no additional charge. MarBorg may charge the appropriate Distance Charge as set forth on Exhibit Eleven for Dumpsters located greater than 25 feet of the curb swale, paved

surface of the public roadway or closest accessible roadway. Distance charges will apply to each increment of 25 feet.

Section 2. Multi-Unit Residential Collection Services

A. Conditions of Service.

MarBorg shall provide the following Services to Multi-Unit Residential Customers provided that materials set out for Collection are accessible to MarBorg's Collection crew and/or vehicle:

1. Collection of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscraps that is placed in Containers regardless of whether or not the lid of the Container is closed except as described in Section Four;
2. Collection of extra Greenwaste left in bags or bundles as described in Section D;
3. Collection of household batteries and cell phones as described in Section E;
4. Collection of Bulky Waste as described in Section F;
5. Collection of White Goods as described in Section G;
6. Collection of Sharps as described in Section H; and,
7. Collection of extra trash, Greenwaste and Recyclable Material during the Christmas Holiday as described in Section I.

B. Default Capacity.

1. Cart/Can Customers: Basic Service consists of 32 gallons of Municipal Solid Waste, 96 gallons of Recyclable Material and 96 gallons of Greenwaste.
2. Dumpster Customers: Basic Service consists of 1.5 cubic yards of Municipal Solid Waste, 96 gallons of Recyclable Material and 96 gallons of Greenwaste volume.

C. Additional Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscraps Capacity.

MarBorg shall provide all MUR Customers with 96 gallons of Greenwaste and 96 gallons of Recyclable Material Service at no additional charge. At the request of Customers, MarBorg shall provide additional Municipal Solid Waste, Recyclable Material, Greenwaste, and Foodscraps Service in excess of the default capacities at the rates set forth in Exhibit Eleven.

D. Extra Greenwaste Collection.

MarBorg shall provide MUR Customers with up to six additional bags or bundles of Greenwaste Collection during each full or partial calendar year at no additional charge. Customers shall place bags or bundles of Greenwaste adjacent to Containers at the set out location.

E. Household Batteries and Cell Phones.

MarBorg shall Collect household batteries and cell phones from MUR Customers on the same Service day as Recyclable Material or on a day agreed to by MarBorg and the Customer. Customers shall place household batteries and cell phones into Containers, provided at no cost by MarBorg, and which are clearly labeled for household battery and cell phone Collection.

F. Bulky Waste.

MarBorg shall provide Collection of Bulky Waste two (2) times per full or partial Calendar Year at no additional charge to MUR Customers. Bulky Waste Collection shall be arranged by the MUR account holder and not by occupants or residents of the Premises that are not the designated Account Holder as identified in the City's Utility Billing System.

Customers shall place Bulky Waste loose at the curb or at a central location on the MUR Premises as agreed to by MarBorg and the MUR Customer. MarBorg shall Collect Bulky Waste at least two (2) times per week to prevent lengthy accumulation of materials at the curb.

When Bulky Waste Collection is requested by the MUR Customer, MarBorg shall enter a note into City's utility billing system and shall mark the service as complete when the items are Collected. If MarBorg provides access to its Customer Service System to the satisfaction of City as set forth in Section 3.15(D) of the Agreement, City may relieve MarBorg of the requirement to enter a note into the City's Utility Billing System.

Upon receiving notification by Customers to close an active account, MarBorg shall notify the Customer of Bulky Waste Collection Service to which the Customer is entitled.

G. White Goods.

MarBorg shall provide unlimited White Goods Collection at no additional charge to MUR Customers. Collection shall be arranged by the Multi-Unit Customer and not by occupants or residents of the Premises that are not the designated Account Holder as identified in the City's Utility Billing System.

Customers shall place White Goods loose at the set out location or at a central location on the Multi-Unit Residential Premises as agreed to by MarBorg and the MUR Customer. MarBorg shall Collect White Goods at least two (2) times per week to prevent lengthy accumulation of materials at the curb.

When White Goods Collection is requested by the account holder, MarBorg shall enter a note into the City's utility billing system and shall mark the service as complete when the items are Collected. If MarBorg provides access to its Customer Service System to the satisfaction of City as set forth in Section 3.15(D) of the Agreement, City may relieve MarBorg of the requirement to enter a note into the City's Utility Billing System.

Upon receiving notification by MUR Customers to close an active account, MarBorg shall notify the Customer of White Goods Collection Service to which the Customer is entitled.

H. Sharps.

At the request of a MUR Customer or any occupant of a MUR Dwelling unit, MarBorg shall provide mail-in Sharps Collection at no additional charge to MUR Customers. At the request of a MUR Customer or occupant of an MUR Premises, MarBorg shall deliver Sharps Containers to the Customer or occupant's doorstep, or other agreed upon location within seven (7) days. Sharps Containers shall conform to the specifications outlined in MarBorg's September 12, 2011 proposal and shall be provided by MarBorg at no additional charge to MUR Customers or occupants that use the Service. When full, MUR Customers or occupants shall package the Container according to the directions provided and mail it to the address printed on the shipping box provided. MarBorg shall pay for all postage costs and shall complete the shipping manifests on behalf of the MUR Customer or occupant.

I. Extra Holiday Collection.

MarBorg will provide unlimited Collection of Municipal Solid Waste, Greenwaste, including Christmas trees, and Recyclable Material from December 26th through January 9th of each year at no additional charge to MUR Customers. Occupants of MUR Premises that subscribe to Collection Services with MarBorg may place bags or bundles of extra materials at the set out location for Collection by MarBorg without making prior arrangements for Collection through the account holder. Christmas trees, which are stripped of ornaments, garlands, tinsel, flocking and stands shall be Collected. Trees shall be Collected whole. Customer need not cut trees into lengths.

J. ABOP/Buy-Back Facilities.

MarBorg shall accept all ABOP materials delivered by MUR Customers as set forth in Section 3.16(L). MarBorg shall provide such Services without charge to MUR Customers.

K. Collection Frequency.

MarBorg shall provide Collection Service of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap at any frequency listed on the rate schedule set forth in Exhibit Eleven. MUR Multi-Unit Residential Collection Services shall be provided at least one (1) time per week on a scheduled route basis. MarBorg may schedule Collection of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap Collection on the same work day.

Default Foodscrap Collection will be Monday, Wednesday and Friday. However, at the City's request, MarBorg shall provide any frequency of Foodscrap Collection Service listed and at the rate set forth in Exhibit Eleven.

L. Collection Location

1. Backyard Service. MarBorg shall Collect Municipal Solid Waste, Recyclable Material, Foodscrap and Greenwaste placed in Cans from their permanent storage location.

2. Curbside Service. At the request of the Customer, MarBorg will Service Carts placed at the curb for Collection ("curbside Service"). There will be no rate discount for curbside Cart Service. Before assigning a MUR Customer to curbside Service, MarBorg will advise the Customer of that Customer's right to elect backyard Can Service.
3. Backyard Cart Service. MarBorg shall provide backyard Cart Service and shall charge the backyard Cart charge set forth on Exhibit Eleven with the exception of the property currently named "Los Amigos Mobile Home Estates," which shall receive backyard Cart Service at no additional charge throughout the Term of the Agreement.
4. Distance Charges. MarBorg may apply distance charges set forth in Exhibit Eleven as follows:
 - a. Dumpsters: MarBorg shall Collect Dumpsters located within 25 feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by MarBorg and the Customer at the basic rates set forth in Exhibit Eleven. MarBorg may charge an additional Distance Charge as set forth on Exhibit Eleven for Dumpsters located greater than 25 feet of the curb swale, paved surface of the public roadway or closest accessible roadway. Distance charges shall apply to each 25-foot increment.

Section 3. Business Collection Services

A. Conditions of Service.

MarBorg shall provide the following Services to Business Customers provided that materials set out for Collection are accessible to MarBorg's Collection crew and/or vehicle:

1. Collection of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap that is placed in Containers regardless of whether or not the lid of the Container is closed except as described in Section Four;
2. Collection of Foodscrap that is placed in Containers regardless of whether or not the lid is closed as described in Section D;

B. Default Capacity.

1. Cart/Can Customers: Basic Service consists of 32 gallons of Municipal Solid Waste, 96 gallons of Recyclable Material and 96 gallons of Greenwaste.
2. Dumpster Customers: Basic Service consists of 1.5 cubic yards of Municipal Solid Waste volume.

C. Additional Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap Capacity.

MarBorg shall provide 96 gallons of Recyclable Material to Business Customers that subscribe to MSW Cart or Can Service only at no additional charge. If requested by a Business Customer, MarBorg shall provide additional Municipal Solid Waste, Recyclable Material, Greenwaste, and Foodscrap Service in excess of the default capacities at the rates set forth in Exhibit Eleven.

D. Collection Frequency.

MarBorg will provide Collection of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap at any frequency listed on the rate schedule set forth in Exhibit Eleven.

Default Foodscrap Collection will be Monday, Wednesday and Friday. However, at the City's request, MarBorg shall provide any frequency of frequent Foodscrap Collection Service listed and at the rate set forth in Exhibit Eleven.

Business Collection shall be provided at least one (1) time per week on a scheduled route basis or more frequently as requested by the Customer and as set forth in Exhibit Eleven. MarBorg may schedule Collection of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap Collection on the same work day.

E. Containers.

In addition to the Container types listed in Section 5.03 and Exhibit Seven of the Agreement, MarBorg shall provide Carts for classrooms and campuses (not set out for Collection) as requested by Santa Barbara School District personnel at no charge.

F. Collection Location.

1. Cans and Dumpsters. MarBorg shall Collect Municipal Solid Waste, Recyclable Material, Foodscraps and Greenwaste placed in Cans or Dumpsters from the regular storage location or enclosure.
2. Carts. Business Cart Service shall be governed by the following terms and conditions:
 - a. The prescribed Service location for Business Carts shall be at the curb.
 - b. MarBorg will continue to Service existing Carts from the regular storage location or enclosure throughout the Term of the Agreement regardless of whether the owner or operator of the Business changes.
 - c. Carts delivered to any new Business Customer shall be Serviced at the curb unless "service-in-place" Service is requested by City.
 - d. There will be no backyard Service charge on Business Carts.
- b. Distance Charges. MarBorg shall Collect Dumpsters located within 25 feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by MarBorg and the Customer at the basic rate set forth in Exhibit Eleven. MarBorg may charge an additional Distance Charge as set forth on Exhibit Eleven for Dumpsters located greater than 25 feet of the curb swale, paved surface of the public roadway or closest accessible roadway. Distance charges shall apply to each 25-foot increment.

Section 4. Non-Collection Notice, Overloaded Containers and Repeated Contamination

A. Non-Collection Notice.

MarBorg shall not be required to Collect MSW, Recyclable Material or Greenwaste set out by any Customer for Collection that: 1) is not placed in a Container (except as allowed for Extra Greenwaste, Bulky Waste, White Goods, and household batteries and cell phones as described herein or unless the Customer has requested extra pickup Service as set forth on Exhibit Eleven); 2) is placed in Carts or Cans whose weight is in excess of eighty (80) pounds and sixty (60) pounds, respectively or, 3) is Unacceptable Waste. In the event of non-Collection, MarBorg shall affix to the Container a Non-Collection Notice explaining why Collection was not made and how the item may be properly disposed. MarBorg shall maintain a record of each such notice during the Term of this Agreement.

B. Overloaded Container

1. Cans and Carts. If MarBorg is unable to Collect an overloaded Can or Cart then the driver shall continue to Service the route and MarBorg shall notify the Customer that the overloaded material must be removed from the Can or Cart prior to Collection.

If the customer requests that the driver return before the next regularly scheduled Collection, the customer will be charged the Can/Cart Go Back rate as set forth in Exhibit Eleven.

2. Serviceable Dumpsters. Any Customer whose Dumpster has significant and repeated overflow prior to being emptied on Collection day, will be subject to charge governed by the following terms and conditions:

- a. If MarBorg is able to Collect an overloaded Dumpster, then MarBorg shall charge the Customer the "Overloaded Dumpster" rate as set forth on Exhibit Eleven. Overflowing Greenwaste, Recyclable Material or Foodscraps Dumpsters shall be charged the "Overloaded Recycling Dumpster" rate as set forth in Exhibit Eleven.
- b. Written Notice. MarBorg shall not assess "Overloaded Dumpster" charges unless (A) written notice of an overflow has been provided to the account holder of the Premises (e.g. Non-Collection Notice affixed to Container and photo proof of service), and a subsequent overflow occurs at the Premises within 365 days: (i) after such notice has been given; or (ii) after the last overflow charge has been assessed at the Premises; and (B) there is significant overflow from the Container and the Container cannot be closed and (C) overflow is evidenced by a photograph; and (D) the overflow has actually been Collected by MarBorg. MarBorg shall not assess an Overloaded Dumpster for overflow that is caused by a late, missed, or improperly performed Collection by MarBorg.
- c. Right to Waive Overflow Charges. Overflow charges assessed pursuant to this Agreement may be waived by the Contract Administrator or by MarBorg if it is determined that the owner or manager of the Premises has taken reasonable steps to avoid future overflows, including but not limited to increasing the Container capacity and/or Collection frequency on the Premises, installing locks on the lids of Containers and/or on access gates to curtail illegal dumping by third parties, or other such property management measures.

3. Unserviceable Dumpsters. If MarBorg is unable to Collect an overloaded Dumpster, then the driver shall continue to Service the route and MarBorg shall notify the SFR Customer that the overflowing material must be removed from the Dumpster prior to Collection.

If the Customer requests that the driver return before the next regularly scheduled collection and the driver determines that the Dumpster can now be safely emptied, the Customer will be charged the Go Back Charge/Special Pickup rate as set forth in Exhibit Eleven.

If the Customer is present when MarBorg returns to Collect the Dumpster and the Customer wishes to place the extra material into the Dumpster directly after it is emptied, then MarBorg shall charge the Customer the "Extra Pickup" rate as set forth in Exhibit Eleven.

C. Repeated Contamination.

Any Customer whose Source Separated Greenwaste, Recyclable Material or Foodscraps Container shows significant and repeated contamination will be subject to a contamination charge governed by the following terms and conditions:

1. **Repeated Contamination Charge.** The rate for the contamination charge will be the same as the extra pick up rate for the applicable MSW Container. Contamination will only be counted where such contamination requires MarBorg to treat the entire contaminated Container as MSW, rather than subjecting it to alternative processing as Greenwaste, Foodscraps, and/or Recycling.
2. **Written Notice.** MarBorg shall not assess contamination charges unless (A) written notice of an contamination (e.g. Non-Collection Notice affixed to contaminated Container and photo proof of service), has been provided to the account holder of the Premises, and a subsequent contamination event occurs at the Premises within 365 days: (i) after such notice has been given; or (ii) after the last contamination charge has been assessed at the Premises; and (B) the contaminated Container is evidenced by a photograph; and (C) the contaminated Container has actually been Collected by MarBorg. No contamination charge will may be assessed for contamination that is caused by a late, missed, or improperly performed Collection by MarBorg.
3. **Right to Waive Contamination Charges.** Contamination charges assessed pursuant to this Agreement may be waived by the Contract Administrator or by MarBorg if it is determined that the owner or manager of the Premises has taken reasonable steps to avoid future contamination, including but not limited to increasing or reallocating the Container capacity and/or Collection frequency on the Premises, installing locks on the lids of Containers and/or on access gates to curtail illegal dumping by third parties, or other such property management measures.

Section 5. Public Premises Collection

A. Conditions of Service.

MarBorg shall provide Collection of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap at Public Premises, without limitation, as set forth in Section 3.06(A) provided that provided that materials set out for Collection are accessible to MarBorg's Collection crew and/or vehicle.

Section 5 contains a list of currently owned or leased buildings and areas known to the City requiring Service.

Section 6 contains a list of Public Premises Containers for Municipal Solid Waste and Recyclable Material known to the City requiring Service.

B. Collection Frequency.

1. City Owned or Leased Facilities: MarBorg shall Service Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap Containers at any frequency listed on the rate schedule set forth in Exhibit Eleven at no charge as requested by the Contract Administrator. In no case shall Containers be Serviced less than once per week.
2. Public Receptacles: MarBorg will provide Collection of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscrap at no charge and at any frequency listed on the rate schedule set forth in Exhibit Eleven as directed by the Contract Administrator.

C. Collection Location.

MarBorg shall Service Municipal Solid Waste, Recyclable Material, Foodscrap and Greenwaste Containers located at City owned or leased facilities and located on Public Premises from their existing location or enclosure space.

Section 6. City-Owned or Leased Buildings, Parks and Other Areas

Public Premises (current City owned or leased buildings, rights of way, parks and other areas) requiring Service in the City include:

CITY FACILITIES	LOCATION
Airport	601 Firestone Rd.
Airport - Maintenance Yard & Facility	1699 Firestone Rd.
Airport - Offices and Remote Buildings	45 Hartley Pl.
Airport - Terminal Building and Area	Fairview Rd.
Airport - C&R Fire Station #8	40 Hartley Pl.
Airport - QTA	25 David Love Pl.
Airport - Building 226	6190 Botello Rd.
Airport - Building 312	1501 Cook Pl.
Animal Control	219 E. Micheltorena
Shoreline Café	801 Shoreline Dr.
Braemar Lift Station	Cliff & Alan Rd.
Cabrillo Bathhouse	1118 E. Cabrillo Blvd.
Cabrillo Arts Center	1118 E. Cabrillo Blvd.
Carrillo Recreation Center/Gym	100 E. Carrillo St.
Cater Treatment Plant	1150 San Roque Rd.
Central Library	40 E. Anapamu St.
Central Stores (Public Works Yard)	635 Laguna St.
Chase Palm Park Center	234 E. Cabrillo Blvd.
Chase Palm Park Rec. Center	236 E. Cabrillo Blvd.
City Hall	735 Anacapa St.
Community Dev./Public Works	630 Garden St.
PAL Building	1235 Chapala St.
Cota Commuter Lot	119 E. Cota St.
Crews Quarters (Streets & Water)	625 Laguna St.
Davis Center	1232 De la Vina St.
East Beach Restrooms	1118 Cabrillo Blvd.
Eastside Library	1102 E. Montecito St.
El Estero Water Treatment Plant	520 E. Yanonali St.
Eastside Flood Gate Pump House	234/236 E. Cabrillo Blvd.
Fire Training Facility	30 South Olive St.
Fire Station #1	121 W. Carrillo St.
Fire Station #2 (old)	701 E. Haley St.
Fire Station #2 (new)	819 Cacique St.
Fire Station #3	415 E. Sola St.
Fire Station #4	19 N. Ontare Rd.
Fire Station #5	2505 Modoc Rd.
Fire Station #6	1802 Cliff Dr.
Fire Station #7	2411 Stanwood Dr.

CITY FACILITIES	LOCATION
Franceschi Restrooms	1510 Mission Ridge Rd.
Franklin Community Center	1136 E. Montecito St.
Gibraltar Dam	13 Miles Northeast of SB
Goleta Library	500 N. Fairview Ave.
Granada Garage - DT Parking/Environ Svcs.	1221 Anacapa St.
Harbor	Harbor Way
Harding Recreation Center	1607 Gillespie St.
Hilda Ray Park Restrooms	1424 Kenwood Dr.
Hilda Ray Park Caretaker's House	1424 Kenwood Dr.
Hope Reservoir	Centenella Ln.
Imperial Muffler (Lease -P.W. Mgmt.)	927 Chapala St.
Labor Line	401 E. Yanonali
Leadbetter Beach Restrooms	801 Shoreline Dr.
Los Baños Pool	401 Shoreline Dr.
Louise Lowry Davis Center	1232 De la Vina St.
Lower Westside Community Center	621 Coronel St.
Mackenzie Water Tank/Records Storage	1 Las Positas Rd.
Mackenzie Park Adult Club House	3111 State St.
Mackenzie Park Lawn Bowl Bldg.	1 Las Positas Rd.
Mackenzie Well Site	1 Las Positas Rd.
Mackenzie Youth Activities Bldg.	3101 State St.
Motor Pool	625 Laguna St.
Municipal Golf Course	3500 McCaw Ave.
Municipal Tennis Courts	1414 Park Pl.
Parks Administration	402 E. Ortega St.
Parma Well Site	2100 Stanwood Dr.
Police Station	215 E. Figueroa St.
Primo Boxing Club	701 E. Haley St.
Public Works - Admin/Engineering	630 Garden St.
Public Works Corporation Yard	625-630 Laguna St.
Public Works Annex Yard	401 E. Yanonali
Public Works - Facilities and Shops	616 Laguna St.
Public Works Engineering Anex Yard	310 E. Ortega St.
Railroad Depot	209 State St.
Rancheria Gardens	317 Rancheria St.
Recreation Administration Bldg.	620 Laguna St.
San Roque Well Site	169 Canon Dr.
Sea Landing	301 Cabrillo Blvd.
Sheffield Reservoir	One Foothill & Mission
Shoreline Park "lower" Restrooms	Shoreline & La Marina St.
Shoreline Park "upper" Restrooms	Shoreline & La Marina St.
Skofield Caretaker's House	1819 Las Canoas Rd.

CITY FACILITIES	LOCATION
Skofield Pump Station	Across from 2114 Mt. Calvary
Spencer Adams Lawn Bowl	1216 De la Vina St.
Stearns Wharf	Stearns Wharf
Surveyor's Building (Old Credit Union)	232 E. Ortega St.
Traffic Paint Shop	612 Laguna St.
Tunnel Road Reservoir	1501 Tunnel Rd.
Vic Trace	802 Dolores St. Entrance at 1625 La Coronilla
Waterfront Administration	321 E. Cabrillo Blvd.
Waterfront Parking Office	307 W. Cabrillo Blvd.
Welcome House	632 E. Ortega St.
Westside Community Center	423 W. Victoria St.

City Parks:

CITY PARKS	ADDRESS	NUMBER OF CANS
Alice Keck Park	1500 Santa Barbara St.	29
Ambassador Park	100 W. Cabrillo Blvd.	0
Andree Clark Bird Refuge	Los Patos Way at Cabrillo Blvd.	13
Bohnett Park	1268 San Pascual St.	8
Cabrillo Ballfield	800 E Cabrillo Blvd.	6
Chase Palm Park Expansion	323 E. Cabrillo Blvd.	Listed in Public Container Inventory
De la Guerra Plaza	720 De la Guerra Place	3
Douglas Family Preserve	2551 Medcliff Dr.	Listed in Public Container Inventory
Dwight Murphy Field	444 Por la Mar	23
Eastside Park	1258 E. Yanonali	13
Escondido Park	1306 Flora Vista	5
Franceschi Park	1510 Mission Ridge Rd.	14
Garden Street Parking Lot	11 Garden St.	2
Hale Park	840 Camino Viejo	2
Hidden Valley Park	893 Calle de los Amigos	Listed in Public Container Inventory
Honda Valley Park	696 Miramonte Drive	1
Laurel Canyon Park	End of Laurel Canyon Road	1
Las Positas Tennis Courts	1002 Las Positas Road	5
Los Robles Park	4010 Via Diego	2
Mackenzie Park	3055 Las Positas	16
Mackenzie Park - Upper Lawnbowls	3055 Las Positas	2
Mesa Lane Steps	End of Mesa Lane	4
Mission Rose Garden	418 Plaza Rubio	8
Moreton Bay Fig Tree Park	128 W. Montecito St.	1
Municipal Golf Course	3500 McCaw	Listed in Public Container Inventory
Municipal Tennis Courts	1414 Park Place	5
Orpet Park	821 Moreno Rd.	4
Oak Park	630 W. Junipero	117
Ortega Park	640 Salsipuedes	17
Parma Park	2065 Stanwood Dr.	Listed in Public Container Inventory
Parque de los Ninos	520 Wentworth Ave.	9
Pilgrim Terrace	649 Pilgrim Terrace Dr.	4
Plaza del Mar	6 Castillo Street	12
San Roque Park	425 Canon Dr.	Listed in Public Container Inventory
Skaters Point	108 E. Cabrillo Blvd.	Listed in Public Container Inventory
Skofield Park	1819 Las Canoas Rd.	29
Spencer Adams Lawn Bowls	1216 De la Vina Street	1
Stevens Park	258 Canon Dr.	13
Sylvan Park	1248 Dover Rd.	1
Thousand Steps	1 Santa Cruz Blvd.	0
Willowglen Park	600 Willowglen Park	11

Section 7: Public Premises Containers

Public Premises Containers known to the City requiring Service include:

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
1	City Facility	10 Anapamu	Main Library	402
2	City Facility	10 Anapamu	Main Library	403
3	City Facility	10 Anapamu	Main Library	404
4	City Facility	10 Anapamu	Main Library	405
5	City Facility	10 Anapamu	Main Library	401
6	City Facility	1106 E Montecito	Eastside Library	1151
7	City Facility	1106 E Montecito	Eastside Library	1152
8	City Facility	1106 E Montecito	Eastside Library	1153
9	City Facility	1106 E Montecito	Eastside Library	1154
10	City Facility	1106 E Montecito	Eastside Library	1155
11	City Facility	1219 Anacapa	Main Library	408
12	City Facility	1219 Anacapa	Main Library	409
13	City Facility	1219 Anacapa	Main Library	410
14	City Facility	1219 Anacapa	Main Library	411
15	City Facility	1219 Anacapa	Main Library	412
16	City Facility	401 Shoreline Dr.	Los Banos	325
17	City Facility	423 W Victoria	Westside Center Park	1156
18	City Facility	423 W Victoria	Westside Center Park	1157
19	City Facility	500 Fowler Rd	Airport	1092
20	City Facility	500 Fowler Rd	Airport	1093
21	City Facility	500 Fowler Rd	Airport	1094
22	City Facility	500 Fowler Rd	Airport	1095
23	City Facility	500 Fowler Rd	Airport	1096
24	City Facility	500 Fowler Rd	Airport	1097
25	City Facility	500 Fowler Rd	Airport	1098
26	City Facility	500 Fowler Rd	Airport	1099
27	City Facility	500 Fowler Rd	Airport	1100
28	City Facility	500 Fowler Rd	Airport	1101
29	City Facility	500 Fowler Rd	Airport	1102
30	City Facility	500 Fowler Rd	Airport	1103
31	City Facility	500 Fowler Rd	Airport	1104
32	City Facility	500 Fowler Rd	Airport	1105
33	City Facility	500 Fowler Rd	Airport	1106
34	City Facility	500 Fowler Rd	Airport	1108

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
35	City Facility	500 Fowler Rd	Airport	1109
36	City Facility	500 Fowler Rd	Airport	1111
37	City Facility	500 Fowler Rd	Airport	1112
38	City Facility	500 Fowler Rd	Airport	1113
39	City Facility	500 Fowler Rd	Airport	1114
40	City Facility	500 Fowler Rd	Airport	1115
41	City Facility	500 Fowler Rd	Airport	1116
42	City Facility	500 Fowler Rd	Airport	1117
43	City Facility	500 Fowler Rd	Airport	1118
44	City Facility	500 Fowler Rd	Airport	1119
45	City Facility	500 Fowler Rd	Airport	1120
46	City Facility	500 Fowler Rd	Airport	1121
47	City Facility	500 Fowler Rd	Airport	1122
48	City Facility	500 Fowler Rd	Airport	1123
49	City Facility	500 Fowler Rd	Airport	1124
50	City Facility	500 Fowler Rd	Airport	1125
51	City Facility	500 Fowler Rd	Airport	1126
52	City Facility	500 Fowler Rd	Airport	1127
53	City Facility	500 Fowler Rd	Airport	1128
54	City Facility	500 Fowler Rd	Airport	1107
55	City Facility	500 Fowler Rd	Airport	1110
56	City Facility	501 W Mountain Dr	Sheffield Reservoir	1257
57	City Facility	501 W Mountain Dr	Sheffield Reservoir	1258
58	City Facility	501 W Mountain Dr	Sheffield Reservoir	1259
59	City Facility	501 W Mountain Dr	Sheffield Reservoir	1260
60	City Facility	630 Garden	Public Works Building	446
61	City Facility	630 Garden	Public Works Building	448
62	City Facility	630 Garden	Public Works Building	449
63	City Facility	725 De La Guerra	Storke Placita	506
64	City Facility	725 De La Guerra	Storke Placita	507
65	City Facility	735 Anacapa	City Hall	502
66	City Facility	735 Anacapa	City Hall	503
67	City Facility	735 Anacapa	City Hall	504
68	City Facility	735 Anacapa	City Hall	505
69	Harbor	111 Harbor Way		761
70	Harbor	117 Harbor Way		759
71	Harbor	117 Harbor Way		760
72	Harbor	117 Harbor Way		758
73	Harbor	117 Harbor Wy		756

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
74	Harbor	117 Harbor Wy		757
75	Harbor	301 W Cabrillo		731
76	Harbor	301 W Cabrillo		732
77	Harbor	301 W Cabrillo		733
78	Harbor	301 W Cabrillo		734
79	Harbor	401 Shoreline		742
80	Harbor	401 Shoreline		743
81	Harbor	401 Shoreline		744
82	Harbor	401 Shoreline		745
83	Harbor	401 Shoreline		735
84	Harbor	450 Shoreline		746
85	Harbor	450 Shoreline		747
86	Harbor	450 Shoreline		748
87	Harbor	480 Shoreline		750
88	Harbor	480 Shoreline		751
89	Harbor	480 Shoreline		749
90	Harbor	500 Shoreline		752
91	Harbor	500 Shoreline		753
92	Harbor	500 Shoreline		754
93	Harbor	500 Shoreline		765
94	Harbor	692 Shoreline		764
95	MTD	1 S Milpas		272
96	MTD	1001 Cliff		945
97	MTD	101 Cabrillo		357
98	MTD	1018 Chapala		464
99	MTD	1018 Chapala		465
100	MTD	1018 Chapala		466
101	MTD	1018 Chapala		467
102	MTD	1019 Castillo		578
103	MTD	102 Milpas		273
104	MTD	1024 Chapala		461
105	MTD	1024 Chapala		462
106	MTD	1030 Coast Village		316
107	MTD	1031 Coast Village		317
108	MTD	1031 Milpas		596
109	MTD	105 Voluntario		625
110	MTD	1095 Coast Village		315
111	MTD	1106 Coast Village		297
112	MTD	111 Cota		531

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
113	MTD	1110 Chapala		456
114	MTD	1118 E Cabrillo		322
115	MTD	1123 Cliff		944
116	MTD	1131 DLV		599
117	MTD	1135 San Andres		839
118	MTD	1136 E Montecito		692
119	MTD	1200 Coast Village		300
120	MTD	1200 San Andres		835
121	MTD	1201 Voluntario		620
122	MTD	1218 Chapala		468
123	MTD	1218 Chapala		469
124	MTD	1219 Anacapa		406
125	MTD	1219 Anacapa		407
126	MTD	1220 Chapala		455
127	MTD	126 W Micheltorena		931
128	MTD	1287 Coast Village		303
129	MTD	1300 San Andres		832
130	MTD	1301 Punta Garda		628
131	MTD	132 Anapamu		1129
132	MTD	1331 San Andres		840
133	MTD	135 W Haley		554
134	MTD	136 E Haley		697
135	MTD	138 W Micheltorena		930
136	MTD	1509 San Andres		571
137	MTD	1510 Bath		601
138	MTD	1510 San Andres		570
139	MTD	1531 State St		255
140	MTD	1531 State St		256
141	MTD	1602 State St		254
142	MTD	1634 San Andres		858
143	MTD	1702 San Andres		857
144	MTD	1711 Cliff		943
145	MTD	1826 Cliff		847
146	MTD	1831 San Andres		856
147	MTD	1834 San Andres		859
148	MTD	1835 Cliff Dr		846
149	MTD	1837 State St		253
150	MTD	1923 DLV		598
151	MTD	1934 State St		252

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
152	MTD	1935 State St		247
153	MTD	1w Arrellaga		966
154	MTD	210 Salinas		845
155	MTD	2135 State St		246
156	MTD	216 Milpas		276
157	MTD	2204 Modoc		951
158	MTD	221 Salinas		842
159	MTD	2228 State St		245
160	MTD	224 E Haley		698
161	MTD	228 W ANAPAMU		563
162	MTD	23 N Salinas		843
163	MTD	2300 Bath		940
164	MTD	2441 Cliff		942
165	MTD	2500 Treasure		937
166	MTD	2568 Treasure		938
167	MTD	26 Salinas		844
168	MTD	2781 State St		244
169	MTD	29 Milpas		271
170	MTD	2981 State St		237
171	MTD	2984 State St		243
172	MTD	299 Castillo		580
173	MTD	300 Rancheria		871
174	MTD	301 E Cota		699
175	MTD	3054 State St		239
176	MTD	306 ANAPAMU		597
177	MTD	3101 State St		238
178	MTD	316 Carrillo		608
179	MTD	317 W Carrillo		611
180	MTD	3227 State St		235
181	MTD	323 E Cabrillo		1009
182	MTD	323 E Cabrillo		967
183	MTD	323 E Cabrillo		968
184	MTD	3304 State St		234
185	MTD	331 Gutierrez		695
186	MTD	337 Cabrillo		330
187	MTD	3412 State St		233
188	MTD	3415 State St		236
189	MTD	3535 State St		229
190	MTD	3618 State St		232

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
191	MTD	3747 State St		231
192	MTD	3791 State St		225
193	MTD	3820 State St		226
194	MTD	3891 State St		224
195	MTD	3908 State St		227
196	MTD	3908 State St		228
197	MTD	401 Milpas		267
198	MTD	4050 Pasetas Lane		965
199	MTD	487 Meigs Rd		848
200	MTD	500 E Cota		700
201	MTD	508 Chapala		538
202	MTD	508 Milpas		285
203	MTD	511 DLV		556
204	MTD	523 Milpas		263
205	MTD	534 Cota		701
206	MTD	600 E ANAPAMU		593
207	MTD	600 W Junipers		860
208	MTD	602 Chapala		539
209	MTD	607 Anacapa		500
210	MTD	625 Micheltorena		566
211	MTD	625 San Pascual		873
212	MTD	626 Micheltorena		567
213	MTD	626 W Carrillo		838
214	MTD	628 Micheltorena		568
215	MTD	633 DLV		600
216	MTD	633 Meigs		853
217	MTD	633 Meigs Rd		854
218	MTD	692 Shoreline		763
219	MTD	700 E ANAPAMU		595
220	MTD	706 San Pascual		872
221	MTD	710 Milpas		289
222	MTD	725 Milpas		257
223	MTD	729 Anacapa		501
224	MTD	799 Cliff Dr		949
225	MTD	799 Cliff Dr		950
226	MTD	800 Cliff		946
227	MTD	800 Cliff		947
228	MTD	800 Cliff		948
229	MTD	800 Milpas		291

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
230	MTD	800 W Carrillo		849
231	MTD	800 W Carrillo		850
232	MTD	801 W Micheltorena		855
233	MTD	821 Milpas		295
234	MTD	901 Cabrillo		323
235	MTD	901 Cabrillo		324
236	MTD	914 Montecito		690
237	Park	1400 Santa Barbara	Alameda Park	1072
238	Park	1400 Santa Barbara	Alameda Park	1073
239	Park	1400 Santa Barbara	Alameda Park	1074
240	Park	1400 Santa Barbara	Alameda Park	1075
241	Park	1400 Santa Barbara	Alameda Park	1076
242	Park	1400 Santa Barbara	Alameda Park	1077
243	Park	1400 Santa Barbara	Alameda Park	1079
244	Park	1400 Santa Barbara	Alameda Park	1080
245	Park	1400 Santa Barbara	Alameda Park	1081
246	Park	1400 Santa Barbara	Alameda Park	1082
247	Park	1400 Santa Barbara	Alameda Park	1083
248	Park	1400 Santa Barbara	Alameda Park	1130
249	Park	1400 Santa Barbara	Alameda Park	1133
250	Park	1400 Santa Barbara	Alameda Park	1134
251	Park	1400 Santa Barbara	Alameda Park	1135
252	Park	1400 Santa Barbara	Alameda Park	1136
253	Park	1400 Santa Barbara	Alameda Park	1137
254	Park	1400 Santa Barbara	Alameda Park	1138
255	Park	1400 Santa Barbara	Alameda Park	1139
256	Park	1400 Santa Barbara	Alameda Park	1140
257	Park	1400 Santa Barbara	Alameda Park	1141
258	Park	1400 Santa Barbara	Alameda Park	1142
259	Park	1400 Santa Barbara	Alameda Park	1144
260	Park	1400 Santa Barbara	Alameda Park	1145
261	Park	1400 Santa Barbara	Alameda Park	1146
262	Park	1400 Santa Barbara	Alameda Park	1148
263	Park	1400 Santa Barbara	Alameda Park	1149
264	Park	1400 Santa Barbara	Alameda Park	1150
265	Park	1400 Santa Barbara	Alameda Park	1078
266	Park	1400 Santa Barbara	Alameda Park	1131
267	Park	1400 Santa Barbara	Alameda Park	1132
268	Park	1400 Santa Barbara	Alameda Park	1147

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
269	Park	Santa Barbara	Alameda Park	1143
270	Park	10 W Cabrillo	Beach Way	721
271	Park	10 W Cabrillo	Beach Way	724
272	Park	10 W Cabrillo	Beach Way	725
273	Park	10 W Cabrillo	Beach Way	726
274	Park	100 E Cabrillo	Beach Way	719
275	Park	100 E Cabrillo	Beach Way	720
276	Park	108 E Cabrillo	Beach Way	716
277	Park	108 E Cabrillo	Beach Way	717
278	Park	108 E Cabrillo	Beach Way	718
279	Park	111 W Cabrillo	Beach Way	728
280	Park	230 W Cabrillo	Beach Way	730
281	Park	231 W Cabrillo	Beach Way	729
282	Park	236 E Cabrillo	Beach Way	702
283	Park	236 E Cabrillo	Beach Way	703
284	Park	238 E Cabrillo	Beach Way	704
285	Park	238 E Cabrillo	Beach Way	705
286	Park	29 W Cabrillo	Beach Way	727
287	Park	400 E Cabrillo	Beach Way	706
288	Park	400 E Cabrillo	Beach Way	707
289	Park	421 E Cabrillo	Beach Way	708
290	Park	493 E Cabrillo	Beach Way	709
291	Park	493 E Cabrillo	Beach Way	710
292	Park	549 E Cabrillo	Beach Way	711
293	Park	575 E Cabrillo	Beach Way	712
294	Park	609 E Cabrillo	Beach Way	713
295	Park	613 E Cabrillo	Beach Way	714
296	Park	615 E Cabrillo	Beach Way	715
297	Park	617 E Cabrillo	Beach Way	655
298	Park	619 E Cabrillo	Beach Way	653
299	Park	619 E Cabrillo	Beach Way	654
300	Park	672 E Cabrillo	Beach Way	651
301	Park	672 E Cabrillo	Beach Way	652
302	Park	780 E Cabrillo	Beach Way	650
303	Park	830 E Cabrillo	Beach Way	648
304	Park	880 E Cabrillo	Beach Way	647
305	Park	830 E Cabrillo	Beach Way	649
306	Park	10 W Cabrillo	Beach Way	722
307	Park	10 W Cabrillo	Beach Way	723

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
308	Park	1268 San Pascual St.	Bohnett Park	1266
309	Park	1268 San Pascual St.	Bohnett Park	1267
310	Park	1268 San Pascual St.	Bohnett Park	1268
311	Park	1268 San Pascual St.	Bohnett Park	1269
312	Park	1268 San Pascual St.	Bohnett Park	1270
313	Park	1268 San Pascual St.	Bohnett Park	1271
314	Park	1268 San Pascual St.	Bohnett Park	1272
315	Park	1268 San Pascual St.	Bohnett Park	1273
316	Park	1268 San Pascual St.	Bohnett Park	1274
317	Park	1302 San Andres	Bohnett Park - Upper Park	834
318	Park	1306 San Andres	Bohnett Park - Upper Park	833
319	Park	800 E Cabrillo	Cabrillo Ballfield	1039
320	Park	800 E Cabrillo	Cabrillo Ballfield	1040
321	Park	323 E Cabrillo	Chase Palm Park	1001
322	Park	323 E Cabrillo	Chase Palm Park	969
323	Park	323 E Cabrillo	Chase Palm Park	970
324	Park	323 E Cabrillo	Chase Palm Park	971
325	Park	323 E Cabrillo	Chase Palm Park	972
326	Park	323 E Cabrillo	Chase Palm Park	973
327	Park	323 E Cabrillo	Chase Palm Park	975
328	Park	323 E Cabrillo	Chase Palm Park	976
329	Park	323 E Cabrillo	Chase Palm Park	977
330	Park	323 E Cabrillo	Chase Palm Park	978
331	Park	323 E Cabrillo	Chase Palm Park	979
322	Park	323 E Cabrillo	Chase Palm Park	980
333	Park	323 E Cabrillo	Chase Palm Park	981
334	Park	323 E Cabrillo	Chase Palm Park	982
335	Park	323 E Cabrillo	Chase Palm Park	983
336	Park	323 E Cabrillo	Chase Palm Park	984
337	Park	323 E Cabrillo	Chase Palm Park	985
338	Park	323 E Cabrillo	Chase Palm Park	986
339	Park	323 E Cabrillo	Chase Palm Park	987
340	Park	323 E Cabrillo	Chase Palm Park	988
341	Park	323 E Cabrillo	Chase Palm Park	989
342	Park	323 E Cabrillo	Chase Palm Park	990
343	Park	323 E Cabrillo	Chase Palm Park	991
344	Park	323 E Cabrillo	Chase Palm Park	992
345	Park	323 E Cabrillo	Chase Palm Park	994
346	Park	323 E Cabrillo	Chase Palm Park	995

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
347	Park	323 E Cabrillo	Chase Palm Park	996
348	Park	323 E Cabrillo	Chase Palm Park	997
349	Park	323 E Cabrillo	Chase Palm Park	998
350	Park	323 E Cabrillo	Chase Palm Park	999
351	Park	323 E Cabrillo	Chase Palm Park	1000
352	Park	323 E Cabrillo	Chase Palm Park	1002
353	Park	323 E Cabrillo	Chase Palm Park	1003
354	Park	323 E Cabrillo	Chase Palm Park	1004
355	Park	323 E Cabrillo	Chase Palm Park	1006
356	Park	323 E Cabrillo	Chase Palm Park	1007
357	Park	323 E Cabrillo	Chase Palm Park	1008
358	Park	323 E Cabrillo	Chase Palm Park	1010
359	Park	323 E Cabrillo	Chase Palm Park	1011
360	Park	323 E Cabrillo	Chase Palm Park	1012
361	Park	323 E Cabrillo	Chase Palm Park	1013
362	Park	323 E Cabrillo	Chase Palm Park	1014
363	Park	323 E Cabrillo	Chase Palm Park	1015
364	Park	323 E Cabrillo	Chase Palm Park	1016
365	Park	323 E Cabrillo	Chase Palm Park	1017
366	Park	323 E Cabrillo	Chase Palm Park	1018
367	Park	323 E Cabrillo	Chase Palm Park	974
368	Park	323 E Cabrillo	Chase Palm Park	993
369	Park	323 E Cabrillo	Chase Palm Park	1005
370	Park	2538 Medcliffe	Douglas Family Preserve	1207
371	Park	2538 Medcliffe	Douglas Family Preserve	1208
372	Park	2630 Borton	Douglas Family Preserve	1205
373	Park	2630 Borton	Douglas Family Preserve	1206
374	Park	1102 Cabrillo	East Beach	633
375	Park	1102 Cabrillo	East Beach	635
376	Park	1102 E Cabrillo	East Beach	629
377	Park	1102 E Cabrillo	East Beach	632
378	Park	1102 E Cabrillo	East Beach	636
379	Park	1102 E Cabrillo	East Beach	638
380	Park	1102 E Cabrillo	East Beach	639
381	Park	1102 E Cabrillo	East Beach	641
382	Park	1102 E Cabrillo	East Beach	642
383	Park	1102 E Cabrillo	East Beach	643
384	Park	1102 E Cabrillo	East Beach	644
385	Park	1102 E Cabrillo	East Beach	645

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
386	Park	1102 E Cabrillo	East Beach	646
387	Park	1118 E Cabrillo	East Beach	1051
388	Park	1118 E Cabrillo	East Beach	1052
389	Park	1118 E Cabrillo	East Beach	1053
390	Park	1118 E Cabrillo	East Beach	1054
391	Park	1118 E Cabrillo	East Beach	1055
392	Park	1118 E Cabrillo	East Beach	630
393	Park	1120 E Cabrillo	East Beach	656
394	Park	1120 E Cabrillo	East Beach	657
395	Park	1120 E Cabrillo	East Beach	658
396	Park	1200 E Cabrillo	East Beach	1041
397	Park	1200 E Cabrillo	East Beach	1042
398	Park	1200 E Cabrillo	East Beach	1043
399	Park	1200 E Cabrillo	East Beach	1044
400	Park	1200 E Cabrillo	East Beach	1045
401	Park	1200 E Cabrillo	East Beach	1046
402	Park	1200 E Cabrillo	East Beach	1047
403	Park	1200 E Cabrillo	East Beach	1048
404	Park	1200 E Cabrillo	East Beach	1049
405	Park	1200 E Cabrillo	East Beach	1050
406	Park	1120 E Cabrillo	East Beach	664
407	Park	1120 E Cabrillo	East Beach	665
408	Park	1120 E Cabrillo	East Beach	666
409	Park	1120 E Cabrillo	East Beach	667
410	Park	1306 Flora Vista	Escondido Park	1174
411	Park	1306 Flora Vista	Escondido Park	1175
412	Park	1306 Flora Vista	Escondido Park	1176
413	Park	1306 Flora Vista	Escondido Park	1177
414	Park	1306 Flora Vista	Escondido Park	1178
415	Park	1306 Flora Vista	Escondido Park	1179
416	Park	3500 McCaw	Golf Course	1215
417	Park	3500 Mccaw	Golf Course	1216
418	Park	3500 McCaw	Golf Course	1217
419	Park	3500 Mccaw	Golf Course	1218
420	Park	3500 Mccaw	Golf Course	1219
421	Park	3500 Mccaw	Golf Course	1221
422	Park	3500 Mccaw	Golf Course	1225
423	Park	3500 Mccaw	Golf Course	1226
424	Park	3500 Mccaw	Golf Course	1227

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
425	Park	3500 McCaw	Golf Course	1228
426	Park	3500 Mccaw	Golf Course	1230
427	Park	3500 McCaw	Golf Course	1231
428	Park	3500 McCaw	Golf Course	1232
429	Park	3500 Mccaw	Golf Course	1233
430	Park	3500 McCaw	Golf Course	1234
431	Park	3500 Mccaw	Golf Course	1235
432	Park	3500 Mccaw	Golf Course	1236
433	Park	3500 McCaw	Golf Course	1237
434	Park	3500 Mccaw	Golf Course	1238
435	Park	3500 Mccaw	Golf Course	1239
436	Park	3500 Mccaw	Golf Course	1240
437	Park	3500 Mccaw	Golf Course	1241
438	Park	3500 McCaw	Golf Course	1242
439	Park	3500 Mccaw	Golf Course	1243
440	Park	3500 Mccaw	Golf Course	1244
441	Park	3500 Mccaw	Golf Course	1245
442	Park	3500 Mccaw	Golf Course	1246
443	Park	3500 Mccaw	Golf Course	1247
444	Park	3500 Mccaw	Golf Course	1248
445	Park	3500 Mccaw	Golf Course	1249
446	Park	3500 Mccaw	Golf Course	1250
447	Park	3500 Mccaw	Golf Course	1212
448	Park	3500 McCaw	Golf Course	1213
449	Park	3500 McCaw	Golf Course	1214
450	Park	3500 Mccaw	Golf Course	1220
451	Park	3500 Mccaw	Golf Course	1222
452	Park	3500 Mccaw	Golf Course	1223
453	Park	3500 McCaw	Golf Course	1224
454	Park	3500 McCaw	Golf Course	1229
455	Park	893 Calle De Los Amigos	Hidden Valley Park	954
456	Park	893 Calle De Los Amigos	Hidden Valley Park	953
457	Park	893 Calle De Los Amigos	Hidden Valley Park	955
458	Park	893 Calle De Los Amigos	Hidden Valley Park	956
459	Park	893 Calle De Los Amigos	Hidden Valley Park	957
460	Park	893 Calle De Los Amigos	Hidden Valley Park	958
461	Park	893 Calle De Los Amigos	Hidden Valley Park	959
462	Park	893 Calle De Los Amigos	Hidden Valley Park	960
463	Park	893 Calle De Los Amigos	Hidden Valley Park	961

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
464	Park	893 Calle De Los Amigos	Hidden Valley Park	962
465	Park	893 Calle De Los Amigos	Hidden Valley Park	963
466	Park	1400 Ken wood	Hilda Ray Park	1161
467	Park	1400 Ken wood	Hilda Ray Park	1166
468	Park	1400 Kenwood	Hilda Ray Park	1159
469	Park	1400 Kenwood	Hilda Ray Park	1160
470	Park	1400 Kenwood	Hilda Ray Park	1162
471	Park	1400 Kenwood	Hilda Ray Park	1163
472	Park	1400 Kenwood	Hilda Ray Park	1164
473	Park	1400 Kenwood	Hilda Ray Park	1165
474	Park	1400 Kenwood	Hilda Ray Park	1167
475	Park	1400 Kenwood	Hilda Ray Park	1168
476	Park	1400 Kenwood	Hilda Ray Park	1169
477	Park	1400 Kenwood	Hilda Ray Park	1170
478	Park	1400 Kenwood	Hilda Ray Park	1171
479	Park	1400 Kenwood	Hilda Ray Park	1172
480	Park	1400 Kenwood	Hilda Ray Park	1173
481	Park	1400 Kenwood	Hilda Ray Park	1158
482	Park	201 Meigs Rd	La Mesa Park	1024
483	Park	201 Meigs Rd	La Mesa Park	1025
484	Park	201 Meigs Rd.	La Mesa Park	1019
485	Park	201 Meigs Rd.	La Mesa Park	1020
486	Park	201 Meigs Rd.	La Mesa Park	1021
487	Park	201 Meigs Rd.	La Mesa Park	1022
488	Park	201 Meigs Rd.	La Mesa Park	1023
489	Park	803 Shoreline	Leadbetter Beach	876
490	Park	803 Shoreline	Leadbetter Beach	877
491	Park	803 Shoreline	Leadbetter Beach	878
492	Park	803 Shoreline	Leadbetter Beach	879
493	Park	803 Shoreline	Leadbetter Beach	880
494	Park	803 Shoreline	Leadbetter Beach	881
495	Park	803 Shoreline	Leadbetter Beach	882
496	Park	803 Shoreline	Leadbetter Beach	883
497	Park	803 Shoreline	Leadbetter Beach	884
498	Park	803 Shoreline	Leadbetter Beach	885
499	Park	803 Shoreline	Leadbetter Beach	887
500	Park	803 Shoreline	Leadbetter Beach	888
501	Park	803 Shoreline	Leadbetter Beach	889
502	Park	803 Shoreline	Leadbetter Beach	890

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
503	Park	803 Shoreline	Leadbetter Beach	891
504	Park	803 Shoreline	Leadbetter Beach	892
505	Park	803 Shoreline	Leadbetter Beach	893
506	Park	803 Shoreline	Leadbetter Beach	895
507	Park	803 Shoreline	Leadbetter Beach	896
508	Park	803 Shoreline	Leadbetter Beach	897
509	Park	803 Shoreline	Leadbetter Beach	898
510	Park	803 Shoreline	Leadbetter Beach	899
511	Park	803 Shoreline	Leadbetter Beach	900
512	Park	803 Shoreline	Leadbetter Beach	901
513	Park	803 Shoreline	Leadbetter Beach	902
514	Park	803 Shoreline	Leadbetter Beach	903
515	Park	803 Shoreline	Leadbetter Beach	904
516	Park	803 Shoreline	Leadbetter Beach	905
517	Park	803 Shoreline	Leadbetter Beach	906
518	Park	803 Shoreline	Leadbetter Beach	907
519	Park	803 Shoreline	Leadbetter Beach	908
520	Park	803 Shoreline	Leadbetter Beach	909
521	Park	803 Shoreline	Leadbetter Beach	910
522	Park	803 Shoreline	Leadbetter Beach	911
523	Park	803 Shoreline	Leadbetter Beach	912
524	Park	803 Shoreline	Leadbetter Beach	913
525	Park	803 Shoreline	Leadbetter Beach	914
526	Park	803 Shoreline	Leadbetter Beach	915
527	Park	803 Shoreline	Leadbetter Beach	916
528	Park	803 Shoreline	Leadbetter Beach	917
529	Park	803 Shoreline	Leadbetter Beach	918
530	Park	803 Shoreline	Leadbetter Beach	920
531	Park	803 Shoreline	Leadbetter Beach	921
532	Park	803 Shoreline	Leadbetter Beach	922
533	Park	803 Shoreline	Leadbetter Beach	923
534	Park	803 Shoreline	Leadbetter Beach	924
535	Park	803 Shoreline	Leadbetter Beach	925
536	Park	803 Shoreline	Leadbetter Beach	926
537	Park	803 Shoreline	Leadbetter Beach	927
538	Park	803 Shoreline	Leadbetter Beach	928
539	Park	803 Shoreline	Leadbetter Beach	886
540	Park	803 Shoreline	Leadbetter Beach	894
541	Park	803 Shoreline	Leadbetter Beach	919

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
542	Park	311 W Cabrillo	Los Banos Playground	737
543	Park	311 W Cabrillo	Los Banos Playground	738
544	Park	3055 Las Positas	Mackenzie Park	1180
545	Park	3055 Las Positas	Mackenzie Park	1181
546	Park	3055 Las Positas	Mackenzie Park	1182
547	Park	3055 Las Positas	Mackenzie Park	1183
548	Park	3055 Las Positas	Mackenzie Park	1184
549	Park	3055 Las Positas	Mackenzie Park	1185
550	Park	3055 Las Positas	Mackenzie Park	1186
551	Park	3055 Las Positas	Mackenzie Park	1187
552	Park	3055 Las Positas	Mackenzie Park	1188
553	Park	3055 Las Positas	Mackenzie Park	1189
554	Park	3055 Las Positas	Mackenzie Park	1190
555	Park	3055 Las Positas	Mackenzie Park	1191
556	Park	3055 Las Positas	Mackenzie Park	1192
557	Park	3055 Las Positas	Mackenzie Park	1193
558	Park	3055 Las Positas	Mackenzie Park	1194
559	Park	3055 Las Positas	Mackenzie Park	1195
560	Park	3055 Las Positas	Mackenzie Park	1196
561	Park	3055 Las Positas	Mackenzie Park	1197
562	Park	3055 Las Positas	Mackenzie Park	1198
563	Park	3055 Las Positas	Mackenzie Park	1209
564	Park	3055 Las Positas	Mackenzie Park	1210
565	Park	3055 Las Positas	Mackenzie Park	1211
566	Park	418 Plaza Rubio	Mission Rose Garden	1262
567	Park	418 Plaza Rubio	Mission Rose Garden	1263
568	Park	418 Plaza Rubio	Mission Rose Garden	1264
569	Park	418 Plaza Rubio	Mission Rose Garden	1265
570	Park	126 W Montecito	Moreton Bay Fig Tree	615
571	Park	640 Salsipuedes	Ortega Park	1059
572	Park	640 Salsipuedes	Ortega Park	1060
573	Park	640 Salsipuedes	Ortega Park	1061
574	Park	640 Salsipuedes	Ortega Park	1062
575	Park	640 Salsipuedes	Ortega Park	1063
576	Park	640 Salsipuedes	Ortega Park	1064
577	Park	640 Salsipuedes	Ortega Park	1066
578	Park	640 Salsipuedes	Ortega Park	1068
579	Park	640 Salsipuedes	Ortega Park	1069
580	Park	640 Salsipuedes	Ortega Park	1070

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
581	Park	640 Salsipuedes	Ortega Park	1071
582	Park	640 Salsipuedes	Ortega Park	1065
583	Park	640 Salsipuedes	Ortega Park	1067
584	Park	2065 Stanwood Dr	Parma Park	1256
585	Park	2065 Stanwood Dr	Parma Park	1255
586	Park	100 Castillo	Pershing Park	1026
587	Park	100 Castillo	Pershing Park	1027
588	Park	100 Castillo	Pershing Park	1028
589	Park	100 Castillo	Pershing Park	1029
590	Park	100 Castillo	Pershing Park	1030
591	Park	100 Castillo	Pershing Park	1031
592	Park	100 Castillo	Pershing Park	1032
593	Park	100 Castillo	Pershing Park	1033
594	Park	100 Castillo	Pershing Park	1034
595	Park	100 Castillo	Pershing Park	1035
596	Park	100 Castillo	Pershing Park	1036
597	Park	100 Castillo	Pershing Park	1037
598	Park	100 Castillo	Pershing Park	1038
599	Park	130 E Cota St	Plaza Vera Cruz Park	1202
600	Park	130 E Cota St	Plaza Vera Cruz Park	1203
601	Park	130 E Cota St	Plaza Vera Cruz Park	1204
602	Park	425 Canon Dr	San Roque Park	1200
603	Park	425 Canon Dr	San Roque Park	1201
604	Park	1201 Shoreline	Shoreline Park	791
605	Park	1201 Shoreline	Shoreline Park	790
606	Park	1204 Shoreline	Shoreline Park	792
607	Park	1204 Shoreline	Shoreline Park	793
608	Park	1206 Shoreline	Shoreline Park	794
609	Park	1212 Shoreline	Shoreline Park	795
610	Park	1214 Shoreline	Shoreline Park	796
611	Park	1214 Shoreline	Shoreline Park	797
612	Park	1214 Shoreline	Shoreline Park	798
613	Park	1218 Shoreline	Shoreline Park	799
614	Park	1220 Shoreline	Shoreline Park	800
615	Park	1222 Shoreline	Shoreline Park	801
616	Park	1224 Shoreline	Shoreline Park	802
617	Park	1224 Shoreline	Shoreline Park	803
618	Park	1239 Shoreline	Shoreline Park	804
619	Park	1239 Shoreline	Shoreline Park	805

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
620	Park	1239 Shoreline	Shoreline Park	806
621	Park	1242 Shoreline	Shoreline Park	807
622	Park	1242 Shoreline	Shoreline Park	808
623	Park	1242 Shoreline	Shoreline Park	809
624	Park	1242 Shoreline	Shoreline Park	810
625	Park	1312 Shoreline	Shoreline Park	811
626	Park	1322 Shoreline	Shoreline Park	812
627	Park	1324 Shoreline	Shoreline Park	813
628	Park	1336 Shoreline	Shoreline Park	814
629	Park	1338 Shoreline	Shoreline Park	815
630	Park	1344 Shoreline	Shoreline Park	816
631	Park	1344 Shoreline	Shoreline Park	817
632	Park	1344 Shoreline	Shoreline Park	818
633	Park	1344 Shoreline	Shoreline Park	829
634	Park	1344 Shoreline	Shoreline Park	830
635	Park	1348 Shoreline	Shoreline Park	819
636	Park	1348 Shoreline	Shoreline Park	828
637	Park	1362 Shoreline	Shoreline Park	820
638	Park	1362 Shoreline	Shoreline Park	821
639	Park	1368 Shoreline	Shoreline Park	822
640	Park	1368 Shoreline	Shoreline Park	827
641	Park	1393 Shoreline	Shoreline Park	823
642	Park	1393 Shoreline	Shoreline Park	824
643	Park	1393 Shoreline	Shoreline Park	825
644	Park	1393 Shoreline	Shoreline Park	826
645	Park	108 E. Cabrillo	Skate Park	736
646	Park	134 E Cabrillo	Skate Park	678
647	Park	258 Canon Dr	Stevens Park	1251
648	Park	258 Canon Dr	Stevens Park	1252
649	Park	258 Canon Dr	Stevens Park	1253
650	Park	258 Canon Dr	Stevens Park	1254
651	Park	1124 Mason	Sunflower Park	1056
652	Park	1124 Mason	Sunflower Park	1057
653	Parking Lot Downtown	1000 Castillo		579
654	Parking Lot Downtown	1018 Chapala		470
655	Parking Lot Downtown	1024 Chapala		463
656	Parking Lot Downtown	1217 Anacapa		429
657	Parking Lot Downtown	1217 Anacapa		430
658	Parking Lot Downtown	1219 Anacapa		413

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
659	Parking Lot Downtown	1219 Anacapa		414
660	Parking Lot Downtown	1219 Anacapa		415
661	Parking Lot Downtown	1219 Anacapa		417
662	Parking Lot Downtown	1219 Anacapa		418
663	Parking Lot Downtown	1219 Anacapa		419
664	Parking Lot Downtown	1219 Anacapa		420
665	Parking Lot Downtown	1219 Anacapa		421
666	Parking Lot Downtown	1219 Anacapa		422
667	Parking Lot Downtown	1219 Anacapa		423
668	Parking Lot Downtown	1219 Anacapa		424
669	Parking Lot Downtown	1219 Anacapa		425
670	Parking Lot Downtown	1219 Anacapa		426
671	Parking Lot Downtown	1220 Victoria		451
672	Parking Lot Downtown	1220 Victoria		452
673	Parking Lot Downtown	1221 Anacapa		383
674	Parking Lot Downtown	1221 Anacapa		384
675	Parking Lot Downtown	1221 Anacapa		385
676	Parking Lot Downtown	1221 Anacapa		386
677	Parking Lot Downtown	1221 Anacapa		387
678	Parking Lot Downtown	1221 Anacapa		388
679	Parking Lot Downtown	1221 Anacapa		389
680	Parking Lot Downtown	1221 Anacapa		390
681	Parking Lot Downtown	1221 Anacapa		391
682	Parking Lot Downtown	1221 Anacapa		392
683	Parking Lot Downtown	1221 Anacapa		393
684	Parking Lot Downtown	1221 Anacapa		394
685	Parking Lot Downtown	1221 Anacapa		395
686	Parking Lot Downtown	1221 Anacapa		396
687	Parking Lot Downtown	1221 Anacapa		397
688	Parking Lot Downtown	1221 Anacapa		398
689	Parking Lot Downtown	1221 Anacapa		399
690	Parking Lot Downtown	1221 Anacapa		400
691	Parking Lot Downtown	1221 Anacapa		450
692	Parking Lot Downtown	14 W Yanonali St		582
693	Parking Lot Downtown	14 W Yanonali St		584
694	Parking Lot Downtown	14 W Yanonali St		585
695	Parking Lot Downtown	14 W Yanonali St		583
696	Parking Lot Downtown	14 W Yanonali St.		586
697	Parking Lot Downtown	14 W Yanonali St.		587

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
698	Parking Lot Downtown	14 W Yanonali St.		588
699	Parking Lot Downtown	224 Chapala		590
700	Parking Lot Downtown	224 Chapala		591
701	Parking Lot Downtown	224 Chapala		592
702	Parking Lot Downtown	244 Chapala		589
703	Parking Lot Downtown	30 E Haley		525
704	Parking Lot Downtown	31 Figueroa		416
705	Parking Lot Downtown	331 State		519
706	Parking Lot Downtown	331 State		520
707	Parking Lot Downtown	331 State		521
708	Parking Lot Downtown	331 State		522
709	Parking Lot Downtown	331 State		523
710	Parking Lot Downtown	331 State St		518
711	Parking Lot Downtown	519 Anacapa		510
712	Parking Lot Downtown	519 Anacapa		511
713	Parking Lot Downtown	519 Anacapa		512
714	Parking Lot Downtown	607 Anacapa		491
715	Parking Lot Downtown	607 Anacapa		494
716	Parking Lot Downtown	607 Anacapa		496
717	Parking Lot Downtown	607 Anacapa		497
718	Parking Lot Downtown	607 Anacapa		498
719	Parking Lot Downtown	607 Anacapa		499
720	Parking Lot Downtown	607 Anacapa		508
721	Parking Lot Downtown	607 Anacapa		528
722	Parking Lot Downtown	607 Anacapa		529
723	Parking Lot Downtown	607 Anacapa		530
724	Parking Lot Downtown	607 Anacapa		495
725	Parking Lot Downtown	619 Anacapa		492
726	Parking Lot Downtown	619 Anacapa		493
727	Parking Lot Downtown	924 Chapala		477
728	Parking Lot Downtown	924 Chapala		478
729	Parking Lot Downtown	924 Chapala		479
730	Parking Lot Downtown	924 Chapala		480
731	Parking Lot Downtown	924 Chapala		481
732	Parking Lot Downtown	924 Chapala		482
733	Parking Lot Downtown	924 Chapala		483
734	Parking Lot Downtown	924 Chapala		484
735	Parking Lot Downtown	924 Chapala		485
736	Parking Lot Downtown	924 Chapala		486

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
737	Parking Lot Downtown	924 Chapala		487
738	Parking Lot Downtown	925 Anacapa		431
739	Parking Lot Downtown	925 Anacapa		432
740	Parking Lot Downtown	925 Anacapa		433
741	Parking Lot Downtown	925 Anacapa		435
742	Parking Lot Downtown	925 Anacapa		436
743	Parking Lot Downtown	925 State St		434
744	Parking Lot Downtown	Chapala		1261
745	Parking Lot Waterfront	1102 Cabrillo		634
746	Parking Lot Waterfront	1102 E Cabrillo		631
747	Parking Lot Waterfront	1102 E Cabrillo		637
748	Parking Lot Waterfront	1102 E Cabrillo		640
749	Parking Lot Waterfront	1120 E Cabrillo		659
750	Parking Lot Waterfront	1120 E Cabrillo		660
751	Parking Lot Waterfront	1120 E Cabrillo		662
752	Parking Lot Waterfront	1120 E Cabrillo		663
753	Parking Lot Waterfront	1120 E Cabrillo		661
754	Parking Lot Waterfront	134 E Cabrillo		668
765	Parking Lot Waterfront	134 E Cabrillo		669
756	Parking Lot Waterfront	134 E Cabrillo		670
757	Parking Lot Waterfront	134 E Cabrillo		671
758	Parking Lot Waterfront	134 E Cabrillo		673
759	Parking Lot Waterfront	134 E Cabrillo		674
760	Parking Lot Waterfront	134 E Cabrillo		675
761	Parking Lot Waterfront	134 E Cabrillo		676
762	Parking Lot Waterfront	134 E Cabrillo		677
763	Parking Lot Waterfront	134 E Cabrillo		679
764	Parking Lot Waterfront	134 E Cabrillo		680
765	Parking Lot Waterfront	134 E Cabrillo		681
766	Parking Lot Waterfront	134 E Cabrillo		682
767	Parking Lot Waterfront	134 E Cabrillo		683
768	Parking Lot Waterfront	134 E Cabrillo		684
769	Parking Lot Waterfront	134 E Cabrillo		685
770	Parking Lot Waterfront	311 W Cabrillo		739
771	Parking Lot Waterfront	311 W Cabrillo		740
772	Parking Lot Waterfront	311 W Cabrillo		741
773	Parking Lot Waterfront	700 Shoreline		765
774	Parking Lot Waterfront	700 Shoreline		766
775	Parking Lot Waterfront	700 Shoreline		767

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
778	Parking Lot Waterfront	700 Shoreline		768
777	Parking Lot Waterfront	700 Shoreline		769
778	Parking Lot Waterfront	700 Shoreline		770
779	Parking Lot Waterfront	700 Shoreline		771
780	Parking Lot Waterfront	700 Shoreline		772
781	Parking Lot Waterfront	750 Shoreline		773
782	Parking Lot Waterfront	750 Shoreline		774
783	Parking Lot Waterfront	750 Shoreline		775
784	Parking Lot Waterfront	750 Shoreline		777
785	Parking Lot Waterfront	750 Shoreline		778
786	Parking Lot Waterfront	750 Shoreline		778
787	Parking Lot Waterfront	780 Shoreline		779
788	Parking Lot Waterfront	780 Shoreline		780
789	Parking Lot Waterfront	780 Shoreline		781
790	Parking Lot Waterfront	780 Shoreline		782
791	Parking Lot Waterfront	780 Shoreline		783
792	Parking Lot Waterfront	780 Shoreline		785
793	Parking Lot Waterfront	780 Shoreline		786
794	Parking Lot Waterfront	780 Shoreline		787
795	Parking Lot Waterfront	780 Shoreline		788
796	Parking Lot Waterfront	780 Shoreline		789
797	Parking Lot Waterfront	780 Shoreline		784
798	Parking Lot Waterfront	134 E Cabrillo		672
799	Shopping Center	1928 Cliff Dr		372
800	Shopping Center	1950 Cliff Dr		373
801	Shopping Center	1950 Cliff Dr		374
802	Shopping Center	1950 Cliff Dr		375
803	Shopping Center	1950 Cliff Dr		376
804	Shopping Center	1950 Cliff Dr		377
805	Shopping Center	1950 Cliff Dr		378
806	Shopping Center	1950 Cliff Dr		379
807	Shopping Center	1950 Cliff Dr		380
808	Shopping Center	1950 Cliff Dr		381
809	Street	1 Garden		354
810	Street	1 Garden		355
811	Street	1 Garden		356
812	Street	1 W Canon Perdido		489
813	Street	10 Cabrillo		366
814	Street	10 E Yanonali		616

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
815	Street	10 E Yanonali		617
816	Street	10 State St		358
817	Street	10 State St.		359
818	Street	10 W Cabrillo		349
819	Street	10 W Cota		532
820	Street	100 Cabrillo		352
821	Street	100 Cabrillo		353
822	Street	100 Chapala		618
823	Street	100 State St		155
824	Street	100 State St		156
825	Street	100 State St		157
826	Street	1000 Chapala		490
827	Street	1000 State St.		16
828	Street	1000 State St.		17
829	Street	1001 State St.		38
830	Street	1001 State St.		39
831	Street	101 La Cumbre		964
832	Street	101 State St		159
833	Street	101 State St		160
834	Street	101 W Cabrillo		342
835	Street	101 W Cabrillo		343
836	Street	101 W Ortega		546
837	Street	101 W Ortega		547
838	Street	1011 State St.		40
839	Street	1011 State St.		41
840	Street	1014 State St.		14
841	Street	1014 State St.		15
842	Street	1019 State St.		42
843	Street	1019 State St.		43
844	Street	1020 State St.		12
845	Street	1020 State St.		13
846	Street	1027 State St.		44
847	Street	1027 State St.		45
848	Street	1033 Coast Village		318
849	Street	1035 State St.		47
850	Street	1035 State St.		46
851	Street	1035 State St.		47
852	Street	1036 State St.		10
853	Street	1036 State St.		11
854	Street	109 Milpas		270

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
855	Street	11 Carrillo		445
856	Street	1100 State St.		8
857	Street	1100 State St.		9
858	Street	1100 W Carrillo		851
859	Street	1100 W Carrillo		852
860	Street	1101 State St.		48
861	Street	1101 State St.		49
862	Street	1105 Coast Village		314
863	Street	111 Alamar		862
864	Street	111 W Cabrillo		341
865	Street	1110 Cabrillo		321
866	Street	1112 State St.		7
867	Street	1115 Indio Metro		622
868	Street	1115 State St.		50
869	Street	1115 State St.		51
870	Street	1117 Staet St.		53
871	Street	1117 State St.		52
872	Street	1118 State St.		5
873	Street	1118 State St.		6
874	Street	112 Alamar		863
875	Street	1120 San Andres		837
876	Street	1124 San Andres		836
877	Street	1127 Coast Village		313
878	Street	113 E Haley		696
879	Street	1130 State St.		3
880	Street	1132 Cacique		623
881	Street	1132 Cacique		624
882	Street	1135 E Montecito		694
883	Street	1137 State St.		54
884	Street	1137 State St.		55
885	Street	114 DLG		540
886	Street	1143 Coast Village		312
887	Street	1150 Coast Village		298
888	Street	1150 State St.		4
889	Street	1165 Coast Village		311
890	Street	117 DLG		545
891	Street	1170 Coast Village		299
892	Street	12 W Figueroa		457
893	Street	12 W Figueroa		458

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
894	Street	120 State St		158
895	Street	1200 State St		166
896	Street	1200 State St		167
897	Street	1201 State St		198
898	Street	1201 State St		199
899	Street	1202 Liberty		621
900	Street	1209 Coast Village		307
901	Street	1209 Coast Village		308
902	Street	121 State St		161
903	Street	121 State St		162
904	Street	121 W Cabrillo		340
905	Street	121 W Cabrillo		339
906	Street	121 W Carrillo		612
907	Street	1215 State St		197
908	Street	1217 State St		196
909	Street	1220 State St		168
910	Street	1220 State St		169
911	Street	1221 Anacapa		382
912	Street	1222 Carpinteria		627
913	Street	1225 Coast Village		306
914	Street	1227 State St		194
915	Street	1227 State St		195
916	Street	1228 State St		170
917	Street	1228 State St		171
918	Street	1234 Chapala		453
919	Street	1235 Chapala		454
920	Street	1235 State St		192
921	Street	1235 State St		193
922	Street	1250 Coast Village		301
923	Street	1254 Coast Village		302
924	Street	1267 Coast Village		304
925	Street	129 Soledad		626
926	Street	1300 State St		172
927	Street	1300 State St		173
928	Street	1300 Yanonali		693
929	Street	1301 Clifton		688
930	Street	1303 State St		190
931	Street	1303 State St		191
932	Street	1315 State St		188

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
933	Street	1315 State St		189
934	Street	1316 State St		174
935	Street	1316 State St		175
936	Street	1330 State St		176
937	Street	1330 State St		177
938	Street	1331 San Andres		841
939	Street	134 Milpas		274
940	Street	1345 State St		186
941	Street	1345 State St		187
942	Street	136 Gutierrez		549
943	Street	136 Gutierrez		550
944	Street	136 State St		165
945	Street	14 Carrillo		437
946	Street	14 Carrillo		438
947	Street	1401 State St		184
948	Street	1401 State St		185
949	Street	1402 San Andres		831
950	Street	1420 State St		178
951	Street	1420 State St		179
952	Street	1429 State St		182
953	Street	1429 State St		183
954	Street	1430 State St		180
955	Street	1430 State St		181
956	Street	1431 San Andres		576
957	Street	1433 San Andres		575
958	Street	1434 San Andres		577
959	Street	15 Carrillo		444
960	Street	15 W Haley		524
961	Street	15 W Mason		619
962	Street	1500 San Andres		569
963	Street	1509 San Andres		572
964	Street	16 Cabrillo		350
965	Street	16 W Carrillo		471
966	Street	16 W Carrillo		472
967	Street	17 Figueroa		427
968	Street	18 Cabrillo		351
969	Street	18 E Cota		509
970	Street	18 Figueroa		428
971	Street	1801 Castillo		602

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
972	Street	19 Carrillo		443
973	Street	193 W Montecito		613
974	Street	193 W Montecito		614
975	Street	2 W Canon Perdido		488
976	Street	20 E Haley		513
977	Street	200 Milpas		319
978	Street	200 N Hope		875
979	Street	200 W Haley		555
980	Street	2000 State St		250
981	Street	2000 State St		251
982	Street	2001 State St		248
983	Street	2001 State St		249
984	Street	201 Milpas		320
985	Street	201 W Cabrillo		338
986	Street	205 Coast Village		305
987	Street	205 W Anapamu		561
988	Street	205 W Anapamu		562
989	Street	208 Milpas		275
990	Street	21 Carrillo		422
991	Street	21 Carrillo		441
992	Street	21 E. Anapamu		1
993	Street	21 E. Anapamu		2
994	Street	21 State		362
995	Street	21 State St		363
996	Street	211 Cabrillo		337
997	Street	212 Cabrillo		367
998	Street	212 Montecito		581
999	Street	214 State St		164
1000	Street	217 State St		163
1001	Street	22 Carrillo		439
1002	Street	22 Carrillo		440
1003	Street	22 State St		360
1004	Street	22 W Cabrillo Blvd		347
1005	Street	225 State		934
1006	Street	229 W Cabrillo		336
1007	Street	230 Cabrillo		368
1008	Street	231 W Cabrillo		335
1009	Street	234 E Cabrillo Blvd		200
1010	Street	236 E Cabrillo Blvd		201

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
1011	Street	236 E Cabrillo Blvd		203
1012	Street	236 E Cabrillo Blvd		204
1013	Street	236 E Cabrillo Blvd		205
1014	Street	236 E Cabrillo Blvd.		202
1015	Street	236 Milpas		277
1016	Street	27 Cabrillo		348
1017	Street	2700 Vernon		865
1018	Street	2734 De La Vina		864
1019	Street	2895 Cliff		941
1020	Street	29 Cabrillo		346
1021	Street	29 W Cabrillo		344
1022	Street	29 W Cabrillo		345
1023	Street	29 W Carrillo		473
1024	Street	29 W Carrillo		474
1025	Street	298 State		933
1026	Street	299 State St		935
1027	Street	299 W Cota		557
1028	Street	3 Coast Village		310
1029	Street	300 Ortega		560
1030	Street	3018 State St		242
1031	Street	302 Milpas		278
1032	Street	3034 State St		240
1033	Street	3034 State St		241
1034	Street	307 W Cabrillo		333
1035	Street	309 W Cabrillo		334
1036	Street	311 W Cabrillo		322
1037	Street	311 W Cabrillo		331
1038	Street	314 DLG		607
1039	Street	314 Milpas		279
1040	Street	314 Milpas		280
1041	Street	315 State		932
1042	Street	317 N Milpas		269
1043	Street	32 E Haley		514
1044	Street	32 E Haley		515
1045	Street	331 N Milpas		268
1046	Street	335 Cabrillo		326
1047	Street	335 Cabrillo		327
1048	Street	335 W Cabrillo		369
1049	Street	337 Cabrillo		329

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
1050	Street	349 Chapala		536
1051	Street	349 Chapala		537
1052	Street	350 Chapala		534
1053	Street	350 Chapala		535
1054	Street	36 State St		153
1055	Street	36 State St		154
1056	Street	37 State St		361
1057	Street	3701 State St		230
1058	Street	3891 State St		222
1059	Street	3891 State St		223
1060	Street	3905 State St		220
1061	Street	3905 State St		221
1062	Street	393 E Cabrillo Blvd		206
1063	Street	400 State		517
1064	Street	400 State St		57
1065	Street	400 State St		151
1066	Street	400 State St		152
1067	Street	400 State St.		58
1068	Street	400 W Mission		952
1069	Street	400 W Victoria		866
1070	Street	4000 Primavera		1275
1071	Street	4001 Primavera		1276
1072	Street	401 Carrillo		610
1073	Street	401 Shoreline Dr		328
1074	Street	401 Shoreline Dr		370
1075	Street	401 Shoreline Dr.		371
1076	Street	402 E Yanonali	Labor line	1085
1077	Street	402 E Yanonali	Labor line.	1084
1078	Street	402 E Yanonali	Labor line.	1086
1079	Street	402 E Yanonali	Labor line.	1087
1080	Street	402 E Yanonali	Labor line.	1088
1081	Street	402 E Yanonali	Labor line.	1089
1082	Street	402 E Yanonali	Labor line.	1090
1083	Street	402 E Yanonali	Labor line.	1091
1084	Street	402 Milpas		281
1085	Street	403 State St		61
1086	Street	403 State St		62
1087	Street	415 Milpas		266
1088	Street	415 W Anapamu		868
1089	Street	415 W Anapamu		869

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
1090	Street	416 State St		60
1091	Street	416 State St		149
1092	Street	416 State St		150
1093	Street	416 State St.		59
1094	Street	417 W Anapamu		867
1095	Street	418 Milpas		282
1096	Street	419 State St		63
1097	Street	419 State St		64
1098	Street	420 Milpas		283
1099	Street	423 Anacapa		516
1100	Street	423 Chapala		548
1101	Street	424 State St		147
1102	Street	424 State St		148
1103	Street	425 State St		65
1104	Street	425 State St		66
1105	Street	425 W Ortega		874
1106	Street	429 Milpas		265
1107	Street	431 E Cabrillo Blvd.		207
1108	Street	434 DLV		553
1109	Street	435 DLV		551
1110	Street	435 DLV		552
1111	Street	436 State St		145
1112	Street	436 State St		146
1113	Street	439 State St		67
1114	Street	439 State St		68
1115	Street	465 E Cabrillo Blvd.		208
1116	Street	495 E Cabrillo Blvd.		209
1117	Street	5 W Carrillo		475
1118	Street	5 W Carrillo		476
1119	Street	500 Milpas		284
1120	Street	501 State St		69
1121	Street	501 State St		70
1122	Street	502 State St		143
1123	Street	502 State St.		144
1124	Street	511 E Cabrillo Blvd.		210
1125	Street	511 State St		71
1126	Street	511 State St		72
1127	Street	514 State St		141
1128	Street	514 State St		142

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
1129	Street	514 W Anapamu		929
1130	Street	515 Milpas		264
1131	Street	515 State St		73
1132	Street	515 State St		74
1133	Street	516 State St		139
1134	Street	516 State St.		140
1135	Street	518 Anacapa		526
1136	Street	518 Anacapa		527
1137	Street	526 Milpas		286
1138	Street	528 State St		137
1139	Street	528 State St		138
1140	Street	533 E Cabrillo Blvd.		211
1141	Street	536 State St		135
1142	Street	536 State St		136
1143	Street	539 State St		75
1144	Street	539 State St		76
1145	Street	541 W Pueblo		861
1146	Street	559 E Cabrillo Blvd.		212
1147	Street	559 Ninos Dr		936
1148	Street	589 E Cabrillo Blvd.		213
1149	Street	598 Castillo		603
1150	Street	599 Castillo		605
1151	Street	600 Anapamu		594
1152	Street	600 Castillo		606
1153	Street	600 Milpas		287
1154	Street	601 State St		77
1155	Street	601 State St		78
1156	Street	603 E Cabrillo Blvd		214
1157	Street	604 State St		131
1158	Street	605 Micheltorena		565
1159	Street	605 W Junipero		939
1160	Street	607 State St		132
1161	Street	608 Micheltorena		564
1162	Street	609 Milpas		262
1163	Street	609 State St		79
1164	Street	609 State St		80
1165	Street	610 State St		133
1166	Street	610 State St		134
1167	Street	611 Bath St		558

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
1168	Street	613 E Cabrillo Blvd.		215
1169	Street	617 Milpas		261
1170	Street	619 E Cabrillo Blvd		216
1171	Street	619 State St		82
1172	Street	619 State St.		81
1173	Street	620 Milpas		288
1174	Street	624 State St		129
1175	Street	624 State St		130
1176	Street	627 State St		83
1177	Street	627 State St		84
1178	Street	630 State St		127
1179	Street	630 State St		128
1180	Street	631 Milpas		260
1181	Street	633 E Cabrillo Blvd		217
1182	Street	634 State St		125
1183	Street	634 State St		126
1184	Street	635 State St		85
1185	Street	635 State St		86
1186	Street	65 Coast Village		309
1187	Street	680 Shoreline		762
1188	Street	7 E. Anapamu		56
1189	Street	700 State St		123
1190	Street	700 State St		124
1191	Street	700 W Micheltorena		574
1192	Street	701 Bath		559
1193	Street	701 State St		87
1194	Street	701 State St		88
1195	Street	701 State St		259
1196	Street	708 Micheltorena		573
1197	Street	708 State St		121
1198	Street	708 State St		122
1200	Street	713 Milpas		258
1201	Street	716 State St		119
1202	Street	716 State St		120
1203	Street	721 State St		91
1204	Street	721 State St		92
1205	Street	723 State St		89
1206	Street	723 State St		90
1207	Street	726 Milpas		290

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
1208	Street	726 State St		117
1209	Street	726 State St		118
1210	Street	728 State St		115
1211	Street	728 State St		116
1212	Street	731 E Cabrillo Blvd.		218
1213	Street	736 State St		113
1214	Street	736 State St		114
1215	Street	737 State St		93
1216	Street	737 State St		94
1217	Street	740 Coronel St		870
1218	Street	742 State St		111
1219	Street	742 State St		112
1220	Street	798 Chapala		543
1221	Street	798 Chapala		544
1222	Street	800 Chapala		541
1223	Street	800 Chapala		542
1224	Street	800 State St		109
1225	Street	800 State St		110
1226	Street	801 Castillo		604
1227	Street	801 Milpas		296
1228	Street	807 State St		95
1229	Street	807 State St		96
1230	Street	808 State St		107
1231	Street	808 State St		108
1232	Street	811 State St		97
1233	Street	811 State St		98
1234	Street	819 State St		99
1235	Street	819 State St		100
1236	Street	820 State St		105
1237	Street	820 State St		106
1238	Street	833 State St		101
1239	Street	833 State St		102
1240	Street	834 State St		103
1241	Street	834 State St		104
1242	Street	835 Milpas		294
1243	Street	836 Milpas		292
1244	Street	836 Milpas		293
1245	Street	899 San Pascal		609
1246	Street	9 State		365

Number	LOCATION TYPE	ADDRESS	DETAILS	ES. Serial Number
1247	Street	9 State St		364
1248	Street	9 W Cota		533
1249	Street	9 W Figueroa		459
1250	Street	9 W Figueroa		460
1251	Street	900 N Nopal		1058
1252	Street	900 State St.		26
1253	Street	900 State St.		27
1254	Street	901 State St.		28
(null)	Street	901 State St.		29
1256	Street	905 E Cabrillo Blvd		219
1257	Street	913 State St.		30
1258	Street	913 State St.		31
1259	Street	914 Montecito		689
1260	Street	915 Montecito		691
1261	Street	916 State St.		24
1262	Street	916 State St.		25
1263	Street	917 State St.		32
1264	Street	917 State St.		33
1265	Street	920 State St.		22
1266	Street	920 State St.		23
1267	Street	924 Quinentos		686
1268	Street	925 Quinentos		687
1269	Street	928 State St.		20
1270	Street	928 State St.		21
1271	Street	929 State St.		34
1272	Street	929 State St.		35
1273	Street	935 State St.		36
1274	Street	935 State St.		37
1275	Street	936 State St.		18
1276	Street	936 State St.		19

EXHIBIT THREE IMPLEMENTATION PLAN

MarBorg understands and agrees that the time between the formal Agreement signing and commencement of Collection Services on July 1, 2013 is intended to provide MarBorg with ample and sufficient time to, among other things, order, receive and distribute equipment, prepare necessary routing schedules and route maps, obtain any permits and licenses, work cooperatively with City to implement new billing codes and rates in City's utility billing system and fully participate with City in a cooperative public awareness campaign.

To ensure that MarBorg is ready fully commence Collection Services under this Agreement by June 7, 2013, MarBorg shall submit a draft implementation plan to City that describes how MarBorg will complete the following tasks by their prescribed deadlines:

- Submit to City a Diversion Program Plan by **March 1, 2013** as set forth in Exhibit Four.
- Obtain approval from City on Container decals and embossments as described in Exhibit Seven by **March 1, 2013**.
- Submit revised Monthly Reports for July and August 2012 to City in the format shown in Exhibit Four by **March 1, 2013**.
- Provide a procurement and delivery schedule for new Containers (Carts, Cans and Dumpsters) and Compressed Natural Gas vehicles to City by **March 1, 2013**.
- Obtain approval from City on the methodology and Container to be used by MarBorg to collect household batteries and cell phones from Multi-Unit Residential Customers described in Exhibit Two by **March 1, 2013**.
- Provide Collection route maps along with Customer names, service addresses and days of Collection by **April 1, 2013**. MarBorg shall work with City Streets Division to ensure that routing does not conflict with City street sweeping activities.
- Submit to City the methodology proposed by MarBorg for determining which Multi-Unit Residential Customers fall under the definition of "AB 341 Customers" as described in Exhibits Four and One of the Agreement by **April 1, 2013**.
- Provide copies of information cards and/or brochures regarding new Collection Services and rates to City for approval by **April 1, 2013**.
- Distribute information cards and/or brochures regarding new Collection Services and rates to all Customers by **May 1, 2013**.
- Provide an emergency contact number to the City Contract Administrator where MarBorg can be reached outside of standard business hours by **May 1, 2013**.
- Provide an inventory of Collection vehicles and major equipment used by MarBorg for Collection or transportation and performance of Services under this Agreement by **May 1, 2013**. The inventory shall indicate each Collection vehicle used by MarBorg its assigned identification number, DMV license number, the age of the chassis and body, type of fuel used, the type and capacity of each vehicle, the number of vehicles by type, and the date of acquisition,
- Obtain approval from City on the form and language of tipping receipts issued at the MarBorg Materials Recovery Facility as set forth in Exhibit Four. Tipping fee receipts shall

clearly indicate the type of material associated with the tipping fee such as "Recyclable Material," "Metal," "Cardboard," "Greenwaste," "Sawdust," and "Wood Waste" by **May 1, 2013**.

- Obtain approval from and provide a copy to City of an Emergency Backup Plan by **June 1, 2013**. The Plan shall describe how MarBorg will maintain continuity of operations and services in the event of an emergency.
- Provide City with access to MarBorg's customer service system and train City staff how to use the system by **June 1, 2013**.
- Complete the exchange of existing Containers with new Containers (consistent with the specifications and colors set forth in Exhibit Seven) as set forth in MarBorg's Proposal and this Agreement by **June 30, 2013**.
- Provide City with a copy of its training manual and schedule of training for new employees by **June 30, 2013**.

MarBorg shall submit the draft implementation plan to City on or before **March 1, 2013** and shall meet with City to explain it and answer questions about it, and revise the implementation plan in response to City comments. A revised plan shall be submitted to City for final approval no later than **14 days** after MarBorg receives City's written comments on the draft implementation plan. MarBorg shall adhere strictly to the implementation plan as approved by City and to meet with the City periodically, at the City's request, to review progress on implementation. The parties may from time to time, and without amending this Franchise, agree to modify the implementation plan, which modified plan shall thereafter serve as the implementation plan for this agreement.

In addition to completing the tasks outlined in the implementation plan, MarBorg shall also participate with City in public outreach activities, including press releases, meetings, etc. meant to notify customers of new services, changes in collection methods or days and rate impacts, etc

EXHIBIT 4

DIVERSION REQUIREMENTS

Section 1 AB 939 Indemnification

MarBorg shall be responsible for ensuring that City meets the 50% diversion requirement under AB 939. MarBorg agrees to indemnify City in the event the Diversion, source reduction and Recycling goals of the Integrated Waste Management Act are not met by City. City and MarBorg agree to negotiate with respect to any additional Act-related services, which MarBorg and City agree to implement.

Section 2 Citywide Diversion Requirement

A. Minimum Diversion Requirement Citywide.

MarBorg will increase the annual percentage of Source-Separated Recyclable Material, Greenwaste and Foodscraps collected in Carts, Cans, Dumpsters, scheduled Roll-Off Boxes and compactors for all Customer classes by at least one percentage point per Contract Year throughout the Term of the Agreement.

B. Measurement of Minimum Diversion Requirement

The annual Diversion rate citywide will be measured by calculating the annual percentage by weight that Source-Separated Recyclable Material, Greenwaste and Foodscraps Collected by MarBorg from scheduled Carts, Cans, Dumpsters, Roll-Off Boxes and compactors comprises of the total Solid Waste Collected by MarBorg for each Contract Year.

The annual Diversion rate citywide will be calculated as follows:

(Recyclable Material+ Greenwaste +Foodscraps Collected during the Contract Year) /
(Total Waste collected during the Contract Year)

Recyclable Material includes:

- Gross weight of franchise material collected in blue-colored Recyclable Material Cans, Carts, and Dumpsters and charged a Recyclable Material rate.
- Gross weight of franchise material collected in scheduled Roll-Off Containers or compactors that is listed on the Customer bill as Recyclable Material, Metal, or Cardboard and charged the tipping fee for that specific commodity.

Greenwaste includes:

- Gross weight of franchise material collected in green-colored Greenwaste Cans, Carts, and Dumpsters and charged a Greenwaste rate.
- Gross weight of franchise material collected in scheduled Roll-Off Boxes or compactors that is listed on the Customer bill as Greenwaste, Sawdust, or Wood Waste, and charged the tipping fee for that specific commodity.

Foodscraps includes:

- Gross weight of franchise material collected in yellow-colored Foodscraps Carts, compactors and Dumpsters and charged a foodscraps rate.

Total Waste Includes:

- All material collected in franchise Cans, Carts, Dumpsters, scheduled Roll-Off Boxes and compactors excluding Roll-Off Boxes that contain 100% inert materials generated from construction and demolition and sorted Roll-off Boxes and compactors with a recovery rate of less than 90 percent.

Data used in calculating the annual Diversion rate citywide will be taken from the monthly reports submitted by MarBorg. As shown in Figure One: MarBorg Monthly Report, Diversion shall equal the sum of the tonnages in blue cells and total waste shall be considered as the sum of the tonnages in both the blue and yellow cells. Data in grey cells will not be used in calculating the annual Diversion rate citywide. The annual Diversion rate citywide will be calculated from data from both zones.

The scheduled collection of Construction and Demolition debris in Roll-Off Containers is not included in the calculations.

C. Compliance with the Minimum Diversion Requirement Citywide.

MarBorg will be deemed to be in compliance with the Minimum Diversion Requirement Citywide provided that the following equation yields a value of greater than or equal to 1% for any given Contract Year throughout the Term of the Agreement:

$$\frac{(\text{Annual Diversion Rate Citywide at the end of the Current Contract Year minus the Baseline Diversion rate})}{(\text{Total Number of Contract Years since July 1, 2013})}$$

Greater than required Diversion in any year will not increase the total minimum percent diversion for any subsequent year

D. Baseline Diversion Rate Citywide.

The baseline Diversion rate citywide will be established in July of 2013 pursuant to the following formula:

$$\frac{(\text{Recyclable Material} + \text{Greenwaste} + \text{Foodscraps collected between July 1, 2012 and June 30, 2013})}{(\text{Total Waste Generated between July 1, 2012 and June 30, 2013})}$$

E. Corroboration of Diversion.

Marborg will provide City with any documentation that City requests in order to verify compliance with the minimum diversion requirement, including but not limited to information currently contained in MarBorg's monthly reports to City. In particular, MarBorg will retain information such as weigh tickets, invoices, bills of lading, or receipts which City may request. MarBorg will provide City with copies of documentation within seven (7) days of City request.

F. Weighing and Record Requirements.

MarBorg will cause a weigh master who is certified under law to weigh all Recyclable Material, Greenwaste, and Foodscraps upon delivery to the City-designated facility and record all of the following information:

- weight and material type,
- delivery date and time,
- route and truck number, and
- driver name and any identification number

MarBorg shall retain this information throughout the Term of the Agreement.

Section 2 No Commingling

MarBorg will not mix Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscraps when servicing Containers. As directed by City, MarBorg may commingle Greenwaste and Foodscraps in the same Collection vehicle. Parties acknowledge that Customers might not cooperate with Collection programs and might discard Municipal Solid Waste, Recyclable Material or Greenwaste together in the same Container.

Section 3 Sorting of Business Loads at the MarBorg Material Recovery Facility

City, at any point during the Term of the Agreement may direct the flow of any franchised material to other processing facilities and may explicitly prohibit sorting of Municipal Solid Waste loads at the MarBorg Material Recovery Facility.

Section 4 AB 341 Diversion

A. Subscription Requirements.

Within five (5) years following execution of the Agreement, and throughout the remainder of the Agreement, MarBorg will ensure that at least 30% of subscription Collection Service (including free and paid Containers) is comprised of Diversion Services (Recyclable Material, Greenwaste and Foodscraps) for 90% of all AB 341 Customers. The subscription based Diversion requirements will be achieved by MarBorg without the adoption of a mandatory Recycling ordinance.

For each of the first five consecutive Contract Years, MarBorg will ensure that an increasing increment of at least 18% of all AB 341 Customers are brought into compliance with the 30% Diversion requirement. The incremental percentage to be brought into compliance with the 30% subscription Diversion requirement during each Contract Year shall be derived from the list of AB 341 Customers generated by MarBorg as described in Section D1.

Greater than required Diversion in any year will not increase the total incremental subscription Diversion threshold set forth below in subsequent years.

<u>End of contract year</u>	<u>Percent with 30% diversion</u>
Year 1	18%
Year 2	36%
Year 3	54%
Year 4	72%
Year 5 (& thereafter)	90%

B. Sorted Municipal Solid Waste Loads

Municipal Solid Waste Containers designated in City's utility billing system as "High Content," "Medium Content" and/or "Low Content" will be viewed as Municipal Solid Waste Containers when evaluating compliance with the 30% subscription requirement.

C. Diversion Services Provided Free of Charge

Diversion Collection Service that MarBorg provides free of charge to Customers or for which MarBorg pays Customers for commodities (e.g. source-separated glass) will be counted toward the 30% Diversion requirement provided that the non-billed Diversion Containers are identified in City's utility billing system.

D. Corroboration of Subscription Requirement

1. Within two months following the execution of the Agreement, and at the beginning of each Contract Year thereafter, MarBorg will provide to City a list of AB 341 Customers along the following information for each Customer:
 - Account Number in City's utility billing system;
 - Sharing Agreements and the names and account numbers of the sharing parties;
 - Current service levels; and,
 - Current Diversion rate.
2. At the beginning of each Contract Year, MarBorg will provide City with a tentative list of AB 341 Customers with whom MarBorg will work to bring them into compliance with the 30% diversion requirement during the Contract Year.
3. MarBorg will provide to City information regarding its progress toward achieving this requirement in its monthly reports to City. If a Customer refuses to subscribe to minimum Diversion services as described, the MarBorg will provide documentation of the Customer's refusal with its monthly reports to City and record the information in City's utility billing system.

Figure 1: MarBorg Monthly Report

Collection Information Zone 1						
Franchise Services						
Cart/Can Tonnages:	Single Family Residential	Multi-Unit Residential	Business	Schools	City	Public
Trash	434	300	56	0		25
Recycling	263	107	31	1	0	2
Greenwaste	351	71	9	0	1	
Food			20	11		
Use gross tonnage only. Do not make deductions for sorted loads.						
Dumpster Tonnages	Diversion %	Multi-Unit Residential	Business	Schools	City	Public
Trash	0%	375	629	29	42	27
High Content Trash	50%		0			
Medium Content Trash	25%					
Low Content Trash	10%		0			
Recycling	90%	16	153	10	7	0
Greenwaste	95%	6	6	4	2	
Food	100%		89	9		
Franchise Rolloff and Compactor Tonnages						
Solid Waste	0%		211			
Low Content	10%					
Recycling	100%		14			
C&D (bulky items)	77%		70			
Greenwaste/Wood	100%		3			
C&D Inerts	100%					
Other Residential Services		Bulky Disposed	Bulky Recycled	Batteries (lbs)	Cell Phones (lbs)	# of Sharps Containers Distributed
Single Family		6	7			
Multi-Unit						
2013 Franchise Contract Diversion Both Zones						39%

EXHIBIT FIVE
NOTICE OF NON-COLLECTION

MarBorg shall screen all loads Collected including Municipal Solid Waste, Source-Separated loads of Recyclable Material, Greenwaste, Foodscraps, Bulky Waste and Construction and Demolition Debris for Hazardous Waste. MarBorg employees shall employ direct visual inspection where necessary and appropriate. Upon identifying Hazardous Waste, MarBorg will provide notice to Customer in a form approved by the City. The following form is approved:

DEAR CUSTOMER,	
WE ARE PLEASED TO PROVIDE SERVICE, HOWEVER:	
<input type="checkbox"/>	We are not able to provide your regular service today due to the reasons below
<input type="checkbox"/>	We serviced today, but this condition must be corrected prior to your next collection day

1.	<input type="checkbox"/> Container(s) not out
2.	<input type="checkbox"/> Gate/Door locked
3.	<input type="checkbox"/> Container(s) too heavy. (60 lb. limit each can)
4.	<input type="checkbox"/> Container(s) overloaded
5.	<input type="checkbox"/> Container(s) packed to tightly. (For safety reasons, collectors are not allowed to reach into filled containers)
6.	<input type="checkbox"/> Too much trash on or around container(s)
7.	<input type="checkbox"/> Illegal container(s) - (32 Gallon Max)
8.	<input type="checkbox"/> Hazardous or other unacceptable materials
9.	<input type="checkbox"/> Hot ashes
10.	<input type="checkbox"/> Menacing dog
11.	<input type="checkbox"/> Too many items. You only pay for _____
12.	<input type="checkbox"/> Improper container(s). Boxes/shopping bags are not proper containers. Please provide metal or rubber container, 32 Gal. Max., with lids/handles
13.	<input type="checkbox"/> Container(s) blocked by _____ Vehicle/License #
14.	<input type="checkbox"/> Special pick up needed. Please call office
15.	<input type="checkbox"/> Need more service. Please call office
16.	<input type="checkbox"/> Container(s) unsafe. Please replace
17.	<input type="checkbox"/> Other _____
18.	<input type="checkbox"/> Contaminated Yard waste container(s) _____
19.	<input type="checkbox"/> Contaminated Recycling container(s) _____

Notice to be provided in the event of problems with service

**EXHIBIT SIX
VEHICLES**

Existing Vehicle Fleet

Vehicle No.	Year	Manufacturer	Type	Fuel Type
1	2010	Peterbilt	320-G Three Axle	CNG
2	2010	Peterbilt	320-G Three Axle	CNG
8	1995	Peterbilt	320 Four Axle	DIESL
9	1985	Peterbilt	320 Three Axle	DIESL
11	2010	Peterbilt	320-G Three Axle	CNG
13	2010	Peterbilt	320-G Three Axle	CNG
14	2008	Peterbilt	320-G Three Axle	CNG
18	2010	Peterbilt	320-G Three Axle	CNG
19	2010	Peterbilt	320-G Three Axle	CNG
21	1987	Peterbilt	320 Three Axle	DIESL
46	1994	Peterbilt	320 Three Axle	DIESL
47	1994	Peterbilt	320 Three Axle	DIESL
48	2010	Peterbilt	320-G Three Axle	CNG
49	1994	Peterbilt	320 Three Axle	DIESL
83	2003	Peterbilt	320 Four Axle	DIESL
84	2003	Peterbilt	320 Four Axle	DIESL
90	1995	Peterbilt	320 Three Axle	DIESL
91	1992	Peterbilt	320 Three Axle	DIESL
101	2003	Peterbilt	320 Three Axle	DIESL
104	2003	Peterbilt	320 Three Axle	DIESL
106	2007	Peterbilt	320-G Four Axle	CNG
125	2010	Peterbilt	320-G Four Axle	CNG
126	2010	Peterbilt	320-G Four Axle	CNG
141	2011	Peterbilt	320-G Four Axle	CNG
142	2012	Peterbilt	320-G Four Axle	CNG
513	1994	Peterbilt	320 Three Axle	DIESL
516	1994	Peterbilt	320 Three Axle	DIESL
524	2005	Autocar	320 Four Axle	DIESL

Collection Vehicles to be Procured by MarBorg During the Term of the Agreement

Make	Model	Chasis	Replacement Date
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2014
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2019
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2021
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2021
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2021
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2021
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2021
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2021
Peterbilt	320-G Three Axle	Heil 5000 25-yard rear loader	June 30, 2021
Peterbilt	320-G Four Axle	Amrep 40-yard front loader	June 30, 2014
Peterbilt	320-G Four Axle	Amrep 40-yard front loader	June 30, 2014
Peterbilt	320-G Four Axle	Amrep 40-yard front loader	June 30, 2014
Peterbilt	320-G Four Axle	Amrep 40-yard front loader	June 30, 2014
Peterbilt	320-G Four Axle	Amrep 40-yard front loader	June 30, 2018
Peterbilt	320-G Four Axle	Amrep 40-yard front loader	June 30, 2021
Peterbilt	320-G Four Axle	Amrep 40-yard front loader	June 30, 2021
Peterbilt	320-G Four Axle	Amrep 40-yard front loader	June 30, 2022
Peterbilt	320-G Four Axle	Amrep 40-yard front loader	June 30, 2023

EXHIBIT SEVEN
TYPE, SIZE AND QUANTITY OF CONTAINERS
TO BE FURNISHED BY MARBORG

Section 1 Specifications

I. Cans, Carts and Dumpsters

Cans, Carts and Dumpsters shall be of high quality and durable, with a useful life of ten years use prior to replacement. Cans, Carts and Dumpsters shall conform to the specifications included in Appendix B of MarBorg's Proposal dated September 11, 2011 and shall meet the following additional specifications:

A. Construction.

Plastic Cans and Carts shall be ultraviolet light stabilized and metal Containers shall be either painted or galvanized.

B. Color.

All plastic and metal Containers, including Carts, Cans and Dumpsters, used for Scheduled Service shall be painted in the following bright, readily identifiable colors, to facilitate Customer's ready recognition of Municipal Solid Waste, Recyclable Material, Greenwaste and Foodscraps:

- Municipal Solid Waste: Beige
- Commingled Recyclables: Blue
- Greenwaste: Green
- Foodscraps: Yellow

C. Lids.

All Containers shall have a matching lid. The lid for Carts and Dumpsters shall be permanently attached to the body of the Container. Lids for Cans do not need to be attached to the Container.

D. Recycled Content.

Carts and Cans shall contain a minimum of 30% post-consumer recycled content. Dumpsters shall be 100% recyclable.

E. Materials Identification and Decals.

MarBorg shall provide and attach decals or emboss information, subject to City approval, clearly displaying the following information:

- Container Size: e.g. 32 gallons, 2 yards, etc.
- Material Type: "Trash," "Recycling," "Greenwaste" or "Foodscraps"
- Common items associated with each material type

- Prohibited Items: items that are prohibited from being placed into the Container for collection (e.g. household Hazardous Waste, prohibited commingling and contamination, etc.)
- Scavenging of Recyclable Material is prohibited
- MarBorg's name and Customer service phone number

II. Other Containers

A. Sharps Containers.

Sharps Containers shall be one-gallon rigid plastic receptacles, red in color and clearly labeled with biohazard symbol and other text and graphics to clearly identify them for Sharps collection only. Each sharps Container shall include return packaging with postage pre-paid by MarBorg.

B. Battery and Cell Phone Bags.

Battery and cell phone bags for use by Single Family Residential Customers shall have a "zip top," and shall feature a label with instructions for use and MarBorg contact information. The bags shall be of sufficient thickness to prevent breakage or tearing.

C. Battery and Cell Phone Receptacles.

Battery and cell phone receptacles for use by Multi-Unit Residential Customers shall be constructed of rigid plastic and conform to the specifications approved by the City as part of the Implementation Plan set forth in Exhibit Three.

Section 2 Delivery

A. Initial Delivery During Transition.

MarBorg shall provide Customers with all Containers required to provide Services, except for Residential Municipal Solid Waste Cans, by the times indicated in the Transition Plan.

B. Delivery to New Customers Throughout Term of the Agreement.

MarBorg shall provide new Customers with the types and quantities of Containers requested by the Customer within three (3) business days of receiving the request.

C. Mandatory Collection.

Within seven (7) days after receiving notice (based on MarBorg drivers' observations, information and belief or otherwise) that a formerly unoccupied Premise that is subject to mandatory collection service in accordance with the Code becomes occupied or Customers therein have changed, if MarBorg does not receive a request for Services, it shall simultaneously give written notice to the owner or occupant of such Premises that weekly Collection Services are required and a copy thereof to the City.

D. Delivery Hours.

MarBorg shall deliver initial or replacement Containers during regularly scheduled Collection hours.

Section 3 Pickup

Within 14 days after receiving Notice from City that City has discontinued, terminated or cut off utility services (which include Collection Services) for any Customer account subject to mandatory collection service in accordance with the Code, MarBorg shall pickup and remove such Customer's Containers.

Section 4 Change in Size, Type and Quantity of Containers

A. Container Exchanges.

Customers may exchange Containers for different sizes, material types (e.g. Municipal Solid Waste for Recyclable Material) or to add reduce the number of Containers without charge within basic Service parameters described in Exhibit Two as follows:

- Carts: Customers may exchange Carts at no charge once every three months
- Dumpsters: Customers may exchange Dumpsters at no charge once during each calendar year

MarBorg shall exchange Containers without charge when notified by Customers that Containers are missing or require repair.

B. Timeline for Exchange.

Upon receiving written or telephonic request from Customers or City, MarBorg shall exchange, deliver and/or remove Container(s) within five (5) business days following receipt of the Customer's request.

Section 5 Damaged or Missing Containers

Upon receiving written or telephonic notice from Customers or City that Container(s) are missing or damaged and in need of repair, MarBorg will replace the missing Containers and will exchange damaged Containers with fully functional Containers on the Customer's next regularly scheduled collection day. However, if the Container is damaged so as to render it unusable, MarBorg shall provide such Customer with a replacement Container within forty-eight (48) hours.

Section 6 General Container Maintenance Standards

MarBorg shall maintain all MarBorg-furnished Containers in a functional condition and so as to present an attractive appearance. Containers shall be painted and repainted as required to maintain the attractive appearance of the community. MarBorg shall perform the following services to maintain the appearance and functionality of Containers that it furnishes:

A. Graffiti Removal.

Containers that have been painted or marked with graffiti shall be repainted or removed from the Premises by MarBorg within forty-eight (48) hours of notification by the Customer or

City. At the same time as such Containers are removed, they shall be replaced by like-sized Containers without evidence of graffiti at no charge to the Customer.

B. Steam Cleaning of Business Containers.

MarBorg shall clean and maintain all Containers in a safe and sanitary condition and whenever the City, or another agency with jurisdiction as a regulator, determines that cleaning is required to abate a health concern or nuisance condition. In addition, MarBorg shall steam clean Business and Multi-Unit Containers as follows:

1. **Municipal Solid Waste Containers.** MarBorg shall steam clean all Business Containers once each Calendar Year without additional charge. MarBorg shall steam clean Containers which hold primarily putrescible Solid Waste, including grocery stores and restaurants, more frequently as necessary without additional charge to minimize odors, reduce vectors and project a presentable appearance.
2. **Business Foodscraps Containers and Multi-Unit Residential Dumpsters.** MarBorg shall steam clean Business Foodscraps Containers and Multi-Unit Residential Dumpsters two times during each Calendar Year without additional charge to Customers. Customers requesting more frequent cleanings shall pay the steam clean rate set forth in Exhibit Eleven.
3. **Compactors.** MarBorg shall, at the request of a Customer, clean, maintain and/or repair compactors, whether such compactors are owned by the Customer or rented by the Customer from MarBorg or others.

Section 7 Inventory

MarBorg shall provide a secure location for inventory storage and shall distribute Containers from inventory to new Customers and Customers who request replacements or exchanges thereof.

Section 8 Ownership of Cans, Carts, Dumpsters and Roll-Off Boxes

Except for single family residential Municipal Solid Waste Cans and Dumpsters or Roll-Off Boxes furnished by Customers, ownership of Cans, Carts, Dumpsters and Roll-Off Boxes furnished by MarBorg shall rest with MarBorg throughout the term of the Agreement.

**EXHIBIT EIGHT
EMPLOYMENT**

**EMPLOYEES NEEDED TO SERVICE THE CITY OF
SANTA BARBARA**

DRIVERS	31
HELPERS	20
SHOP PERSONNEL	10
CUSTOMER SERVICE	12
TOTAL	73

EXHIBIT NINE
COST OF OPERATIONS FORMAT CHART

COST OF OPERATIONS

PAYROLL EXPENSES:

Salaries - Operations
Salaries - Supervisors/Foremen
Salaries - Administration

Payroll Taxes
Employees' Group Insurance
Workers' Compensation Insurance
Uniforms and Laundry
Pension Plan
Franchise Labor

Total Salaries

Total Payroll Expenses

EQUIPMENT EXPENSES

Repairs & Maintenance - Parts
Fuel and Oil
Depreciation
Supplies
Tires
Licenses - DMV
Insurance - General
Equipment and Facilities Rental
Radio Expense

Total Equipment Expenses

OTHER EXPENSES

Interest Expense
Bank Fees
Telephone
Utilities
Computer Programming & Expense
Permits and Licenses
Depreciation and Amortization
Public Awareness
Auto Expense
Accounting
Legal
Consulting
Business Promotion
Repairs & Maintenance - General
Property Taxes
Office Rent and Security
Office Supplies and Expense

Dues and Subscriptions
Education and Training
401K Plan Administration
Bad Debt Expense
Miscellaneous

DISTRIBUTED ADMIN EXPENSE

DISTRIBUTED SHOP LABOR EXPENSE

OTHER INCOME

Interest Income
Deferred Grant Revenue

PROFIT

PROVISION FOR INCOME TAXES

Provision for Federal Income Tax
Provision for State Income Tax

TOTAL EXPENSES

Total Other Expenses

Total Distributed Admin Expense

Total Distributed Shop Labor Expense

Total Other Income

Total Profit

Total Income Taxes

EXHIBIT TEN
REPORTS TO BE FILED

MONTHLY REPORTS

Monthly reports shall be due by the 20th Day of Following Month. MarBorg shall submit the following information in electronic format using the template provided by City:

1. Receipts for franchise services billed by MarBorg, separated by Zone
2. Receipts for non-franchised services
3. Customer complaint log and a description of how each complaint was resolved.
4. Customer's notices of damaged property, with resolution
5. Non-Collection Notices issued
6. Phone response standards
7. Dates and locations of reported missed collections
8. A discussion of franchise service or operational problems and their resolution
9. Weights for each material type collected, by zone, by container type, and by customer type
10. Tons of material delivered to any landfill for disposal, for alternative daily cover ("ADC"), and/or other beneficial uses constituting diversion, and tons of material diverted from landfills and make such records available to the City upon request.
11. Information on Customers who do not respond to MarBorg's efforts to change their waste disposal practices.
12. Information regarding its progress toward achieving the AB 341 Diversion Requirements, including those customers that MarBorg has brought into compliance with the 30 percent diversion requirement.
13. Documentation of any AB 341 Customer's refusal to subscribe to at least 30 percent Diversion services.
14. Information on Customers that refuse to subscribe to at least 30 percent Diversion Services.
15. Data regarding ABOP usage and customer origin.

In addition to the Monthly Report, MarBorg shall electronically submit scanned copies of all bills for franchised services billed by MarBorg

ANNUAL REPORTS

Annual Reports shall be submitted on the 1st Day of August for the previous Contract Year. MarBorg shall submit the first Annual Report to City by August 1, 2014. MarBorg shall include, at a minimum, the following information and statements in its Annual Report:

- 1) A discussion of public awareness activities, including outreach efforts to Single Family Residential, Multi-Unit Residential and Business Customers, and their impact on recycling participation and recovered amounts.

- 2) A complete inventory of Equipment, Vehicles and Containers utilized to Service Customers pursuant the Agreement.
- 3) Current Collection maps and schedules for all routes.
- 4) Reconciliation of any adjustments from prior Monthly Reports.
- 5) Substantiated demonstration of compliance (or non-compliance) with the minimum diversion requirement of MarBorg's portion of Total Solid Waste collected in accordance with Section 3.16 of the Agreement.
- 6) Substantiated demonstration of compliance (or non-compliance) with AB 341 Diversion requirements set forth in Exhibit Four.
- 7) A statement by Collector's Chief Executive Officer either 1) that no events subsequent to the preparation of the last financial statement submitted pursuant hereto have materially changed MarBorg's financial status or condition, or 2) describing any material changes in MarBorg's financial status or condition since the preparation of the last financial statement
- 8) A declaration describing the current status of any criminal or civil litigation pending against either MarBorg's parent Company or any subsidiaries of the parent company, if any, which relates to solid waste handling, collection, recycling or disposal.
- 9) Declarations of the current status of any pending criminal or civil litigation relating to the activities of MarBorg, MarBorg's parent company or any subsidiary naming any current officer of the parent company or any subsidiary company, if any, as a defendant. For these declarations, "current officers" shall be defined to include those individuals who are presently serving or who have served as an officer of the parent company or the subsidiary within the two years immediately preceding the date of the report.

MarBorg's obligation to submit an annual report shall survive the termination or expiration of this Franchise.

EXHIBIT ELEVEN

SINGLE FAMILY RESIDENTIAL RATES

CITY PROPOSAL - GROSS RATES - FEES INCLUDED

	Service Category	Rate
RESIDENTIAL	32 gallon refuse	28.14
	64 gallon refuse	33.83
	96 gallon refuse	37.00
	128 gallon refuse	40.13
	Additional 32 gal refuse	7.46
	Additional 32 gal green	2.00
	Distance 100-150	3.99
	Distance 150+	24.18
	slope	3.10
	Backyard cart	24.40
	1.5 Yd Green Dumpster	19.01
	2 Yd Green Dumpster	25.34
	3 Yd Green Dumpster	38.02
	4Yd Green Dumpster	50.70

CITY PROPOSAL - ALL FEES EXCLUDED

Rate minus City fees and minus 2% franchise fee

	Service Category	Rate
RESIDENTIAL	32 gallon refuse	24.17
	64 gallon refuse	29.06
	96 gallon refuse	31.78
	128 gallon refuse	34.47
	Additional refuse/32 gal	6.41
	Additional green/32 gal	1.72
	Distance 100-150	3.43
	Distance 150+	20.77
	slope	2.66
	Backyard cart	20.96
	1.5 Yd Green Dumpster	16.33
	2 Yd Green Dumpster	21.77
	3 Yd Green Dumpster	32.66
	4Yd Green Dumpster	43.55

CITY PROPOSAL - CITY FEES EXCEPT FRANCHISE FEE

Fees = (Rate/1.0808)*(0.0808+0.05)

	Service Category	Rate
RESIDENTIAL	32 gallon refuse	3.41
	64 gallon refuse	4.09
	96 gallon refuse	4.48
	128 gallon refuse	4.86
	Additional 32 gal refuse	0.90
	Additional 32 gal green	0.24
	Distance 100-150	0.48
	Distance 150+	2.93
	slope	0.38
	Backyard cart	2.95
	1.5 Yd Green Dumpster	2.30
	2 Yd Green Dumpster	3.07
	3 Yd Green Dumpster	4.60
	4Yd Green Dumpster	6.14

CITY PROPOSAL - FRANCHISE FEE

Fee = (Rate*0.02)

	Service Category	Rate
RESIDENTIAL	32 gallon refuse	0.56
	64 gallon refuse	0.68
	96 gallon refuse	0.74
	128 gallon refuse	0.80
	Additional 32 gal refuse	0.15
	Additional 32 gal green	0.04
	Distance 100-150	0.08
	Distance 150+	0.48
	slope	0.06
	Backyard cart	0.49
	1.5 Yd Green Dumpster	0.38
	2 Yd Green Dumpster	0.51
	3 Yd Green Dumpster	0.76
	4Yd Green Dumpster	1.01

EXHIBIT ELEVEN
SINGLE FAMILY RESIDENTIAL EXTRA PICK UP RATES

GROSS RATES - FEES INCLUDED

	Service Category	Rate
RESIDENTIAL	Trash, extra pickup (each bag) on regular service day	\$2.00
	Trash, extra pickup (up to 4 bags) <u>not</u> on regular service day	\$11.21
	Recycling, extra pickup on regular service day	\$0.00
	Recycling, extra pickup (unlimited) of bags <u>not</u> on regular service day	\$11.21
	Greenwaste, extra pickup (each bag) on regular service day	\$2.00
	Greenwaste, extra pickup (up to 4 bags) <u>not</u> on regular service day	\$11.21
	Greenwaste Dumpster extra pick up (up to 4 bags) any day	\$11.21

CITY FEES EXCEPT FRANCHISE FEE

Fees = (Rate/1.0808)*(0.0808+0.05)

	Service Category	Rate
RESIDENTIAL	Trash, extra pickup (each bag) on regular service day	\$0.24
	Trash, extra pickup (up to 4 bags) <u>not</u> on regular service day	\$1.36
	Recycling, extra pickup on regular service day	\$0.00
	Recycling, extra pickup (unlimited) of bags <u>not</u> on regular service day	\$1.36
	Greenwaste, extra pickup (each bag) on regular service day	\$0.24
	Greenwaste, extra pickup (up to 4 bags) <u>not</u> on regular service day	\$1.36
	Greenwaste Dumpster extra pick up (up to 4 bags) any day	\$1.36

ALL FEES EXCLUDED

	Service Category	Rate
RESIDENTIAL	Trash, extra pickup (each bag) on regular service day	\$1.72
	Trash, extra pickup (up to 4 bags) <u>not</u> on regular service day	\$9.63
	Recycling, extra pickup on regular service day	\$0.00
	Recycling, extra pickup (unlimited) of bags <u>not</u> on regular service day	\$9.63
	Greenwaste, extra pickup (each bag) on regular service day	\$1.72
	Greenwaste, extra pickup (up to 4 bags) <u>not</u> on regular service day	\$9.63
	Greenwaste Dumpster extra pick up (up to 4 bags) any day	\$9.63

FRANCHISE FEE

Fee = (Rate*0.02)

	Service Category	Rate
RESIDENTIAL	Trash, extra pickup (each bag) on regular service day	\$0.04
	Trash, extra pickup (up to 4 bags) <u>not</u> on regular service day	\$0.22
	Recycling, extra pickup on regular service day	\$0.00
	Recycling, extra pickup (unlimited) of bags <u>not</u> on regular service day	\$0.22
	Greenwaste, extra pickup (each bag) on regular service day	\$0.04
	Greenwaste, extra pickup (up to 4 bags) <u>not</u> on regular service day	\$0.22
	Greenwaste Dumpster extra pick up (up to 4 bags) any day	\$0.22

**EXHIBIT ELEVEN
MULTI-UNIT RESIDENTIAL RATES**

CITY PROPOSAL - GROSS RATES - FEES INCLUDED								
	Container Type	Number of Collections per Week					Extra Pickup	
		1	2	3	4	5		
MULTI-FAMILY	Trash							
	Trash Minimum Rate	30.72						
	32 gallon Can	10.24	21.51	32.78	44.05	55.32	66.59	2.82
	32 gallon Cart	10.24	21.51	32.78	44.05	55.32	66.59	2.82
	64 gallon Cart	20.48	43.00	65.53	88.06	110.58	133.11	5.63
	96 gallon Cart	30.72	64.52	98.31	132.11	165.91	199.70	8.45
	1.5 cu. yard Dumpster	107.74	226.27	344.78	463.31	581.82	700.34	29.63
	2 cubic yard Dumpster	143.66	301.68	459.71	617.73	775.76	933.78	39.51
	3 cubic yard Dumpster	215.48	452.50	689.53	926.55	1,163.58	1,400.61	59.26
	4 cubic yard Dumpster	287.31	603.34	919.38	1,235.42	1,551.46	1,867.50	79.01
	1.5 cu. yard Compactor	323.22	678.76	1,034.31	1,389.85	1,745.40	2,100.94	88.89
	2 cubic yard Compactor	430.97	905.03	1,379.09	1,853.15	2,327.22	2,801.28	118.52
	3 cubic yard Compactor	646.44	1,357.53	2,068.62	2,779.70	3,490.79	4,201.87	177.77
	Recycling							
	32 gallon Can	5.12	10.76	16.39	22.03	27.66	33.30	1.41
	32 gallon Cart	5.12	10.76	16.39	22.03	27.66	33.30	1.41
	64 gallon Cart	10.24	21.51	32.78	44.05	55.32	66.59	2.82
	96 gallon Cart	15.36	32.25	49.14	66.03	82.92	99.82	4.22
	1.5 cu. yard Dumpster	53.87	113.12	172.37	231.62	290.88	350.14	14.81
	2 cubic yard Dumpster	71.83	150.84	229.85	308.87	387.88	466.89	19.75
	3 cubic yard Dumpster	107.74	226.27	344.78	463.31	581.82	700.34	29.63
	4 cubic yard Dumpster	143.66	301.68	459.71	617.73	775.76	933.78	39.51
	Greenwaste							
	32 gallon Can	5.12	10.76	16.39	22.03	27.66	33.30	1.41
	32 gallon Cart	5.12	10.76	16.39	22.03	27.66	33.30	1.41
	64 gallon Cart	10.24	21.51	32.78	44.05	55.32	66.59	2.82
	96 gallon Cart	15.36	32.25	49.14	66.03	82.92	99.82	4.22
	1.5 cu. yard Dumpster	53.87	113.12	172.37	231.62	290.88	350.14	14.81
	2 cubic yard Dumpster	71.83	150.84	229.85	308.87	387.88	466.89	19.75
	3 cubic yard Dumpster	107.74	226.27	344.78	463.31	581.82	700.34	29.63
	4 cubic yard Dumpster	143.66	301.68	459.71	617.73	775.76	933.78	39.51
	Foodscraps							
	1.5 cu. yard Dumpster	53.87	113.12	172.37	231.62	290.88	350.14	14.81
	2 cubic yard Dumpster	71.83	150.84	229.85	308.87	387.88	466.89	19.75
	3 cubic yard Dumpster	107.74	226.27	344.78	463.31	581.82	700.34	29.63
	4 cubic yard Dumpster	143.66	301.68	459.71	617.73	775.76	933.78	39.51
	Dumpster Push Out, more than 25'	6.35	12.70	19.05	25.40	31.75	38.10	
	Premium - cart in place	30%	30%	30%	30%	30%	30%	

CITY PROPOSAL - ALL FEES EXCLUDED								
Rate minus City fees and minus 2% franchise fee								
	Container Type	Number of Collections per Week					Extra Pickup	
		1	2	3	4	5		
MULTI-FAMILY	Trash							
	Trash Minimum Rate	26.39						
	32 gallon Can	8.80	18.48	28.16	37.84	47.52	57.20	2.42
	32 gallon Cart	8.80	18.48	28.16	37.84	47.52	57.20	2.42
	64 gallon Cart	17.59	36.94	56.29	75.64	94.99	114.34	4.84
	96 gallon Cart	26.39	55.42	84.45	113.48	142.51	171.54	7.26
	1.5 cu. yard Dumpster	92.55	194.36	296.16	397.97	499.77	601.58	25.45
	2 cubic yard Dumpster	123.40	259.14	394.88	530.62	666.36	802.10	33.94
	3 cubic yard Dumpster	185.09	386.69	592.29	795.89	999.49	1,203.09	50.90
	4 cubic yard Dumpster	246.79	516.26	789.73	1,061.20	1,332.67	1,604.14	67.87
	1.5 cu. yard Compactor	277.64	583.04	888.45	1,193.85	1,499.26	1,804.66	76.35
	2 cubic yard Compactor	370.19	777.40	1,184.61	1,591.82	1,999.03	2,406.24	101.81
	3 cubic yard Compactor	555.28	1,166.09	1,776.90	2,387.70	2,998.51	3,609.32	152.70
	Recycling							
	32 gallon Can	4.40	9.24	14.08	18.92	23.76	28.60	1.21
	32 gallon Cart	4.40	9.24	14.08	18.92	23.76	28.60	1.21
	64 gallon Cart	8.80	18.48	28.16	37.84	47.52	57.20	2.42
	96 gallon Cart	13.19	27.70	42.21	56.72	71.23	85.74	3.62
	1.5 cu. yard Dumpster	46.27	97.17	148.06	198.96	249.86	300.76	12.72
	2 cubic yard Dumpster	61.70	129.57	197.44	265.31	333.18	401.05	16.96
	3 cubic yard Dumpster	92.55	194.36	296.16	397.97	499.77	601.58	25.45
	4 cubic yard Dumpster	123.40	259.14	394.88	530.62	666.36	802.10	33.94
	Greenwaste							
	32 gallon Can	4.40	9.24	14.08	18.92	23.76	28.60	1.21
	32 gallon Cart	4.40	9.24	14.08	18.92	23.76	28.60	1.21
	64 gallon Cart	8.80	18.48	28.16	37.84	47.52	57.20	2.42
	96 gallon Cart	13.19	27.70	42.21	56.72	71.23	85.74	3.62
	1.5 cu. yard Dumpster	46.27	97.17	148.06	198.96	249.86	300.76	12.72
	2 cubic yard Dumpster	61.70	129.57	197.44	265.31	333.18	401.05	16.96
	3 cubic yard Dumpster	92.55	194.36	296.16	397.97	499.77	601.58	25.45
	4 cubic yard Dumpster	123.40	259.14	394.88	530.62	666.36	802.10	33.94
	Foodscraps							
	1.5 cu. yard Dumpster	46.27	97.17	148.06	198.96	249.86	300.76	12.72
	2 cubic yard Dumpster	61.70	129.57	197.44	265.31	333.18	401.05	16.96
	3 cubic yard Dumpster	92.55	194.36	296.16	397.97	499.77	601.58	25.45
	4 cubic yard Dumpster	123.40	259.14	394.88	530.62	666.36	802.10	33.94
	Dumpster Push Out, more than 25'	123.40	259.14	394.88	530.62	666.36	802.10	
	Premium - cart in place	30%	30%	30%	30%	30%	30%	

**EXHIBIT ELEVEN
MULTI-UNIT RESIDENTIAL RATES**

CITY PROPOSAL - CITY FEES EXCEPT FRANCHISE FEE								
Fees = (Rate/1.0808)*(0.0808+0.05)								
	Container Type	Number of Collections per Week						Extra Pickup
		1.00	2.00	3.00	4.00	5.00	6.00	
MULTI-FAMILY	Trash							
	Trash Minimum Rate	3.72	N/A	N/A	N/A	N/A	N/A	-
	32 gallon Can	1.24	2.60	3.97	5.33	6.69	8.06	0.34
	32 gallon Cart	1.24	2.60	3.97	5.33	6.69	8.06	0.34
	64 gallon Cart	2.48	5.20	7.93	10.66	13.38	16.11	0.68
	96 gallon Cart	3.72	7.61	11.90	15.99	20.08	24.17	1.02
	1.5 cu. yard Dumpster	13.04	27.38	41.73	56.07	70.41	84.76	3.59
	2 cubic yard Dumpster	17.39	36.51	55.63	74.76	93.88	113.01	4.78
	3 cubic yard Dumpster	26.08	54.76	83.45	112.13	140.82	169.50	7.17
	4 cubic yard Dumpster	34.77	73.02	111.26	149.51	187.76	226.01	9.56
	1.5 cu. yard Compactor	39.12	82.14	125.17	168.20	211.23	254.26	10.76
	2 cubic yard Compactor	52.16	109.53	166.90	224.27	281.64	339.02	14.34
	3 cubic yard Compactor	78.23	164.29	250.35	336.40	422.46	508.52	21.51
	Recycling							
	32 gallon Can	0.62	1.30	1.98	2.67	3.35	4.03	0.17
	32 gallon Cart	0.62	1.30	1.98	2.67	3.35	4.03	0.17
	64 gallon Cart	1.24	2.60	3.97	5.33	6.69	8.06	0.34
	96 gallon Cart	1.86	3.90	5.95	7.99	10.04	12.08	0.51
	1.5 cu. yard Dumpster	6.52	13.69	20.86	28.03	35.20	42.37	1.79
	2 cubic yard Dumpster	8.69	18.25	27.82	37.38	46.94	56.50	2.39
	3 cubic yard Dumpster	13.04	27.38	41.73	56.07	70.41	84.76	3.59
	4 cubic yard Dumpster	17.39	36.51	55.63	74.76	93.88	113.01	4.78
	Greenwaste							
	32 gallon Can	0.62	1.30	1.98	2.67	3.35	4.03	0.17
	32 gallon Cart	0.62	1.30	1.98	2.67	3.35	4.03	0.17
	64 gallon Cart	1.24	2.60	3.97	5.33	6.69	8.06	0.34
	96 gallon Cart	1.86	3.90	5.95	7.99	10.04	12.08	0.51
	1.5 cu. yard Dumpster	6.52	13.69	20.86	28.03	35.20	42.37	1.79
	2 cubic yard Dumpster	8.69	18.25	27.82	37.38	46.94	56.50	2.39
	3 cubic yard Dumpster	13.04	27.38	41.73	56.07	70.41	84.76	3.59
	4 cubic yard Dumpster	17.39	36.51	55.63	74.76	93.88	113.01	4.78
	Foodscraps							
	1.5 cu. yard Dumpster	6.52	13.69	20.86	28.03	35.20	42.37	1.79
	2 cubic yard Dumpster	8.69	18.25	27.82	37.38	46.94	56.50	2.39
	3 cubic yard Dumpster	13.04	27.38	41.73	56.07	70.41	84.76	3.59
	4 cubic yard Dumpster	17.39	36.51	55.63	74.76	93.88	113.01	4.78
	Dumpster Push Out, more than 25'	0.77	1.54	2.31	3.07	3.84	4.61	
	Premium- cart in place	30%	30%	30%	30%	30%	30%	

CITY PROPOSAL - FRANCHISE FEE								
Fee = (Rate*0.02)								
	Container Type	Number of Collections per Week						Extra Pickup
		1.00	2.00	3.00	4.00	5.00	6.00	
MULTI-FAMILY	Trash							
	Trash Minimum Rate	0.61						
	32 gallon Can	0.20	0.43	0.66	0.88	1.11	1.33	\$ 0.06
	32 gallon Cart	0.20	0.43	0.66	0.88	1.11	1.33	\$ 0.06
	64 gallon Cart	0.41	0.86	1.31	1.76	2.21	2.66	\$ 0.11
	96 gallon Cart	0.61	1.29	1.97	2.64	3.32	3.99	\$ 0.17
	1.5 cu. yard Dumpster	2.15	4.53	6.90	9.27	11.64	14.01	\$ 0.59
	2 cubic yard Dumpster	2.87	6.03	9.19	12.35	15.52	18.68	\$ 0.79
	3 cubic yard Dumpster	4.31	9.05	13.79	18.53	23.27	28.01	\$ 1.19
	4 cubic yard Dumpster	5.75	12.07	18.39	24.71	31.03	37.35	\$ 1.58
	1.5 cu. yard Compactor	6.46	13.58	20.69	27.80	34.91	42.02	\$ 1.78
	2 cubic yard Compactor	8.62	18.10	27.58	37.06	46.54	56.03	\$ 2.37
	3 cubic yard Compactor	12.93	27.15	41.37	55.59	69.82	84.04	\$ 3.56
	Recycling							
	32 gallon Can	0.10	0.22	0.33	0.44	0.55	0.67	\$ 0.03
	32 gallon Cart	0.10	0.22	0.33	0.44	0.55	0.67	\$ 0.03
	64 gallon Cart	0.20	0.43	0.66	0.88	1.11	1.33	\$ 0.06
	96 gallon Cart	0.31	0.65	0.98	1.32	1.66	2.00	\$ 0.08
	1.5 cu. yard Dumpster	1.08	2.26	3.45	4.63	5.82	7.00	\$ 0.30
	2 cubic yard Dumpster	1.44	3.02	4.60	6.18	7.76	9.34	\$ 0.40
	3 cubic yard Dumpster	2.15	4.53	6.90	9.27	11.64	14.01	\$ 0.59
	4 cubic yard Dumpster	2.87	6.03	9.19	12.35	15.52	18.68	\$ 0.79
	Greenwaste							
	32 gallon Can	0.10	0.22	0.33	0.44	0.55	0.67	\$ 0.03
	32 gallon Cart	0.10	0.22	0.33	0.44	0.55	0.67	\$ 0.03
	64 gallon Cart	0.20	0.43	0.66	0.88	1.11	1.33	\$ 0.06
	96 gallon Cart	0.31	0.65	0.98	1.32	1.66	2.00	\$ 0.08
	1.5 cu. yard Dumpster	1.08	2.26	3.45	4.63	5.82	7.00	\$ 0.30
	2 cubic yard Dumpster	1.44	3.02	4.60	6.18	7.76	9.34	\$ 0.40
	3 cubic yard Dumpster	2.15	4.53	6.90	9.27	11.64	14.01	\$ 0.59
	4 cubic yard Dumpster	2.87	6.03	9.19	12.35	15.52	18.68	\$ 0.79
	Foodscraps							
	1.5 cu. yard Dumpster	1.08	2.26	3.45	4.63	5.82	7.00	\$ 0.30
	2 cubic yard Dumpster	1.44	3.02	4.60	6.18	7.76	9.34	\$ 0.40
	3 cubic yard Dumpster	2.15	4.53	6.90	9.27	11.64	14.01	\$ 0.59
	4 cubic yard Dumpster	2.87	6.03	9.19	12.35	15.52	18.68	\$ 0.79
	Dumpster Push Out, more than 25'	0.13	0.25	0.38	0.51	0.64	0.76	\$ -
	Premium- cart in place	30%	30%	30%	30%	30%	30%	

**EXHIBIT ELEVEN
BUSINESS RATES**

CITY PROPOSAL - GROSS RATES - FEES INCLUDED									
	Container Type	Number of Collections per Week						Extra Pickup (per	
		1	2	3	4	5	6		
COMMERCIAL	Trash								
	Trash Minimum Rate	27.35							
	32 gallon Can	14.03	29.47	44.90	60.33	75.76	91.20	106.63	3.86
	32 gallon Cart	14.03	29.47	44.90	60.33	75.76	91.20	106.63	3.86
	64 gallon Cart	27.35	57.43	87.51	117.61	147.69	177.77	207.85	7.52
	96 gallon Cart	40.68	85.43	136.18	174.93	219.87	264.42	309.17	11.19
	1.5 cu. yard Dumpster	115.34	242.21	369.09	495.96	622.82	749.71	876.57	31.72
	2 cubic yard Dumpster	153.58	322.51	491.46	660.39	829.34	998.27	1,167.21	42.23
	3 cubic yard Dumpster	230.05	483.11	736.17	989.23	1,242.29	1,495.34	1,748.39	63.26
	4 cubic yard Dumpster	306.51	643.88	980.84	1,318.00	1,655.16	1,992.33	2,329.48	84.29
	1.5 cu. yard Compactor	344.75	723.99	1,103.21	1,482.44	1,861.66	2,240.89	2,620.13	94.81
	2 cubic yard Compactor	459.45	964.86	1,470.25	1,975.65	2,481.06	2,986.46	3,491.85	126.35
	3 cubic yard Compactor	886.87	1,446.02	2,204.38	2,962.14	3,719.89	4,477.65	5,235.40	189.44
	Recycling								
	32 gallon Can	7.01	14.72	22.42	30.14	37.85	45.56	53.26	1.93
	32 gallon Cart	7.01	14.72	22.42	30.14	37.85	45.56	53.26	1.93
	64 gallon Cart	14.03	29.47	44.90	60.33	75.76	91.20	106.63	3.86
	96 gallon Cart	21.04	44.18	67.32	90.46	113.61	136.76	159.89	5.79
	1.5 cu. yard Dumpster	57.68	121.12	184.58	248.00	311.45	374.90	438.33	15.86
	2 cubic yard Dumpster	76.79	161.26	245.72	330.20	414.67	499.14	583.60	21.12
	3 cubic yard Dumpster	115.02	241.55	368.06	494.58	621.11	747.63	874.15	31.63
	4 cubic yard Dumpster	153.26	321.85	490.44	659.02	827.61	996.20	1,164.79	42.15
	Greenwaste								
	32 gallon Can	7.01	14.72	22.42	30.14	37.85	45.56	53.26	1.93
	32 gallon Cart	7.01	14.72	22.42	30.14	37.85	45.56	53.26	1.93
	64 gallon Cart	14.03	29.47	44.90	60.33	75.76	91.20	106.63	3.86
	96 gallon Cart	21.04	44.18	67.32	90.46	113.61	136.76	159.89	5.79
	1.5 cu. yard Dumpster	57.68	121.12	184.58	248.00	311.45	374.90	438.33	15.86
	2 cubic yard Dumpster	76.79	161.26	245.72	330.20	414.67	499.14	583.60	21.12
	3 cubic yard Dumpster	115.02	241.55	368.06	494.58	621.11	747.63	874.15	31.63
	4 cubic yard Dumpster	153.26	321.85	490.44	659.02	827.61	996.20	1,164.79	42.15
	Foodscraps								
	32 gallon Can	7.01	14.72	22.42	30.14	37.85	45.56	53.26	1.93
	32 gallon Cart	14.03	29.47	44.90	60.33	75.76	91.20	106.63	3.86
	64 gallon Cart	27.35	57.43	87.51	117.61	147.69	177.77	207.85	7.52
	96 gallon Cart	40.68	85.43	136.18	174.93	219.87	264.42	309.17	11.19
	1.5 cu. yard Dumpster	115.34	242.21	369.09	495.96	622.82	749.71	876.57	31.72
	2 cubic yard Dumpster	153.58	322.51	491.46	660.39	829.34	998.27	1,167.21	42.23
	3 cubic yard Dumpster	230.05	483.11	736.17	989.23	1,242.29	1,495.34	1,748.39	63.26
	4 cubic yard Dumpster	306.51	643.88	980.84	1,318.00	1,655.16	1,992.33	2,329.48	84.29
	1.5 cu. yard Compactor	344.75	723.99	1,103.21	1,482.44	1,861.66	2,240.89	2,620.13	94.81
	2 cubic yard Compactor	459.45	964.86	1,470.25	1,975.65	2,481.06	2,986.46	3,491.85	126.35
	3 cubic yard Compactor	886.87	1,446.02	2,204.38	2,962.14	3,719.89	4,477.65	5,235.40	189.44
	Dumpster Push Out, more than 25'	6.35	12.70	19.05	25.40	31.75	38.10	44.45	-

CITY PROPOSAL - ALL FEES EXCLUDED									
Rate minus City fee and minus 2% franchise fee									
	Container Type	Number of Collections per Week						Extra Pickup	
		1	2	3	4	5	6		
COMMERCIAL	Trash								
	Trash Minimum Rate	22.32							
	32 gallon Can	11.45	24.05	36.64	49.24	61.83	74.43	87.02	3.15
	32 gallon Cart	11.45	24.05	36.64	49.24	61.83	74.43	87.02	3.15
	64 gallon Cart	22.32	46.67	71.42	95.98	120.53	145.08	169.63	8.14
	96 gallon Cart	33.20	69.72	106.24	142.76	179.28	215.80	252.32	9.13
	1.5 cu. yard Dumpster	94.13	197.67	301.22	404.76	508.30	611.85	715.39	25.89
	2 cubic yard Dumpster	125.34	263.21	401.09	538.96	676.84	814.71	952.58	34.47
	3 cubic yard Dumpster	167.75	394.28	600.80	807.33	1,013.85	1,220.38	1,426.90	51.63
	4 cubic yard Dumpster	250.15	525.32	800.48	1,075.65	1,350.81	1,625.96	1,901.14	66.79
	1.5 cu. yard Compactor	281.26	590.66	900.35	1,209.85	1,519.34	1,828.84	2,138.34	77.37
	2 cubic yard Compactor	374.97	787.44	1,199.90	1,612.37	2,024.84	2,437.31	2,849.77	103.12
	3 cubic yard Compactor	562.20	1,180.62	1,799.04	2,417.46	3,035.88	3,654.30	4,272.72	154.81
	Recycling								
	32 gallon Can	5.72	12.01	18.30	24.60	30.89	37.18	43.47	1.57
	32 gallon Cart	5.72	12.01	18.30	24.60	30.89	37.18	43.47	1.57
	64 gallon Cart	11.45	24.05	36.64	49.24	61.83	74.43	87.02	3.15
	96 gallon Cart	17.17	36.06	54.94	73.83	92.72	111.61	130.49	4.72
	1.5 cu. yard Dumpster	47.07	98.85	150.62	202.40	254.18	305.96	357.73	12.94
	2 cubic yard Dumpster	62.67	131.61	200.54	269.48	338.42	407.36	476.29	17.23
	3 cubic yard Dumpster	93.87	197.13	300.38	403.64	506.90	610.16	713.41	25.81
	4 cubic yard Dumpster	125.08	262.67	400.26	537.84	675.43	813.02	950.61	34.40
	Greenwaste								
	32 gallon Can	5.72	12.01	18.30	24.60	30.89	37.18	43.47	1.57
	32 gallon Cart	5.72	12.01	18.30	24.60	30.89	37.18	43.47	1.57
	64 gallon Cart	11.45	24.05	36.64	49.24	61.83	74.43	87.02	3.15
	96 gallon Cart	17.17	36.06	54.94	73.83	92.72	111.61	130.49	4.72
	1.5 cu. yard Dumpster	47.07	98.85	150.62	202.40	254.18	305.96	357.73	12.94
	2 cubic yard Dumpster	62.67	131.61	200.54	269.48	338.42	407.36	476.29	17.23
	3 cubic yard Dumpster	93.87	197.13	300.38	403.64	506.90	610.16	713.41	25.81
	4 cubic yard Dumpster	125.08	262.67	400.26	537.84	675.43	813.02	950.61	34.40
	Foodscraps								
	32 gallon Can	5.72	12.01	18.30	24.60	30.89	37.18	43.47	1.57
	32 gallon Cart	11.45	24.05	36.64	49.24	61.83	74.43	87.02	3.15
	64 gallon Cart	22.32	46.67	71.42	95.98	120.53	145.08	169.63	8.14
	96 gallon Cart	33.20	69.72	106.24	142.76	179.28	215.80	252.32	9.13
	1.5 cu. yard Dumpster	94.13	197.67	301.22	404.76	508.30	611.85	715.39	25.89
	2 cubic yard Dumpster	125.34	263.21	401.09	538.96	676.84	814.71	952.58	34.47
	3 cubic yard Dumpster	167.75	394.28	600.80	807.33	1,013.85	1,220.38	1,426.90	51.63
	4 cubic yard Dumpster	250.15	525.32	800.48	1,075.65	1,350.81	1,625.96	1,901.14	66.79
	1.5 cu. yard Compactor	281.26	590.66	900.35	1,209.85	1,519.34	1,828.84	2,138.34	77.37
	2 cubic yard Compactor	374.97	787.44	1,199.90	1,612.37	2,024.84	2,437.31	2,849.77	103.12
	3 cubic yard Compactor	562.20	1,180.62	1,799.04	2,417.46	3,035.88	3,654.30	4,272.72	154.81
	Dumpster Push Out, more than 25'	5.18	10.36	15.55	20.73	25.91	31.09	36.28	-

**EXHIBIT ELEVEN
BUSINESS RATES**

CITY PROPOSAL - CITY FEES EXCEPT FRANCHISE FEE									
Fee = (Rate*1.1362)*0.1362*0.05									
	Container Type	Number of Collections per Week							Extra Pickup (per
		1	2	3	4	5	6	7	
COMMERCIAL	Trash								
	Trash Minimum Rate	4.48							0.83
	32 gallon Can	2.30	4.83	7.36	9.89	12.42	14.95	17.47	0.83
	32 gallon Cart	2.30	4.83	7.36	9.89	12.42	14.95	17.47	0.83
	64 gallon Cart	4.48	9.41	14.34	19.27	24.20	29.13	34.06	1.73
	96 gallon Cart	6.67	14.00	21.33	28.67	36.00	43.33	50.67	1.83
	1.5 cu. yard Dumpster	16.90	39.89	60.49	81.28	102.07	122.86	143.65	5.20
	2 cubic yard Dumpster	25.17	52.85	80.54	108.22	135.91	163.60	191.29	6.92
	3 cubic yard Dumpster	37.70	79.17	120.64	162.11	203.58	245.06	286.53	10.37
	4 cubic yard Dumpster	50.23	105.49	160.74	215.99	271.25	326.50	381.76	13.81
	1.5 cu. yard Compactor	56.50	118.95	180.79	242.94	305.09	367.24	429.39	15.54
	2 cubic yard Compactor	75.30	158.12	240.94	323.77	406.59	489.42	572.24	20.71
	3 cubic yard Compactor	112.89	237.07	361.25	485.43	609.61	733.80	857.98	31.05
	Recycling								
	32 gallon Can	1.15	2.41	3.67	4.94	6.20	7.47	8.73	0.32
	32 gallon Cart	1.15	2.41	3.67	4.94	6.20	7.47	8.73	0.32
	64 gallon Cart	2.30	4.83	7.36	9.89	12.42	14.95	17.47	0.63
	96 gallon Cart	3.45	7.24	11.03	14.83	18.62	22.41	26.20	0.95
	1.5 cu. yard Dumpster	9.45	19.85	30.24	40.64	51.04	61.44	71.83	2.60
	2 cubic yard Dumpster	12.58	26.43	40.27	54.11	67.96	81.80	95.64	3.48
	3 cubic yard Dumpster	18.85	39.58	60.32	81.05	101.79	122.52	143.26	5.18
	4 cubic yard Dumpster	25.12	52.74	80.37	108.00	135.63	163.26	190.89	6.91
	Greenwaste								
	32 gallon Can	1.15	2.41	3.67	4.94	6.20	7.47	8.73	0.32
	32 gallon Cart	1.15	2.41	3.67	4.94	6.20	7.47	8.73	0.32
	64 gallon Cart	2.30	4.83	7.36	9.89	12.42	14.95	17.47	0.63
	96 gallon Cart	3.45	7.24	11.03	14.83	18.62	22.41	26.20	0.95
	1.5 cu. yard Dumpster	9.45	19.85	30.24	40.64	51.04	61.44	71.83	2.60
	2 cubic yard Dumpster	12.58	26.43	40.27	54.11	67.96	81.80	95.64	3.48
	3 cubic yard Dumpster	18.85	39.58	60.32	81.05	101.79	122.52	143.26	5.18
	4 cubic yard Dumpster	25.12	52.74	80.37	108.00	135.63	163.26	190.89	6.91
	Foodscraps								
	32 gallon Cart	1.15	2.41	3.67	4.94	6.20	7.47	8.73	0.32
	64 gallon Cart	2.30	4.83	7.36	9.89	12.42	14.95	17.47	0.63
	1.5 cu. yard Dumpster	9.45	19.85	30.24	40.64	51.04	61.44	71.83	2.60
	2 cubic yard Dumpster	12.58	26.43	40.27	54.11	67.96	81.80	95.64	3.48
	3 cubic yard Dumpster	18.85	39.58	60.32	81.05	101.79	122.52	143.26	5.18
	4 cubic yard Dumpster	25.12	52.74	80.37	108.00	135.63	163.26	190.89	6.91
	Dumpster Push Out, more than 25'	1.04	2.08	3.12	4.16	5.20	6.24	7.28	

CITY PROPOSAL - FRANCHISE FEE									
Fee = (Rate*0.02)									
	Container Type	Number of Collections per Week							Extra Pickup
		1	2	3	4	5	6	7	
COMMERCIAL	Trash								
	Trash Minimum Rate	0.55							
	32 gallon Can	0.28	0.59	0.90	1.21	1.52	1.82	2.13	0.08
	32 gallon Cart	0.28	0.59	0.90	1.21	1.52	1.82	2.13	0.08
	64 gallon Cart	0.55	1.15	1.75	2.35	2.95	3.56	4.16	0.15
	96 gallon Cart	0.81	1.71	2.60	3.50	4.39	5.29	6.18	0.22
	1.5 cu. yard Dumpster	2.31	4.84	7.38	9.92	12.46	14.99	17.53	0.83
	2 cubic yard Dumpster	3.07	6.45	9.83	13.21	16.59	19.97	23.34	0.84
	3 cubic yard Dumpster	4.80	9.68	14.72	19.78	24.85	29.91	34.97	1.27
	4 cubic yard Dumpster	6.13	12.87	19.62	26.38	33.10	39.85	46.59	1.69
	1.5 cu. yard Compactor	8.90	14.48	22.08	29.65	37.23	44.82	52.40	1.90
	2 cubic yard Compactor	9.19	19.30	29.40	39.51	49.62	59.73	69.84	2.53
	3 cubic yard Compactor	13.78	28.93	44.09	59.24	74.40	89.55	104.71	3.79
	Recycling								
	32 gallon Can	0.14	0.29	0.45	0.60	0.76	0.91	1.07	0.04
	32 gallon Cart	0.14	0.29	0.45	0.60	0.76	0.91	1.07	0.04
	64 gallon Cart	0.28	0.59	0.90	1.21	1.52	1.82	2.13	0.08
	96 gallon Cart	0.42	0.88	1.35	1.81	2.27	2.74	3.20	0.12
	1.5 cu. yard Dumpster	1.15	2.42	3.69	4.96	6.23	7.50	8.77	0.32
	2 cubic yard Dumpster	1.54	3.23	4.91	6.60	8.29	9.98	11.67	0.42
	3 cubic yard Dumpster	2.30	4.83	7.38	9.89	12.42	14.95	17.48	0.63
	4 cubic yard Dumpster	3.07	6.44	9.81	13.18	16.55	19.92	23.30	0.84
	Greenwaste								
	32 gallon Can	0.14	0.29	0.45	0.60	0.76	0.91	1.07	0.04
	32 gallon Cart	0.14	0.29	0.45	0.60	0.76	0.91	1.07	0.04
	64 gallon Cart	0.28	0.59	0.90	1.21	1.52	1.82	2.13	0.08
	96 gallon Cart	0.42	0.88	1.35	1.81	2.27	2.74	3.20	0.12
	1.5 cu. yard Dumpster	1.15	2.42	3.69	4.96	6.23	7.50	8.77	0.32
	2 cubic yard Dumpster	1.54	3.23	4.91	6.60	8.29	9.98	11.67	0.42
	3 cubic yard Dumpster	2.30	4.83	7.38	9.89	12.42	14.95	17.48	0.63
	4 cubic yard Dumpster	3.07	6.44	9.81	13.18	16.55	19.92	23.30	0.84
	Foodscraps								
	32 gallon Cart	0.14	0.29	0.45	0.60	0.76	0.91	1.07	0.04
	64 gallon Cart	0.28	0.59	0.90	1.21	1.52	1.82	2.13	0.08
	1.5 cu. yard Dumpster	1.15	2.42	3.69	4.96	6.23	7.50	8.77	0.32
	2 cubic yard Dumpster	1.54	3.23	4.91	6.60	8.29	9.98	11.67	0.42
	3 cubic yard Dumpster	2.30	4.83	7.38	9.89	12.42	14.95	17.48	0.63
	4 cubic yard Dumpster	3.07	6.44	9.81	13.18	16.55	19.92	23.30	0.84
	Dumpster Push Out, more than 25'	0.13	0.25	0.38	0.51	0.64	0.78	0.89	

EXHIBIT ELEVEN
SCHEDULED ROLL-OFF COMPACTOR RATES

CITY PROPOSAL - GROSS RATES -FEES INCLUDED

	Charge	Type	Container	Monthly Flat Rate	Per Pickup
Roll-Off	Hauling	Local	Compactor		160.83
	Hauling	Tajiguas	Rolloff		227.85
	Hauling	Tajiguas	Compactor		267.13
	Hauling	Local	Rolloff		201.03
	Hauling	Non-Service Fee	Rolloff/Compactor		55.13
	Tipping Fee			actual fee + 15.49%	
	Rental	all sizes	Rolloff	110.94	
	Rental	30 yard	Compactor	493.11	
	Rental		Cart Dumper	104.64	

REVISED PROPOSAL - FEES EXCLUDED

	Charge	Type	Container	Monthly Flat Rate	Per Pickup
Roll-Off	Hauling	Local	Compactor		145.59
	Hauling	Tajiguas	Rolloff		206.26
	Hauling	Tajiguas	Compactor		241.82
	Hauling	Local	Rolloff		181.98
	Hauling	Non-Service Fee	Rolloff/Compactor		49.91
	Tipping Fee			actual fee	
	Rental	all sizes	Rolloff	100.43	
	Rental	30 yard	Compactor	446.39	
	Rental		Cart Dumper	94.73	

REVISED PROPOSAL - CITY FEES ONLY

Fees = (Rate/1.0808)*0.0808

	Charge	Type	Container	Monthly Flat Rate	Per Pickup
Roll-Off	Hauling	Local	Compactor		12.02
	Hauling	Tajiguas	Rolloff		17.03
	Hauling	Tajiguas	Compactor		19.97
	Hauling	Local	Rolloff		15.03
	Hauling	Non-Service Fee	Rolloff/Compactor		4.12
	Tipping Fee			Included in 15.49% (above)	
	Rental	all sizes	Rolloff	8.29	
	Rental	30 yard	Compactor	36.86	
	Rental		Cart Dumper	7.82	

REVISED PROPOSAL - FRANCHISE FEE ONLY

	Charge	Type	Container	Monthly Flat Rate	Per Pickup
Roll-Off	Hauling	Local	Compactor		3.22
	Hauling	Tajiguas	Rolloff		4.56
	Hauling	Tajiguas	Compactor		5.34
	Hauling	Local	Rolloff		4.02
	Hauling	Non-Service Fee	Rolloff/Compactor		1.10
	Tipping Fee			Included in 15.49% (above)	
	Rental	all sizes	Rolloff	2.22	
	Rental	30 yard	Compactor	9.86	
	Rental		Cart Dumper	2.09	

EXHIBIT ELEVEN SPECIAL SERVICES RATES

CITY PROPOSAL - GROSS RATES - FEES INCLUDED

Service	Charge per Incident
Exchange Cart-more than once per 3 months	7.39
Restart Service	14.30
Steam Clean Cart	7.39
Steam Clean Dumpster	43.77
Exchange Dumpster	43.77
Provide Padlock	14.30
Non-Barlock Locking Dumpster	38.62
Install Padlock on cart	28.62
Install Barlock on dumpster	84.40
Replace Key	5.72
Steam Clean Compactor	93.39
Steam Clean Rolloff	81.71
Go Back Charge/Special Pickup (up to 4 cans)	11.21
Overloaded Trash Dumpster	16.69
Overloaded Recycling Dumpster	7.91
any billing period in which a delinquent unpaid	5.00

CITY PROPOSAL - ALL FEES EXCLUDED

Rate minus City fees and minus 2% franchise fee

Service	Charge per Incident
Exchange Cart-more than once per 3 months	6.34
Restart Service	12.28
Steam Clean Cart	6.35
Steam Clean Dumpster	37.60
Exchange Dumpster	37.60
Provide Padlock	12.28
Non-Barlock Locking Dumpster	33.17
Install Padlock on cart	24.59
Install Barlock on dumpster	72.49
Replace Key	4.91
Steam Clean Compactor	80.22
Steam Clean Rolloff	70.19
Go Back Charge/Special Pickup (up to 4 cans o	9.63
Overloaded Trash Dumpster	14.34
Overloaded Recycling Dumpster	6.80
any billing period in which a delinquent unpaid	4.29

CITY PROPOSAL - CITY FEES EXCEPT FRANCHISE FEE

Fees = (Rate/1.0808)*(0.0808+0.05)

Service	Charge per Incident
Exchange Cart-more than once per 3 months	0.89
Restart Service	1.73
Steam Clean Cart	0.89
Steam Clean Dumpster	5.30
Exchange Dumpster	5.30
Provide Padlock	1.73
Non-Barlock Locking Dumpster	4.67
Install Padlock on cart	3.46
Install Barlock on dumpster	10.21
Replace Key	0.69
Steam Clean Compactor	11.30
Steam Clean Rolloff	9.89
Go Back Charge/Special Pickup (up to 4 cans)	1.36
Overloaded Trash Dumpster	2.02
Overloaded Recycling Dumpster	0.96
any billing period in which a delinquent unpaid	0.61

CITY PROPOSAL - FRANCHISE FEE

Fee = (Rate*0.02)

Service	Charge per Incident
Exchange Cart-more than once per 3 months	0.15
Restart Service	0.29
Steam Clean Cart	0.15
Steam Clean Dumpster	0.88
Exchange Dumpster	0.88
Provide Padlock	0.29
Non-Barlock Locking Dumpster	0.77
Install Padlock on cart	0.57
Install Barlock on dumpster	1.69
Replace Key	0.11
Steam Clean Compactor	1.87
Steam Clean Rolloff	1.63
Go Back Charge/Special Pickup (up to 4 cans)	0.22
Overloaded Trash Dumpster	0.33
Overloaded Recycling Dumpster	0.16
any billing period in which a delinquent unpaid	0.10

EXHIBIT TWELVE
MARBORG'S NONDISCRIMINATORY EMPLOYMENT CERTIFICATE
Santa Barbara Municipal Code § 9.126.020

A. Certificate Generally

Consistent with a policy of nondiscrimination in employment on contracts of the City of Santa Barbara and in furtherance of the provisions of Section 1735 and 1777.6 of the California Labor Code a "MarBorg's obligation for nondiscriminatory employment certificate" as hereinafter set forth shall be attached and incorporated by reference as an indispensable and integral term of all bid specifications and contracts of the City for purchases, services, and the construction, repair, or improvement of public works.

B. Contents of Certificate

MarBorg's obligation for nondiscriminatory employment is as follows:

1. MarBorg will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act -- Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification. MarBorg will take positive action or ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act -- Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification. Such action shall include but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. MarBorg agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause.
2. MarBorg will, in all solicitations or advertisements for employees placed by or on behalf of MarBorg, state that all qualified applicants will receive consideration for employment without regard to race, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act -- Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification.

3. MarBorg will send to each labor union or representative of workers, with which he has a collective bargaining agreement or other Franchise or understanding, a notice to be provided by the City advising the said labor union or workers' representative of MarBorg's commitments under this provision, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. MarBorg will permit access to his records of employment, employment advertisements, application forms, and other pertinent data and records by the City, the Fair Employment Practices Commission, or any other appropriate agency of the State designated by the City for the purposes of investigation to ascertain compliance with MarBorg's Obligation for Nondiscriminatory Employment provisions of this Franchise, or Fair Employment Practices statute.
5. A finding of willful violation of the nondiscriminatory employment practices article of this Franchise or of the Fair Employment Practices Act shall be regarded by the City as a basis for determining that as to future contracts for which MarBorg may submit bids, MarBorg is a "disqualified bidder" for being "nonresponsible".

The City shall deem a finding of willful violation of the Fair Employment Practices Act to have occurred upon receipt of written notice from the Fair Employment Practices Commission that it has investigated and determined that MarBorg has violated the Fair Employment Practices Act and has issued an order under Labor Code Section 1426 or obtained an injunction under Labor Code Section 1429.

Upon receipt of any such written notice, the City shall notify MarBorg that unless he demonstrates to the satisfaction of the City within a stated period that the violation has been corrected, he shall be declared a "disqualified bidder" until such time as MarBorg can demonstrate that he has implemented remedial measures, satisfactory to the City, to eliminate the discriminatory employment practices which constituted the violation found by the Fair Employment Practices Commission.

6. Upon receipt from any person of a complaint of alleged discrimination under any City Franchise, the City Administrator shall ascertain whether probable cause for such complaint exists. If probable cause for the complaint is found, the City Administrator shall request the City Council to hold a public hearing to determine the existence of a discriminatory practice in violation of this Franchise.

In addition to any other remedy or action provided by law or the terms of this Franchise, MarBorg agrees that, should the City Council determine after a public hearing duly noticed to MarBorg that MarBorg has not complied with the nondiscriminatory employment practices provisions of this Franchise or has willfully violated such provisions, the City may, without liability of any kind, terminate, cancel, or suspend this Franchise, in whole or in part. In addition, upon such determination MarBorg shall, as a penalty to the City, forfeit a penalty of \$25.00 for each calendar day, or portion thereof, for each person who was denied employment as a result of such noncompliance. Such moneys shall be recovered from MarBorg.

The City may deduct any such penalties from any moneys due MarBorg from the City.

7. MarBorg certifies to the City that he has met or will meet the following standards for positive compliance, which shall be evaluated in each case by the City:
 - a) MarBorg shall notify all supervisors, foremen and other personnel officers in writing of the content of the nondiscrimination provision and their responsibilities under it.
 - b) MarBorg shall notify all sources of employee referrals (including unions, employment agencies, advertisements, Department of Employment) of the content of the nondiscrimination provision.
 - c) MarBorg shall file a basic compliance report as required by the City. Willfully false statements made in such reports shall be punishable as provided by law. The compliance report shall also specify the sources of the work force and who has the responsibility for determining whom to hire, or whether or not to hire.
 - d) MarBorg shall notify the City of opposition to the nondiscrimination provision by individuals, firms or organizations during the period of this Franchise.
8. Nothing contained in this MarBorg's Obligation for Nondiscriminatory Employment Certificate shall be construed in any manner to prevent the City from pursuing any other remedies that may be available at law.
9. MarBorg certifies to the City that he will comply with the following requirements with regard to all subcontractors and suppliers:
 - a) In the performance of the work under this Franchise, MarBorg will include the provisions of the foregoing paragraphs (1) through (8) in all subcontracts and in any supply Franchise to be performed within the State of California, so that such provisions will be equally binding upon each subcontractor and each supplier.
 - b) MarBorg will take such action with respect to any subcontract or purchase order as the City may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event MarBorg becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction by the City, MarBorg may request the City to enter into such litigation to protect the interests of the City.

EXHIBIT THIRTEEN
LIQUIDATED DAMAGES

Collection Reliability	Amount
(a) For each failure to commence service to a new customer account within seven (7) days after order, in excess of five (5) such failures annually:	\$210
(b) For each failure to collect MSW or Recyclable Materials which has been properly set out for collection, from an established Customer account, on the scheduled collection day, in excess of five (5) such failures annually:	\$210
(c) For each failure to collect MSW or Recyclable Materials, which has been properly set out for collection, from the same Customer on two (2) consecutive scheduled pick up days:	\$210
(d) For each failure to prepare for or properly conduct an on-call City- clean up, including failure to timely deliver in good condition and, if a bin or roll-off box, empty of MSW or Recyclable Materials or any other necessary equipment, materials or supplies; failure to provide adequate personnel to dispatch, collect, transport or respond to City's requests for services specific to the clean up event; failure to cooperate with City's traffic control plan(s); failure to clean up any litter generated by MarBorg's personnel at any site utilized by City for event:	\$350
Collection Quality	
(a) (i) For each occurrence of damage to private property which exceeds five (5) such occurrences annually:	\$350
(ii) Failure to repair damage to Customer property caused by MarBorg or its personnel.	\$700
(b) For each failure to properly return any empty container to avoid pedestrian or vehicular traffic impediments or to place any can in an upright position with lid securely fastened (if lid is present), in excess of five (5) such	\$210

occurrences annually:	
(c) For each occurrence of discourteous behavior to a Customer:	\$350
(d) For each occurrence of excessive noise:	\$350
(e) For each failure to clean up MSW or Recyclable Materials spilled from containers, in excess of five (5) such failures annually:	\$210
(f) For each occurrence of collecting MSW or Recyclable Materials during unauthorized hours, in excess of five (5) such occurrences annually:	\$700
(g) For each occurrence of mixing or adding uncontaminated Greenwaste to MSW and avoiding diversion and/or subsequent separate collection of Greenwaste:	\$280
(h) For each failure to conform to the requirements of Sections 5.02.E.2, Cleaning; 5.02.E.3, Painting; 5.02.E.4, Maintenance; 5.02.F, Operation; Section 6 of Exhibit 7, Cleaning, Painting and Maintenance of MarBorg-Furnished Containers; 5.03.D, Compactors; 5.04.B, Driver Qualifications; and 5.04.C, Uniforms, which exceed in any one or a combination of categories above five (5) such occurrences annually:	\$210
(i) For each incident of commingling trash with Source Separated Greenwaste or other Source Separated recyclable materials:	\$350
Responsiveness to Customer	
(a) For each failure to initially respond to a Customer complaint within twenty four (24) hours:	\$150
(b) For each failure to conform to the requirements of Article 6:	\$350
(c) For each failure to weekly comply with Section 6.04.D, that is, for each percentage or a portion thereof in excess of the ninety percent (90%) minimum standard for answering incoming calls before the fourth (4th) ring, or for each percentage or a portion thereof in excess of ten percent	\$350

(10%) of callers required to wait on hold for more than thirty (30) seconds before being connected to a customer service representative, or for each percentage point or a portion thereof in excess of three percent (3%) that callers, on average as calculated weekly, receive a telephone busy signal:	
(d) Failure to deliver or exchange Cans, Carts, Bins, or other Containers within the time required. (new)	\$150
(e) Failure to repair or replace damaged Cans, Carts, Bins, or other Containers within the time required. (new)	\$150
(f) Failure to timely install locks on Bins. (new)	\$150
(g) Failure to properly cover materials in Collection vehicles.	\$350
(h) Failure to provide a Spanish speaking Customer Service Representative.	\$150
Submissions to City	
(a) Timeliness; Any report shall be considered late until such time as a correct and complete report is received by City. For each calendar day a report is late, the daily liquidated damage amount shall be:	\$350
(b) Failure to provide information requested by the City pursuant to the agreement, including but not limited to information necessary to ensure the smooth transfer of operations to a new hauler upon termination or transfer of the franchise agreement, within XX days. For each calendar day a report is late, the daily liquidated damage amount shall be:	\$350
Other Failure to perform	
(a) Failure to deliver any Collected materials to City-approved Disposal Facility, Recyclables Processing Facility, C&D Facility, Composting Facility, or Green Waste Processing Facility, as appropriate, not including direct transfer of materials at an intermediate transfer point pending transport to the City-approved facility, or as otherwise expressly provided in this Agreement.	\$5,000.00 first failure. \$25,000.00 each subsequent failure.
(b) Failure to meet the minimum	Shortfall in cumulative diversion

diversion requirements (1% per year increase citywide) for any compliance year.	requirement for the year: \$50,000 per 0.5% shortfall or part thereof.
(c) Failure to meet the incremental diversion subscription requirement for AB 341 Customers in any compliance year.	Shortfall in cumulative subscription requirement: \$20,000 per 5% shortfall or part thereof.
(d) Failure to obtain any written approval, consent or approval of City or to notify City when required under the Agreement.	\$210
(e) Failure to cure non-compliance with the provisions of this Agreement in the manner and time set forth in this Agreement.	\$210
(i) For each incident of commingling trash with Source Separated Greenwaste or other Source Separated recyclable materials:	\$350

EXHIBIT FOURTEEN
PURCHASE AGREEMENT

PURCHASE AND SALE AGREEMENT FOR THE MARBORG RECYCLING FACILITY

Recitals
Section 1. Purchase and Sale
Section 2. Purchase Price
Section 3. Review of Property
Section 4. Title
Section 5. Damage, Destruction, and Condemnation
Section 6. Escrow
Section 7. Closing
Section 8. Other Terms Until Escrow Closes
Section 9. Liquidated Damages
Section 10. Solid Waste Facility License
Section 11. Seller's Warranties
Section 12. Indemnification
Section 13. Brokers
Section 14. Assignment; Successors and Assigns
Section 15. Notices
Section 16. Entire Agreement
Section 17. Time of the Essence
Section 18. Survival
Section 19. Counterparts
Section 20. Severability
Section 21. Waivers
Section 22. Construction
Section 23. Governing Law
Exhibit A. Legal Description

This Purchase and Sale Agreement ("**Agreement**") is entered as of _____ between **ASTI Holding Company, LLC. ("Seller")**, and **City of Santa Barbara ("Purchaser")**.

Recitals

- A. Seller is the owner of real property more commonly known as 119 East Quarantina Street City of Santa Barbara, California, Assessor's Parcel Number 017-030-006 and 017-030-007 and more particularly described in attached Exhibits A and B, incorporated in this Agreement("Real Property"), together with the structures, buildings and related improvements upon the Real Property (collectively, "Improvements").
- B. The Real Property is finished and equipped with furniture, fixtures, equipment, scales, waste sorting equipment and magnets (collectively, "FFE") to conduct recycling operations for all types of recyclables.
- C. Seller owns the Real Property, the FFE and the operating supplies. The owned FFE, the operating supplies, and all other tangible personal property are collectively called the "Personal Property."
- D. Seller also holds a solid waste facility permit from the State of California (specifically the California Integrated Waste Management Board) for the operation of the Recycling Facility and particularly the right to receive and process recycled materials and solid waste (hereinafter "Solid Waste Facility Permit").
- E. Any goodwill and other intangible assets of the business of operating the Real Property as a recycling center (commonly known as the "MarBorg Recycling Facility") are collectively called the "Intangible Property."
- F. The Real Property, the Personal Property, the Solid Waste Facility Permit and the Intangible Property are collectively referred to as the "Property." The recycling operation and business of the Property is commonly called the "MarBorg Recycling Facility."
- G. The Property is subject to sale by Seller to Purchaser upon the fulfillment of certain conditions set forth in amended City Agreement 20,433, otherwise known as the Solid Waste Collection and Disposal Agreement Between the City of Santa Barbara and MarBorg Industries, Inc. ("Franchise Agreement), and such conditions have been satisfied and Purchaser wishes to purchase Property.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

Section 1
Purchase and Sale.

1. Seller acknowledges and agrees that MarBorg Industries, Inc. has made true and correct representations on behalf of Seller in the Franchise Agreement and Seller agrees to be bound by the terms and conditions of the Franchise Agreement that apply to the sale of the Property.
2. Subject to all of the terms, covenants, and conditions of this Agreement, Seller agrees to sell and Purchaser agrees to purchase and assume certain liabilities and obligations in connection with, all right, title, and interest of Seller in and to the Property.

Section 2
Purchase Price.

The purchase price for the Property shall be determined as provided for in the Franchise Agreement between the Seller and Purchaser ("Purchase Price") and shall be payable in immediately available funds, subject to adjustments as provided in this document.

1. On or before the execution of this Agreement, Purchaser shall deposit with an escrow agent chosen by the City ("Escrow Holder") one percent of the Purchase Price ("Deposit").
2. On or before the Closing, as defined below, Purchaser shall deposit the balance of the Purchase Price with Escrow Holder by federal wire transfer.

Section 3
Review of Property.

Upon execution of this Agreement, Seller shall:

1. Deliver to Purchaser true and accurate copies, signed by Seller, of monthly operating statements for the Property for the year to date and for the most recently completed prior year and annual operating statements for three (3) years prior to the current year. These statements, shall include, in addition to all current income and expense items, itemization of all capital expenditures made during the respective periods, and delinquent accounts.
2. Provide Purchaser with access to the Property to inspect every part of the Property to determine its present condition.
3. Deliver to Purchaser copies of surveys, tax bills, as-built mechanical, electrical, and structural plans and specifications, and applicable flood plain maps, to the extent

available; leases and insurance policies of Seller; contractor and vendor warranties, a list of personal property used in connection with the operation of the Property, any ground lease, all notes, deeds of trust or other mortgage documents, a copy of any notice of any statutory or code violation pertaining to the Property received by Seller in the previous five (5) years and any documents pertaining to the resolution, evidence or satisfaction of all governmental requirements with respect to the use, operation or transfer of the Property, including without limitation, building permits, certificates of occupancy, and all other contracts or other documents of material importance to the Property or the operation of the Property.

4. Provide Purchaser with a recent report of an engineer's inspection of the structural aspects and mechanical systems of the improvements located on the Property. If no report is available, Purchaser shall order a report, the cost of which shall be borne by Purchaser if the purchase closes in accordance with this Agreement, or one-half (1/2) by each party if the purchase does not close in accordance with this Agreement.
5. Purchaser shall have forty-five (45) business days after receipt of all of the items listed in Section 3 ("Approval Period") to approve of the condition of the Property in Purchaser's sole discretion. If Purchaser approves the condition of the Property, Purchaser shall notify Seller prior to the expiration of the Approval Period. If Purchaser notifies Seller that Purchaser does not approve of the condition of the Property, this Agreement shall terminate without liability on the part of Seller or Purchaser; the Deposit, together with any accrued interest, shall be returned to Purchaser, and neither Seller nor Purchaser shall have any further obligations under this Agreement.

Section 4 **Title.**

1. Upon execution of this Agreement, Seller shall order and promptly deliver to Purchaser a preliminary report on the Property from a title insurance company approved by Purchaser ("Preliminary Report"), copies of all documents relating to title exceptions referred to in the Preliminary Report, and a current American Land Title Association ("ALTA") survey in a form satisfactory to Purchaser, certified to Purchaser ("Survey"). After receiving the Preliminary Report, the documents and the Survey, Purchaser shall have forty-five (45) days within which to notify Seller in writing of any objection Purchaser may have to any of the exceptions reported in the Preliminary Report or any matter shown on the Survey. Seller shall endeavor to cure any title or survey defect objected to by Purchaser in a manner satisfactory to Purchaser. If, prior to Closing, Seller is unable to remove any exceptions to title or survey matters objected to, and Purchaser is unwilling to take title, Purchaser may terminate this Agreement. However, if the title exceptions or survey matters to which Purchaser objects are not removed by the date of the Closing, Purchaser may elect to discharge any unpermitted liens, encumbrances, or restrictions that can be discharged by the payment of money and to deduct from the Purchase Price the amount necessary to do so. If Purchaser elects to terminate this Agreement pursuant to this section, Escrow Holder shall immediately return the Deposit, together with all accrued

interest to Purchaser, and neither party shall have any further duties under this Agreement.

2. At the Closing, the title insurance company shall issue an ALTA Owner's Policy of Title Insurance ("Title Policy") in the amount of the Purchase Price to Purchaser subject only to the lien of taxes not yet due and payable and any other title exceptions not objected to by Purchaser pursuant to Section 4(a) ("Permitted Exceptions"). In addition, the Title Policy shall contain an affirmative endorsement insuring Purchaser that there are no violations of any restrictive covenants, if any, affecting the Property, a zoning endorsement as to completed structures, and any other endorsements that may be reasonable required by Purchaser. The Title Policy shall also provide for reinsurance with direct access rights with any companies and in the amounts as Purchaser shall reasonably request.

Section 5 **Damage, Destruction, and Condemnation.**

If the improvements on the Property are destroyed or materially damaged or if condemnation proceedings are commenced against the Property between the date of this Agreement and the Closing, Purchaser may terminate this Agreement. If Purchaser, however, elects to accept the Property, all proceeds of insurance or condemnation awards payable to Seller by reason of the destruction, damage, or condemnation shall be paid or assigned to Purchaser; Seller shall also pay to Purchaser the amount of any deductible and coinsurance under any policy. In the event of nonmaterial damage to the Property, which damage Seller is unwilling to repair prior to Closing, Purchaser shall have the right either to terminate this Agreement or accept the Property in its then existing condition, in which case Purchaser shall be entitled to a reduction in the Purchase Price to the extent of the cost of repairing the damage. If Purchaser elects to terminate this Agreement pursuant to this Section, Escrow Holder shall immediately return the Deposit, together with all accrued interest, to Purchaser and neither party shall have any further duties or responsibilities under this agreement.

Section 6 **Escrow.**

To accomplish the sale and transfer of the Property, the parties shall establish an escrow ("Escrow") with Escrow Holder. Each party shall execute instructions to Escrow Holder as are consistent with this Agreement at least forty-five days prior to Closing.

Section 7 **Closing.**

1. The purchase and sale contemplated in this Agreement shall close ("Closing") at the office of the Escrow Holder no later than ninety days after execution of this Purchase Agreement by delivery to Purchaser of a grant deed in a form satisfactory to Purchaser and payment of the Purchase Price to Seller. As part of the Closing, Seller shall deliver to Purchaser a bill of sale itemizing and conveying to Purchaser free and clear of all

encumbrances title to personal property used in connection with the operation of the Property; an assignment of leases; an assignment of any other contracts, warranties, or rights relating to the Property;; all in form and substance reasonably satisfactory to Purchaser.

2. On the date of the Closing, possession of the Property shall be delivered to Purchaser, and Seller shall deliver to Purchaser the originals of all leases and documents delivered under Section 3(c) and any supplies, advertising materials, booklets, keys or other items used in connection with operation of the Property.
3. Real property taxes, rental, and other income, and operating or other expenses of the Property shall be prorated as of the date of Closing, and any assessments shall be paid by Seller or, at the option of Purchaser, deducted from the Purchase Price for the Property. On or before the date of Closing, Seller shall have paid all leasing commissions and tenant improvement costs in connection with any lease in effect at Closing (whether or not the commissions or costs may be accrued) and shall pay any accrued vacation pay and benefits of any employees. Seller shall also give Purchaser a credit against the Purchase Price for all security deposits held pursuant to the leases and all interest due on the security deposits. Seller shall not be entitled to credit for delinquent rents at the Closing; provided that Purchaser agrees to pay delinquent rents to Seller promptly upon receipt after first applying amounts received from tenants to current rent charges. All title, escrow, sales and transfer taxes, and recording fees shall be paid by Seller.
4. Purchaser's obligation to proceed to Closing shall be conditioned upon Seller's performance of all of obligations in this Agreement, provided that Purchaser may in Purchaser's sole discretion elect to waive failure by Seller to perform any particular obligation and proceed to Closing.

Section 8 **Other Terms Until Escrow Closes.**

Seller shall maintain the Property in a condition at least as good as existed at the time of Purchaser's inspection under Section 3, shall not deplete the supplies of the property, shall not without first obtaining the written consent of Purchaser enter into any contracts or agreements *relating to the construction or ownership or leasing of the Property* (unless the contracts or agreements shall terminate prior to Closing). Seller shall operate the Recycling Facility in substantially the manner in which it is being operated on the date of this Agreement, unless interrupted by fire or other casualty, or by any other reason beyond control of Seller.

Section 9
Liquidated Damages.

IF PURCHASER BREACHES ANY OF ITS OBLIGATIONS HEREUNDER AND FAILS TO CURE SUCH BREACH WITHIN TEN (10) DAYS AFTER RECEIPT OF WRITTEN NOTICE ("DEMANDED NOTICE") FROM SELLER IDENTIFYING THE BREACH, REQUESTING ITS CURE AND SPECIFICALLY STATING SELLER'S INTENTION TO EXERCISE ITS RIGHT TO RECEIVE LIQUIDATED DAMAGES HEREUNDER IF THE BREACH IS NOT TIMELY CURED, AND IF, AS A RESULT OF SUCH BREACH, CLOSING FAILS TO OCCUR ON OR BEFORE THE SCHEDULED CLOSE OF ESCROW (OR, IF THE DEMAND NOTICE FROM SELLER IS RECEIVED BY PURCHASER LESS THAN TEN (10) DAYS PRIOR TO THE SCHEDULED CLOSE OF ESCROW, THEN ON OR BEFORE THE TENTH (10TH) DAY FOLLOWING PURCHASER'S RECEIPT OF THE DEMAND NOTICE), UPON PURCHASER'S RECEIPT OF SELLER'S WRITTEN NOTICE OF TERMINATION ("TERMINATION NOTICE"), THIS AGREEMENT SHALL TERMINATE AND, PROVIDED SELLER IS NOT ALSO THEN IN DEFAULT UNDER THIS AGREEMENT (SO AS TO PERMIT PURCHASER TO TERMINATE THIS AGREEMENT AND RECOVER THE DEPOSIT), SELLER SHALL BE ENTITLED, AS ITS SOLE AND EXCLUSIVE REMEDY FOR SUCH BREACH, TO RECEIVE THE DEPOSIT (INCLUDING ANY INTEREST ACCRUED THEREON) AS LIQUIDATED DAMAGES. THE PARTIES ACKNOWLEDGE AND AGREE THAT SELLER'S DAMAGES IN THE EVENT OF SUCH A BREACH AND FAILURE TO CLOSE WILL BE UNCERTAIN AND EXTREMELY DIFFICULT AND IMPRACTICAL TO ASCERTAIN, ESPECIALLY IN VIEW OF THE LIMITED LOCAL RECYCLABLES AND SOLID WASTE MARKET AND THE LOSS OF PROSPECTIVE PURCHASERS; AND THE PARTIES HAVE NEGOTIATED THE AMOUNT OF LIQUIDATED DAMAGES, AND IT REPRESENTS A REASONABLE ESTIMATE OF SELLER'S DAMAGES CONSIDERING ALL OF THE CIRCUMSTANCES EXISTING ON THE DATE OF EXECUTION OF THIS AGREEMENT.

Section 10
Solid Waste Facility License.

The transfer of the Solid Waste Facility Permit shall be conducted in accordance with the requirements of Public Resources Code Section 44005. Upon execution of this Agreement, Seller shall comply with Section 44005 and immediately provide written notification the California Integrated Waste Management Board and any necessary enforcement agency ("Approval Authorities") of the Recycling Facility's pending sale. Seller shall cooperate with the California Integrated Waste Management Board or enforcement agency and provide any

information necessary for the transfer of the Solid Waste Facility Permit. If the Approval Authorities do not approve the transfer of the Solid Waste Facility Permit to Purchaser, then this Agreement may be terminated by Purchaser with the same effect as if terminated under Section 5.

Section 11

Seller's Warranties

Seller warrants and represents that to the best of Seller's knowledge to Purchaser that as of the date of this Agreement and as of the Closing:

1. That there are no physical, structural, or mechanical defects or violations of any laws or regulations applicable to the Property.
2. That the documents delivered to Purchaser pursuant to Section 3 will be all of the relevant documents pertaining to the condition and operation of the Property, will be true copies, and will be in full force, without default by any party and without any right of offset, except as disclosed in writing at the time of delivery.
3. That there are not pending any special assessments or condemnation actions with respect to the Property or any part of the Property, nor has Seller any knowledge of any special assessments or condemnation actions being contemplated.
4. That all water, sewer, gas electric, telephone, and drainage facilities and all other utilities required by law and by the normal operation of the Property are installed across public property or valid easements to the property lines of the Property, are all connected with valid permits, and are adequate to service the property and to permit full compliance with all requirements of law.
5. That Seller has obtained all licenses, permits, easements, and rights-of-way, including proof of dedication, required from all governmental authorities having jurisdiction over the Property or from private parties to permit the present use of the Property and to insure vehicular and pedestrian ingress and egress to the Property from public roads at all access points currently being used.
6. That this Agreement has been, and all the documents to be delivered by Seller to Purchaser at Closing shall be, duly authorized, executed, and delivered by Seller, are or shall be legal and binding obligations of Seller, shall be sufficient to convey title, are or shall be enforceable in accordance with their respective terms, and do not and shall not at Closing violate any provisions of any agreement to which Seller is a party. Seller shall provide Purchaser a certified copy of Seller's articles of organization and any amendments and by-laws, a certificate of Seller's status from the California Secretary of State and a certified resolution of the Seller authorizing the sale of the Property.
7. That Seller knows of no facts nor has Seller misrepresented any fact which would prevent Purchaser from operating the Property after Closing in the manner in which the Property is currently being used and operated.

8. That at the Closing there shall be no outstanding contracts made by Seller for any improvements to the Property that have not been fully paid for and that Seller shall cause to be discharged all mechanics' and materialmen's liens arising from any labor or materials furnished prior to Closing which pertain to the Property.
9. That Seller is not a "foreign person" within the meaning of section 1445(f)(3) of the Internal Revenue Code of 1954, as amended, and that Seller shall furnish to Purchaser, prior to Closing, an affidavit in a form satisfactory to Purchaser confirming the same.
10. No Hazardous Substances:
11. There are no buried or partially buried storage tanks on the Property.
12. Seller has received no notice, warning, notice of violation, administrative complaint, judicial complaint, or other formal or informal notice alleging that conditions on the Property are or have been in violation of any Environmental Law, or informing Seller that the Property is subject to investigation or inquiry regarding Hazardous Substances on the Property or the potential violation of any Environmental Law.
13. There is no monitoring program required by the Environmental Protection Agency ("EPA") or any similar state agency concerning the Property.
14. Seller has disclosed to Purchaser all information, records, and studies maintained by Seller in connection with the Property concerning Hazardous Substances.

As used in this Agreement, "Environmental Laws" means all federal, state, local, or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or requirements of any government authority regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance (as defined subsequently in this Agreement), or pertaining to occupational health or industrial hygiene (and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Property), occupational or environmental conditions on, under, or about the Property, as now in effect, including without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") [42 USCS §§ 9601 et seq.]; the Resource Conservation and Recovery Act of 1976 ("RCRA") [42 USCS §§ 6901 et seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act ("FWPCA") [33 USCS §§ 1251 et seq.]; the Toxic Substances Control Act ("TSCA") [15 USCS §§ 2601 et seq.]; the Hazardous Materials Transportation Act ("HMTA") [49 USCS §§ 1801 et seq.]; the Insecticide, Fungicide, Rodenticide Act [7 USCS §§ 136 et seq.]; the Superfund Amendments and Reauthorization Act [42 USCS §§ 6901 et seq.]; the Clean Air Act [42 USCS §§ 7401 et seq.]; the Safe Drinking Water Act [42 USCS §§ 300f et seq.]; the Solid Waste Disposal Act [42 USCS §§ 6901 et seq.]; the Surface Mining Control and Reclamation Act [30 USCS §§ 1201 et seq.]; the Emergency Planning and Community Right to Know Act [42 USCS §§ 11001 et seq.]; the Occupational Safety and Health Act [29 USCS §§ 655 and 657]; the California Underground Storage of Hazardous Substances Act [H & S C §§ 25280 et seq.]; the California Hazardous Substances Account Act [H & S C §§ 25300 et seq.]; the California Hazardous Waste Control Act [H & S C §§ 25100 et seq.]; the California Safe Drinking Water and Toxic Enforcement Act [H & S C §§ 24249.5 et seq.]; the Porter-Cologne Water Quality Act [Wat C §§ 13000 et seq.] together with any amendments of or regulations promulgated under the statutes cited above and any other

federal, state, or local law, statute, ordinance, or regulation now in effect that pertains to occupational health or industrial hygiene, and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Property, or the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.

As used in this Agreement, "Hazardous Substances" includes, without limitation:

- a) Those substances included within the definitions of "hazardous substance," "hazardous waste," "hazardous material," "toxic substance," "solid waste," or "pollutant or contaminant" in CERCLA, RCRA, TSCA, HMTA, or under any other Environmental Law;
- b) Those substances listed in the United States Department of Transportation (DOT) Table [49 CFR 172.101], or by the Environmental Protection Agency (EPA), or any successor agency, as hazardous substances [40 CFR Part 302];
- c) Other substances, materials, and wastes that are or become regulated or classified as hazardous or toxic under federal, state, or local laws or regulations; and
- d) Any material, waste, or substance that is
 - 1. a petroleum or refined petroleum product,
 - 2. asbestos,
 - 3. polychlorinated biphenyl,
 - 4. designated as a hazardous substance pursuant to 33 USCS § 1321 or listed pursuant to 33 USCS § 1317,
 - 5. a flammable explosive, or
 - 6. a radioactive material.

The continued accuracy in all respects of Seller's representations and warranties shall be a condition precedent to Purchaser's obligation to close. All representations and warranties contained in this Agreement shall be deemed remade as of the date of Closing and shall survive the Closing. If any of the representations and warranties are not correct at the time made or as of the Closing, Purchaser may terminate this Agreement, obtain the return of the Deposit and all accrued interest, and there shall be no further liability on the part of Purchaser to Seller.

Section 12

Indemnification.

Seller agrees to indemnify and hold Purchaser free and harmless from any losses, damages, costs, or expenses (including attorney fees) resulting from any inaccuracy in or breach of any representation or warranty of Seller and any breach or default by Seller under any of Seller's covenants or agreements under this Agreement.

Section 13

Brokers.

Seller and Purchaser each (a) represents and warrants to the other that no broker or finder has been employed or used in connection with the transaction contemplated by this Agreement, and (b) agrees to indemnify and hold the other harmless from any losses, damages, costs, or expenses (including attorney fees) incurred by the other party due to a breach of warranty by the indemnifying party.

Section 14

Assignment.

Neither party may assign its interest in this Agreement without the consent of the other. Upon any assignment, the assignor shall remain additionally liable for the performance of its obligations under this Agreement.

Section 15

Notices.

All notices to be given under this Agreement shall be in writing and sent by (a) certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, (b) a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with the courier, or (c) telecopy or similar means if a copy of the notice is also sent by United States Certified Mail, in which case notice shall be deemed delivered on transmittal by telecopier or by other similar means, provided that a transmission report is generated by reflecting the accurate transmission of the notices ,as follows:

[City of Santa Barbara, Director of Public Works, address, fax]
[ASTI Holding Company, names, address, fax].

Section 16

Entire Agreement.

This Agreement can be amended only in writing and supersedes any agreements between the parties regarding the Property which are prior in time to this Agreement but is subordinate to the Franchise Agreement as of the date amended and this agreement is subordinate here to incorporate by reference.

Section 17
Time is of the Essence.

Time is of the essence in this agreement.

Section 18
Survival.

The obligations, representations, and warranties, and the remedies for breach of obligations, representations, and warranties, in this Agreement shall survive the Closing.

Section 19
Counterparts.

This Agreement may be executed in one or more counterparts. Each shall be deemed an original and all, taken together, shall constitute one and the same instrument.

Section 20
Severability.

If any term or provision of this Agreement is, to any extent, held invalid or unenforceable, the remainder of this Agreement shall not be affected.

Section 21
Waivers.

No waiver or any breach of covenant or provision in this Agreement shall be deemed a waiver of any other covenant or provision in this Agreement, and no waiver shall be valid unless in writing and executed by the waiving party. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

Section 22
Construction.

Headings at the beginning of each section and subsection are solely for the convenience of the parties and are not a part of nor should they be used to interpret this Agreement. The singular form shall include plural, and vice versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless otherwise indicated, all references to sections are to this Agreement. All exhibits referred to in this Agreement are attached to it and incorporated in it by this reference.

Section 23
Governing Law.

This Agreement shall be governed and construed in accordance with California law.

The parties have executed this Agreement as of the date first written above.

AGREED TO AND ACCEPTED:

[Signatures, addresses, and capacity of parties and their agents to be inserted at time this Agreement is executed.]

EXHIBIT FIFTEEN
LIST OF SHAREHOLDERS

Anthony Boragtello	15%
Brian Borgatello	15%
Mario A. Borgatello	25%
David J. Borgatello	30%
Kathy Borgatello-Koeper	15%

EXHIBIT SIXTEEN
RIGHT OF FIRST REFUSAL AGREEMENT

This Right of First Refusal Agreement ("Agreement") is made as of this ___ day of ___, 2013, by and among ASTI Holding Company, LLC, a California Limited Liability Company and MarBorg Industries, a California Corporation, on the one hand (hereinafter sometime referred to collectively as "Grantor") and the City of Santa Barbara, a Body Politic, on the other hand, (hereinafter referred to as "Grantee").

Recitals

- A. WHEREAS, Grantor ASTI Holding Company is the owner of that certain real property located at 119 N. Quarantina Street in the City of Santa Barbara, State of California, commonly known as APNs 017-030-006 and 017-030-007, and more particularly described in the legal descriptions attached hereto, marker Exhibits "A" and "B," respectively, incorporated herein by reference; and
- B. WHEREAS, Grantor ASTI Holding Company leases the aforesaid real property to Grantor MarBorg Industries; and
- C. WHEREAS, Grantor MarBorg Industries owns the building and improvements situated on the aforesaid real property and a certain C & D Recycling and Transfer Station operated thereon; and
- D. WHEREAS, the aforesaid real property, building, improvements, and the C & D Recycling and Transfer Station operated thereon are hereinafter collectively referred to as the "Property;" and
- E. WHEREAS, Grantor desired to grant to Grantee and Grantee desires to obtain from Grantor a right of first refusal to purchase the Property on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Right of First Refusal.

- a) Grantor grants Grantee a right of first refusal with respect to any proposed sale of or transfer of the Property. Should Grantor receive a bonafide offer from a third party (the "Original Offeror") to purchase the Property, Grantor shall, in writing, so notify Grantee by transmitting a copy of such offer to Grantee, together with a letter stating Grantor's intention to sell, which will constitute the offer to sell the Property to Grantee, ("First Offer").
- b) Grantee shall have fifteen (15) days from the date of the First Offer to accept the First Offer ("Acceptance Period") by delivering to Grantor the acceptance on or before

5:00 p.m. on the last day of the Acceptance Period. If Grantee fails to accept the First Offer on or before the last day of the Acceptance Period, the First Offer shall be deemed to be rejected.

- c) If Grantee responds to the First Offer with anything other than an unequivocal, unconditional acceptance or rejection, the right of first refusal shall terminate and the response shall be deemed an offer to purchase the Property on the terms and conditions in the response ("Counter Offer"). Grantor shall be entitled to accept or reject the Counter Offer at Grantor's sole discretion. If the counter Offer is rejected, Grantor shall have no further obligations under this Agreement.
- d) If Grantee accepts the First Offer, Grantee shall have sixty (60) days following acceptance of the First Offer ("Closing Period") to consummate the purchase of the Property pursuant to the terms and conditions of the First Offer. If Grantee fails to consummate the purchase of the Property within the Closing Period, any earnest money paid by Grantee pursuant to the acceptance shall be paid to Grantor as Grantor's liquidated damages, and the agreement to purchase the Property together with this Agreement shall be terminated. After that termination, Grantor shall be free to enter into an agreement concerning the sale of Property with any third party on whatever terms Grantor may choose without further obligation under this Agreement.
- e) If within thirty (30) days after Grantee rejects the First Offer, Grantor enters into negotiations with the Original Offeror or another third party and is otherwise willing to enter into an agreement with that party on terms substantially less favorable to Grantor than those contained in the First Offer, then Grantor shall offer to sell the Property to Grantee on those new terms by giving Grantee written notice ("Second Offer"). Grantee shall have fifteen (15) business days from receipt of the Second Offer to accept the new terms. If Grantee fails to accept the new terms or rejects the new terms in writing, Grantor shall be free to consummate the transaction with the original Offeror or such other third party without any liability to Grantee. If Grantee accepts the new terms, then Grantee shall immediately consummate the transaction with Grantor on the terms and conditions specified in the Second Offer. The consummation shall be the later time specified for consummation in the Second Offer or sixty (60) days following the date of the Second Offer.

2. Consideration.

The consideration for this Agreement is Grantee's entry into that certain Amended and Restated Solid Waste Collection and Disposal Contract between the City of Santa Barbara and MarBorg Industries for Santa Barbara Zone Two MSW Collection Area (the "Amended and Restated Disposal Contract"), a copy of which is attached hereto, marked exhibit "C" and incorporated herein by reference.

3. Term.

Grantee's right of first refusal shall commence on the effective date of the Amended and Restated Disposal Contract ("Commencement Date") and shall continue throughout the term and any extended term of said Amended and Restated Disposal Contract and for a period of five (5) years following the expiration of said Amended and Restated Disposal Contract and any extensions thereto, unless terminated sooner in accordance with the terms of this Agreement.

4. Termination.

This Agreement shall automatically terminate on the first of the following events to occur:

- a) Grantee, in contravention of this Agreement, assigns or attempts to assign Grantee's rights under this Agreement;
- b) Grantee rejects a First Offer or a Second Offer and Grantor subsequently consummates a sale of the Property to a third party pursuant to the terms of the First Offer or Second Offer;
- c) The expiration of the term, as it may be extended; or
- d) The purchase of the Property by Grantee.

5. Litigation Costs.

If any legal action or any other proceeding, including an arbitration or action for declaratory relief, is brought for any enforcement of this Agreement or because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover reasonable attorney fees and other costs incurred in that action or proceeding, in addition to any other relief to which the prevailing party may be entitled. "prevailing party" shall include without limitation (i) a party dismissing an action in exchange for sums allegedly due; (ii) a party receiving performance from the other party of an alleged breach of covenant or a desired remedy where the performance is substantially equal to the relief sought in an action; or (iii) the prevailing party as determined by a court of law.

6. Assignment.

Grantee's rights and obligations under this Agreement shall not be assigned without Grantor's prior written consent, and any assignment without consent shall be void.

7. Successors and Assigns.

Subject to the restrictions on assignment, this Agreement shall inure to the benefits of and be binding on the parties and their respective successors, heirs, and assigns.

8. Notices.

All notices required or permitted to be given under this Agreement shall be in writing and mailed, postage prepaid, by certified or registered mail, return receipt requested, or by personal delivery, to the address indicated below or at other places that Grantor or Grantee may, from time to time, designate by written notice given to the other. The address change shall not be effective until ten (10) days after notice of the change. Notices shall be deemed sufficiently served two (2) days after the date of mailing or upon personal delivery, [Insert names and addresses of grantor and grantee and their counsel upon whom notice is to be served.]

9. Counterpart or Duplicate Copies.

This Agreement may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

10. Time of Essence.

Time is of the essence in this Agreement

11. Memorandum for Recordation

A memorandum of this Agreement may be recorded at Grantee's option, and Grantor, at the request of Grantee, shall deliver to Grantee a signed and acknowledged memorandum in the form of attached Exhibit B.

12. Quitclaim Deed.

Concurrent with the execution of this Agreement, Grantee shall deliver to Grantor a signed and acknowledged quitclaim deed in the form of attached Exhibit C. Grantor may record the quitclaim deed following the termination of the Agreement. If Grantee purchases the Property, Grantor shall return the quitclaim deed to the Grantee at the consummation of the purchase.

13. Exhibits.

All Exhibits and any others referred to in this Agreement are incorporated in the Agreement by reference.

14. Captions.

Captions and headings in the Agreement, including the title of this Agreement, are for convenience only and are not to be considered in construing this Agreement

15. Entire Agreement.

This Agreement and the Exhibits contain the entire agreement of the parties and supersede and prior agreements or understandings of the parties, whether written or oral, regarding the subject matter of this Agreement.

16. Modification and Amendment.

This Agreement may not be modified or amended except in writing signed by Grantor and Grantee.

17. Governing Law.

This Agreement shall be governed by California law.
The parties have executed this Agreement as of the date first written above.

ASTI Holding Company, LLC,
A California Limited Liability Company

By: _____
Mario A. Borgatello,
A Manager

By: _____
Judith Borgatello,
A Manager

By: _____
David J. Borgatello,
A Manager

By: _____
Louis Borgatello,
A Manager

“GRANTOR”

MarBorg Industries, a California Corporation

By: _____
Mario A. Borgatello,
President

By: _____
David J. Borgatello,
Vice President

“GRANTOR”

The City of Santa Barbara,
a Body Politic

By: _____

By: _____

“GRANTEE”

EXHIBIT SEVENTEEN

LIVING WAGE CERTIFICATION

Official notification to: MARBORG INDUSTRIES
P.O. Box 4127
Santa Barbara, CA 93140

The service contract that is pending between your company and the City of Santa Barbara is subject to the City of Santa Barbara Living Wage Ordinance, SBMC Chapter 9.128 (hereinafter referred to as "the Ordinance"). Pursuant to this ordinance, you are hereby notified that your company is required to demonstrate compliance by **completing and returning the attached compliance statement. This statement must be completed and returned before contract commencement.** You may fax the compliance statement to: either the requesting department or to the City of Santa Barbara Finance Department (Purchasing) at (805) 897-1977.

Please Note: Current living wage rates will apply to all subsequent contracts and amendments during the remainder of the current fiscal year ending June 30, 2013.

The City of Santa Barbara Living Wage Ordinance was adopted on April 4, 2006 (Ordinance number 5384). All capitalized terms used herein are used as defined in the Ordinance. The Ordinance requires that persons directly working on City of Santa Barbara contracts, for services specified in the ordinance, are to be paid a living wage while working on the City of Santa Barbara contract. The Ordinance only applies to those persons directly providing services to the City and does not apply to administrative or support staff employees of a Service Contract, such as administrators, payroll, personnel, or similar employees. The Ordinance also does not apply to employees who are Handicapped, Apprentices, Learners, or Student Interns, who are otherwise part of an employer's training program as those terms are defined in the Ordinance. The Ordinance also states that employees have the right to expressly negotiate and agree to wage and benefit levels different than those required by the Ordinance.

The Ordinance requires that employees working for your firm on this contract be notified that the City of Santa Barbara Living Wage Ordinance applies to them. As part of compliance for this contract, you are required to notify affected employees.

Effective from July 1, 2012, through June 30, 2013, the current rate for minimum compensation to employees is:

1. If benefits are not provided to an Employee, a wage of no less than \$16.08 per hour.
2. If Basic Medical Insurance (no cost) and Compensated Holidays are provided to the Employee, a wage of no less than \$13.79 per hour.
3. If Supplemental Employee Benefits are provided to the Employee, a wage of no less than \$12.64 per hour.

(All capitalized terms used herein are used as defined in the Ordinance, SBMC Chapter 9.128)

Also be advised that the City may request any or all certified payrolls associated with this contract, however, any such request will be made to your firm in writing and provide fourteen calendar days to respond. The City may also conduct on-site audits to verify compliance. These audits may include, but are not limited to, employee interviews.

Direct questions regarding this Ordinance to General Services Manager, City of Santa Barbara Finance Department, P.O. Box 1990, Santa Barbara, CA 93102.

1. * Select A, B, C, or D below.

- ☐ A. The Living Wage Ordinance does not apply to this contract because:
- ☐ **Exemption for Handicapped Individuals and Apprentices.** For the purposes of this form, an employee shall not include a "handicapped employee" employed pursuant to a special license issued under Sections 1191 and 1191.5 of the state Labor Code or an "apprentice" or "learner" employed pursuant to a special license issued under Section 1192 of the state Labor Code.
 - ☐ **Exemption for Student Interns.** For the purposes of this form, an employee shall also not include a student intern which shall be defined as a person receiving educational or school credit at a duly licensed and accredited school or educational institution as part of or in connection with his or her employment or service with the City Service Contractor.
 - ☐ Public Entity
 - ☐ Non-profit exemption.
 - ☐ Workers are part of a bona fide collective bargaining agreement.
 - ☐ Persons employed are defined as executive or professional as used in the federal Fair Labors Standards Act of 1938 (29 USC Section 201 et. seq.).
 - ☐ Including this agreement, the amount awarded by the City to your firm through one or more agreements is less than seventeen thousand & two hundred & thirty-four dollars (\$17,234) when calculated on a City fiscal year basis (July to June)
 - ☐ Services are incidental. Explain: _____

* Complete the certification portion on page 3.

- ☒ B. Employees working on City of Santa Barbara contracts receive a pay rate that meets or exceeds the City of Santa Barbara Living Wage requirement of \$16.08 per hour without benefits.

* Complete items #2, #3, #4, #5 and the certification portion on page 3.

- ☐ C. Employees working on City of Santa Barbara contracts receive a pay rate that meets the City of Santa Barbara Living Wage requirement of \$13.79 per hour with the following benefits:
1. A combined twelve days compensated leave time annually for full-time employees, and prorated leave for employees working less than full time
 2. Basic Medical Insurance Coverage for the Employee at no cost.

* Complete items #2, #3, #4, #5, #6 and the certification portion on page 3.

☐ D. Employees working on City of Santa Barbara contracts receive a pay rate that meets the City of Santa Barbara Living Wage requirement of \$12.64 per hour with all of the following benefits:

1. A combined twelve days compensated leave time annually for full-time employees, and prorated leave for employees working less than full time
2. Basic Medical Insurance Coverage for the Employee at no cost.
3. Basic Medical Insurance Coverage for the Employee's spouse, domestic partner or family.
4. One additional Supplemental Benefit as defined in the Ordinance.
 - ☐ Pension or deferred compensation retirement plan.
 - ☐ Childcare or dependent care.
 - ☐ Equivalent of ten (10) eight hour days of compensated leave over and above the compensated leave in item 1.
 - ☐ Other: _____

* Complete items #2, #3, #4, #5, #6 and the certification portion on page 3.

2. Will any subcontractors perform work on this contract? ☐ Yes ☒ No
If yes, please indicate company(s) on an additional page.
3. Will you post employee notification form in an area accessible to employees working on City of Santa Barbara contracts? ☒ Yes ☐ No
4. You may be required to provide certified payroll records, time cards, and other records any time during the contract period to demonstrate compliance. These payroll records must include the following information for each employee working on this contract: employee name, job classification, employer benefit contribution, and hourly pay under this contract.

Do you agree to provide this information within 14 calendar days when requested? ☒ Yes ☐ No

The City may also perform on site payroll audits that may include, but are not limited to, employee interviews.

5. a) Please provide the total affect that the Living Wage requirements had on your bid price (i.e., no cost affect, increase bid price by \$..., etc.)?

_____ ϕ _____

b) How many employees benefited from the living wage requirement? ϕ

c) How much did the above employees benefit in aggregate during the contract: \$ ϕ

6. The City has several insurance plans. To qualify for a lower wage tier, you must offer insurance at no cost to your employees and match one of the following plans in terms of co-pays/out-of-pocket expenses.

☐ **Aetna HMO:** No deductible, \$100 co-pay for emergency room visits, no charge for preventative care, \$25 co-pay for office visits to Primary Care Physicians/\$35 co-pay to Specialists; Prescriptions: \$20 co-pay for generics; \$30 co-pay for brand, & \$45 co-pay for non-formulary

☐ **Kaiser HMO:** No deductible, \$35 co-pay for emergency room visits, no charge for preventative care, \$10 co-pay for office visits; Prescriptions: \$5 co-pay for generics; \$15 co-pay for brand, & non-formulary is not covered

☐ **Aetna Open Access Managed Care PPO:** Deductibles: \$500/individual \$1,000/family, \$100 co-pay + 20% coinsurance for emergency room visits, no charge for preventative care, \$25 co-pay for office visits; Prescriptions: \$20 co-pay for generics; \$30 co-pay for brand, & \$45 for non-formulary

☐ **Aetna Health Reimbursement PPO:** Deductibles: \$2,000/individual \$4,000/family, 20% coinsurance for emergency room visits, no charge for preventative care, 20% coinsurance for office visits; Prescriptions: \$10 co-pay for generics; \$20 co-pay for brand, & \$35 for non-formulary

☐ **Aetna Health Savings Account PPO:** Deductibles: \$2,500/employee only coverage, \$5,000/family, 20% coinsurance for emergency room visits, no charge for preventative care, 20% coinsurance for office visits; Prescriptions: \$15 co-pay for generics; \$25 co-pay for brand, & \$40 for non-formulary

The signatory below hereby certifies, under penalty of perjury, that the forgoing information is correct:

Purchase Order or Bid Number

MARBORG INDUSTRIES
Company Name

728 E. Yanonali St. Santa Barbara, CA 93103
Company Address City, State, Zip

Elizabeth Castañeda (805) 963-1852 (805) 963-3487
Contact Name Phone number Fax number

Elizabeth Castañeda HR Manager
Name and Title (Please print) Signature

12/11/12
Date

You may fax the compliance statement to: City of Santa Barbara Finance Department (Purchasing) at (805) 897-1977.

EXHIBIT 18

INSURANCE DOCUMENTS



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/30/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Brown & Brown Insurance License # 0D04053 P.O. Box 61010 Santa Barbara, CA 93160	(805) 965-0071	CONTACT NAME: Denise Reece PHONE (A/C, No, Ext): (805) 690-2649 FAX (A/C, No): (805) 690-2749 E-MAIL: dreece@bbofcal.com ADDRESS:
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Chartis Specialty Insurance Company		
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	ADDL SUBR INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (PER ACCIDENT) \$ \$
UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y / <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E L EACH ACCIDENT \$ E L DISEASE - EA EMPLOYEE \$ E L DISEASE - POLICY LIMIT \$
Pollution Liability			CPO1370415	12/1/2012	12/1/2013	Limit of Liability 5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

: Solid Waste Collection for 1/2 of the City of Santa Barbara. Proof of Insurance

CERTIFICATE HOLDER

City of Santa Barbara
Steven McIntosh
Public Works Dept.
Santa Barbara, CA 93101-

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



CERTIFICATE OF LIABILITY INSURANCE

RORO

DATE (MM/DD/YYYY)

7/27/2011

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PRODUCER Brown & Brown Insurance P.O. Box 1469 Santa Barbara, CA 93102-1469		(805) 965-0071		CONTACT NAME: Denise Reece PHONE (A/C, No, Ext): (805) 690-2649 E-MAIL ADDRESS: dreece@bbofcal.com PRODUCER CUSTOMER ID #: MARBCOR-01		FAX (A/C, No): (805) 690-2749		
INSURED Marborg Industries MarBorg Corporation P.O. Box 4127 Santa Barbara, CA 93140				INSURER(S) AFFORDING COVERAGE INSURER A: Financial Pacific Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:				NAIC #

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	TR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS			
A	X	GENERAL LIABILITY	X		1571900	8/1/2011	8/1/2012	EACH OCCURRENCE	\$ 1,000,000		
	X	COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 50,000		
		CLAIMS-MADE						X	OCUR	MED EXP. (Any one person)	\$ 5,000
										PERSONAL & ADV INJURY	\$ 1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	\$ 2,000,000		
		POLICY	PRO-JECT	LOC				PRODUCTS - COMP/OP AGG	\$ 2,000,000		
									\$		
A	X	AUTOMOBILE LIABILITY	X		1571900	8/1/2011	8/1/2012	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000		
	X	ANY AUTO						BODILY INJURY (Per person)	\$		
		ALL OWNED AUTOS						BODILY INJURY (Per accident)	\$		
		SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident)	\$		
		HIRED AUTOS						\$			
		NON-OWNED AUTOS						\$			
A	X	UMBRELLA LIAB	X		9220101	8/1/2011	8/1/2012	EACH OCCURRENCE	\$ 5,000,000		
	X	EXCESS LIAB						AGGREGATE	\$ 5,000,000		
		DEDUCTIBLE							\$		
	X	RETENTION \$ 10,000							\$		
F		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Y/N	N/A				WC STATUTORY LIMITS	OTH-ER		
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E L EACH ACCIDENT	\$		
		If yes, describe under DESCRIPTION OF OPERATIONS below						E L DISEASE - EA EMPLOYEE	\$		
								E L DISEASE - POLICY LIMIT	\$		

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
see attached page.

CERTIFICATE HOLDER

City of Santa Barbara
Steven McIntosh
Public Works Dept.
P.O. Box 1990
Santa Barbara, CA 93101-

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF LIABILITY INSURANCE

RORO

DATE (MM/DD/YYYY)
7/27/2011

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PRODUCER Brown & Brown Insurance P.O. Box 1469 Santa Barbara, CA 93102-1469		CONTACT NAME: Denise Reece PHONE (A/C, No, Ext): (805) 690-2649 FAX (A/C, No): (805) 690-2749 E-MAIL ADDRESS: dreece@bbofcal.com PRODUCER CUSTOMER ID #: MARBCOR-01	
INSURED Marborg Industries P.O. Box 4127 Santa Barbara, CA 93140		INSURER(S) AFFORDING COVERAGE INSURER A: American International Specialty Lines Ins Co INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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NSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				WC STATUTORY LIMITS <input type="checkbox"/> OTHER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Pollution Liability			CPO1370415	12/1/2010	12/1/2011	Limit of Liability 5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, If more space is required)

RE: Solid Waste Collection for 1/2 of the City of Santa Barbara. Proof of Insurance

CERTIFICATE HOLDERCity of Santa Barbara
Steven McIntosh
Public Works Dept.
Santa Barbara, CA 93101-**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF LIABILITY INSURANCE

RORO

DATE (MM/DD/YYYY)

7/5/2011

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PRODUCER Brown & Brown Insurance P.O. Box 1469 Santa Barbara, CA 93102-1469	(805) 965-0071	CONTACT NAME: Denise Reece PHONE (A/C, No, Ext): (805) 690-2649 E-MAIL ADDRESS: dreece@bbofcal.com PRODUCER CUSTOMER ID #: MARBCOR-01	FAX (A/C, No): (805) 690-2749
INSURED MarBorg Corporation Marborg Industries P.O. Box 4127 Santa Barbara, CA 93140		INSURER(S) AFFORDING COVERAGE INSURER A: New Hampshire Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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INSR TR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY						EACH OCCURRENCE \$
	COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
	CLAIMS-MADE OCCUR						MED EXP (Any one person) \$
	GEN'L AGGREGATE LIMIT APPLIES PER						PERSONAL & ADV INJURY \$
	POLICY PROJECT LOC						GENERAL AGGREGATE \$
							PRODUCTS - COMP/OP AGG \$
							\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	ANY AUTO						BODILY INJURY (Per person) \$
	ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident) \$
	HIRED AUTOS						\$
	NON-OWNED AUTOS						\$
	UMBRELLA LIAB						EACH OCCURRENCE \$
	EXCESS LIAB						AGGREGATE \$
	DEDUCTIBLE						\$
	RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						X WC STATUTORY LIMITS OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A	WC069862282	10/1/2010	10/1/2011	E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

e: Solid Waste collection for 1/2 of the City of Santa Barbara.
roof of Insurance

CERTIFICATE HOLDER City of Santa Barbara Steven McIntosh Public Works Dept. P.O. Box 1990 Santa Barbara, CA 93101	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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DESCRIPTION OF OPERATIONS -

Marborg Industries
MarBorg Corporation
P.O. Box 4127
Santa Barbara, CA 93140

City of Santa Barbara
Steven McIntosh
Public Works Dept.
P.O. Box 1990
Santa Barbara, CA 93101-

Re: Solid Waste collection for 1/2 of the City of Santa Barbara.
Certificate Holder The City of Santa Barbara, its officers, employees, and agents are named as Additional Insured under the General Liability per the attached Financial Pacific Insurance Company form CG2010 (10/93) Modified and under the Auto Liability per form FPIC0200 (10-09). When this endorsement applies, such insurance as is afforded by the general liability policy is primary insurance and other insurance shall be excess to the insurance afforded by this endorsement.

POLICY NUMBER: 1571900

COMMERCIAL GENERAL LIABILITY
CG 20 10 10 93 Modified

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS (FORM B)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Name of Person or Organization:

SCHEDULE

City of Santa Barbara
Steven McIntosh
Public Works Dept.
P.O. Box 1990
Santa Barbara, CA 93101

Solid Waste Collection for ½ of the City of
Santa Barbara

(if no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only to the extent that the person or organization is held liable for your acts or omissions for your ongoing operations performed for that insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**BUSINESS AUTO ELITE COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

SECTION II - LIABILITY COVERAGE - Amendments**WHO IS AN INSURED**

The following are added to WHO IS AN INSURED:

BLANKET ADDITIONAL INSURED

Any person or organization with whom you agreed, because of a written contract, agreement or permit, to provide insurance such as is afforded under this Coverage Part, but only with respect to your ownership, maintenance or use of a covered "auto." This provision only applies if the written contract or agreement has been executed or permit issued prior to the "bodily injury" or "property damage."

This coverage shall be primary and not contributory with respect to the person or organization included as an "insured" under this section. Any other insurance that person or organization has shall be excess and not contributory with respect to this insurance, but this provision only applies if it is required in the written contract, agreement or permit identified in this section, and is permitted by law.

BROAD FORM NAMED INSURED

Any business entity newly acquired or formed by you, other than a partnership, joint venture or limited liability company during the policy period provided you own 50% or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of 180 days following acquisition or formation of the business entity.

EMPLOYEES AS INSURED - HIRED AUTOS

Any "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

EMPLOYEES AS INSURED - NONOWNED AUTOS

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business.

COVERAGE EXTENSIONS - SUPPLEMENTARY PAYMENTS

Supplementary Payments is amended as follows:

We will pay up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

We will pay all reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$300 a day, because of time off from work.

SECTION III - PHYSICAL DAMAGE COVERAGE - Amendments**AUDIO, VISUAL, AND DATA ELECTRONIC EQUIPMENT COVERAGE EXTENSION**

Any reference to equipment for the reproduction of sound also includes video and global positioning systems.

EXPANDED TOWING COVERAGE

In addition to the towing and labor limit shown in the Declarations for private passenger type "autos," we will pay up to \$75 for towing and labor costs incurred each time the covered *auto* is disabled. However, the labor must be performed at the place of disablement.

This coverage applies only to an *auto* covered on this policy for other physical damage coverage.

EXPANDED TRANSPORTATION EXPENSE

Coverage Extensions - Transportation Expenses is deleted and replaced by the following:

We will pay up to \$60 per day to a maximum of \$1,800 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the

theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss."

EXTRA EXPENSE - STOLEN AUTOS

We will pay up to \$1,000 for the expense of returning a stolen covered "auto" to you. We will pay only for those covered "autos" for which you carry Comprehensive or Specified Causes of Loss Coverage.

HIRED CAR PHYSICAL DAMAGE COVERAGE

If Comprehensive, Specified Causes of Loss or Collision coverage is provided by this policy, you may extend that coverage to apply to Physical Damage "loss" to hired "autos." We will provide coverage equal to the broadest coverage available to any covered "auto" shown in the Declarations. But, the most we will pay for "loss" to a hired "auto" in any one "accident" is the lesser of:

1. \$50,000; or
2. The actual cash value of the damaged or stolen property as of the time of the "loss;" or
3. The actual cost of repairing or replacing the damaged or stolen property with other property of like kind or quality. A part is of like kind and quality when it is of equal or better condition than the pre-accident part. We will use the original equipment from the manufacturer when:
 - a) The operational safety of the vehicle might otherwise be impaired;
 - b) Reasonable and diligent efforts to locate the appropriate rebuilt, aftermarket or used part have been unsuccessful;
 - c) A new original equipment part of like kind and quality is available and will result in the lowest overall repair cost;
 - d) For vehicles insured under policies written on or before December 31, 2003, the vehicle has been used no more than 15,000 miles unless the preaccident condition warrants otherwise or
 - e) For vehicles insured under policies written on or after January 1, 2004, the vehicle has been used no more than 20,000 miles unless the pre-accident condition warrants otherwise.

For each hired "auto" our obligation to pay "loss" will be reduced by a deductible equal to the highest deductible

applicable to any owned "auto" for that coverage. No deductible will be applied to "loss" caused by fire or lightning. We will also pay up to \$500 per "accident" for loss of use of the hired "auto" if it results from an "accident" for which you are legally liable. The lessor must suffer an actual financial "loss" for this coverage to apply.

Hired Car Physical Damage Coverage provided by this extension is excess over any other collectible insurance.

LOAN/LEASE GAP COVERAGE

If a long-term leased or financed "auto" is a covered "auto" for the Physical Damage Coverage applicable to a total "loss," and the lessor or financial institution is an additional insured under this Coverage Part, we will pay the difference between amounts you owe the lessor or financial institution under the lease or loan terms and the amount of insurance paid the lessor or financial institution for the total "loss" of the covered "auto" minus: any payments overdue at the time of the loss; any financial penalties imposed due to wear and tear, high mileage or similar charges; any security deposits not refunded by the lessor or financial institution; any costs for credit life, health and accident, or disability insurance; any costs for extended warranties; or any carry-over balances from previous leases or loans. You are responsible for the deductible applicable to the "loss" for the covered "auto". This coverage is excess insurance over any other collectible insurance or lease provision.

PERSONAL EFFECTS COVERAGE

We will pay up to \$400 for "loss" to wearing apparel and other personal effects which are:

1. Owned by an "insured;" and
2. In or on your covered "auto;" in the event of a total theft "loss" of your covered "auto."

No deductibles apply to Personal Effects Coverage.

RENTAL REIMBURSEMENT COVERAGE

1. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto." Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto." No deductibles apply to Rental Reimbursement Coverage.

2. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:

a) The number of days reasonably required to repair or replace the covered "auto." If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.

b) The number of days shown in the Schedule.

3. This coverage applies only to a covered "auto" for which there is Comprehensive, Specified Causes of Loss or Collision Coverage provided on this covered "auto." If there is no Collision Coverage for a covered "auto," then Rental Reimbursement Coverage will not apply to a Collision loss involving that covered "auto."

4. Our payment is limited to the lesser of the following amounts:

a) Necessary and actual expenses incurred.

b) \$75 for any one day or for a maximum of 30 days.

5. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.

6. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the PHYSICAL DAMAGE COVERAGE Coverage Extension.

7. Coverage does not apply to any covered "auto" for which coverage is provided by endorsement form CA 9923 on this policy.

WAIVER OF DEDUCTIBLE - GLASS

Deductible is amended by adding the following:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

SECTION IV - BUSINESS AUTO CONDITIONS - Amendments

LOSS CONDITIONS

The requirements for reporting and sending claim or

"suit" information to us, including provisions related to the subsequent investigation of such claims or "suits", under DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS, do not apply until the "accident" or "loss" is known to:

1. You, if you are an individual;

2. A partner, if you are a partnership;

3. An executive officer or insurance manager, if you are a corporation;

4. Your members, managers or insurance manager, if you are a limited liability company;

5. Your elected or appointed officials, trustees, board members, or your insurance manager, if you are an organization other than a partnership, joint venture, or limited liability company.

But, this section does not amend the provisions relating to notification of police, protection or examination of the property which was subject to the "loss."

BLANKET WAIVER OF SUBROGATION

Transfer Of Rights Of Recovery Against Others To Us is deleted and replaced by the following:

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract executed prior to any "accident" or "loss," provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

GENERAL CONDITIONS

UNINTENTIONAL ERRORS OR OMISSIONS

Concealment, Misrepresentation Or Fraud is amended by adding the following:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

SECTION V - DEFINITIONS - Amendment

MENTAL ANGUISH

The definition of "bodily injury" is amended to include mental anguish resulting from any "bodily injury," sickness or disease sustained by a person.