



**MENDOCINO SOLID WASTE MANAGEMENT AUTHORITY (MSWMA)
Board of Commissioners Regular Meeting**

AGENDA

Ukiah Civic Center Chamber ♦ 300 Seminary Avenue ♦ Ukiah, CA 95482

Willits City Hall Chamber ♦ 111 E. Commercial Street ♦ Willits, CA 95490

Fort Bragg City Hall, Downstairs Conference Room ♦ 416 N. Franklin Street ♦ Fort Bragg, CA 95437

To participate or view the virtual meeting, go to the following link: <https://us06web.zoom.us/j/85470132549>

Or you can call in using your telephone only:

- Call (toll free) 1-669-444-9171
- Enter the Access Code: 854 7013 2549
- To Raise Hand enter *9
- To Speak after being recognized: enter *6 to unmute yourself

Alternatively, you may view the meeting (without participating) by clicking on the name of the meeting at www.cityofukiah.com/meetings.

September 14, 2023 - 9:00 AM

1. CALL TO ORDER

2. AB 2449 NOTIFICATIONS AND CONSIDERATIONS

3. APPROVAL OF MINUTES

3.a. Approval of the Minutes for the June 8, 2023, Regular Meeting.

4. GENERAL MANAGER AND FINANCIAL REPORTS

4.a. Report and Discussion of Grant Items.

Recommended Action: Receive report.

Attachments:

1. MSWMA Grant Update

4.b. Report and Discussion of Budget Status.

Recommended Action: Receive report.

Attachments:

1. YTD Budget Report, 8-31-23

5. COMMISSIONER REPORTS AND ANNOUNCEMENTS

6. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

The Mendocino Solid Waste Management Authority Board of Commissioners (Commissioners) welcomes input from the audience. In order for everyone to be heard, please limit your comments to three (3) minutes per person and not more than ten

(10) minutes per subject. The Brown Act regulations do not allow action to be taken on audience comments on non-agenda items. If you wish to submit written comments, please provide information to MSWMA, located at 3200 Taylor Drive, Ukiah, California.

7. DISCUSSION AND ACTION ITEMS

- 7.a. Discussion Regarding Possible HazMobile and Remote Event Dates for First Quarter of FY 23/24.

Recommended Action: Receive report and discussion of HazMobile and remote event dates.

Attachments:

1. HazMobile Schedule

- 7.b. Notification of Fully Executed Agreements.

Recommended Action: Receive Notification of Fully Executed Agreements.

Attachments:

1. Administrative Agreement Fully Executed
2. Lease Agreement Fully Executed
3. Service Agreement Fully Executed

- 7.c. Review and Possible Approval of Leased Equipment Agreement.

Recommended Action: Approve Leased Equipment Agreement.

Attachments:

1. Equipment Lease Agreement
2. Units Lease List

8. SET NEXT MEETING DATE

- 8.a. Discussion, Consideration, and Scheduling of Next Meeting Date; and Possible Cancellation of Regular Meeting of October 12, 2023; All Meetings to be Held at the Ukiah Civic Chamber, and Virtually at the Fort Bragg City Hall.

Recommended Action: Discussion, Consideration, and Scheduling of Next Meeting Date; and Possible Cancellation of Regular Meeting of October 12, 2023.

Attachments: None

9. CLOSED SESSION - MAY BE HELD AT ANY TIME DURING THE MEETING

Closed Session may be held at any time during the meeting. Any public reports of action taken in closed session will be made in accordance with Government Code section 54957.1

10. ADJOURNMENT

Please be advised that the Mendocino Solid Waste Management Authority (MSWMA) needs to be notified 24 hours in advance of a meeting if any specific accommodations or interpreter services are needed in order for you to attend. MSWMA complies with ADA requirements and will attempt to reasonably accommodate individuals with disabilities upon request. Materials related to an item on this Agenda submitted to the MSWMA Commissioners after distribution of the agenda packet are available for public inspection at the front counter at the Ukiah Civic Center, 300 Seminary Avenue, Ukiah, CA 95482, during normal business hours, Monday through Friday, 8:00 am to 5:00 pm.

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Ukiah City Hall, located at 300 Seminary Avenue, Ukiah, California, not less than 72 hours prior to the meeting set forth on this agenda.

Kristine Lawler, CMC

Dated: 9/7/23

MENDOCINO SOLID WASTE MANAGEMENT AUTHORITY (MSWMA)
Board of Commissioner MINUTES
Regular Meeting
CIVIC CENTER CHAMBER
300 Seminary Avenue, Ukiah, CA 95482
416 N. Franklin Street, Fort Bragg, CA 95482
Virtual Meeting Link: <https://us06web.zoom.us/j/85470132549>

June 8, 2023
9:00 a.m.

1. CALL TO ORDER

The Mendocino Solid Waste Management Authority (MSWMA) Board of Commissioners met at a Regular Meeting on June 8, 2023, having been legally noticed on June 2, 2023. The meeting was held in person and virtually at the following link: <https://us06web.zoom.us/j/85470132549>. Chair Mulheren called the meeting to order at 9:01 a.m. Roll was taken with the following **Commissioners Present:** Douglas F. Crane, Jason Godeke (*attending virtually from Fort Bragg location*), Madge Strong, Dan Gjerde (*attending virtually from Fort Bragg location*), and Maureen Mulheren. **Staff Present:** Tim Eriksen, MSWMA General Manager, and Kristine Lawler, MSWMA Secretary.

CHAIR MULHEREN PRESIDING.

The Pledge of Allegiance was led by Chair Mulheren.

2. AB 2449 NOTIFICATIONS AND CONSIDERATIONS

No notifications or considerations were presented.

3. APPROVAL OF MINUTES

a. Approval of the Minutes for the May 11, 2023, Special Meeting.

Motion/Second: Crane/Gjerde to approve the minutes of May 11, 2023, a special meeting, as submitted. Motion **carried** by the following roll call votes: AYES: Crane, Godeke, Strong, Gjerde, and Mulheren. NOES: None. ABSENT: None. ABSTAIN: None.

4. GENERAL MANAGER AND FINANCIAL REPORTS

Presenter: Tim Eriksen, MSWMA General Manager.

- **Status of Operations** – Bruce McCracken, C&S Waste Solutions District Manager.
- **MSWMA Grant Program** – Jim Robbins, Grants Manager

5. COMMISSIONER REPORTS AND ANNOUNCEMENTS

No Commissioner reports were received.

6. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

No public comments were received.

7. DISCUSSION AND ACTION ITEMS

a. Consideration and Possible Adoption of FY23/24 Budget.

Presenters: Tim Eriksen, MSWMA General Manager and Dan Buffalo, Ukiah Finance Director.

C&S Waste Solutions Comment: Bruce McCracken, District Manager and Michelle Goodwin.

Motion/Second: Strong/Godeke to adopt the budget - as a working document - for the Fiscal Year 23/24. Motion **carried** by the following roll call votes: AYES: Crane, Godeke, Strong, Gjerde, and Mulheren. NOES: None. ABSENT: None. ABSTAIN: None.

b. Discussion Regarding Existing Equipment Approach.

Presenter: Tim Eriksen, MSWMA General Manager.

C&S Waste Solutions Comment: Bruce McCracken, District Manager.

Report was received and direction given to Staff.

c. Discussion Regarding HazMobile and Remote Event Dates for First Two Quarters of FY23/24.

Presenter: Tim Eriksen, MSWMA General Manager.

C&S Waste Solutions Comment: Bruce McCracken, District Manager.

Commissioner Consensus directs staff to email schedule of events to Commissioners.

8. SET NEXT MEETING DATE

a. Discussion and Consideration on Changing the Regular Meeting Schedule, and Setting the Next Regular Meeting for a Date To-Be-Determined; All Meetings to be Held at the Ukiah Civic Chamber, the Willits City Hall Chamber, and the Fort Bragg City Hall.

Presenter: Chair Mulheren.

Commission Consensus to move the Regular Meeting Date/Time to bi-monthly meetings held on the Second Thursdays of the Month, at 9:00 a.m., and set the next Commission meeting for August 10, 2023, at 9:00 a.m. in the Ukiah Civic Chamber, and virtually at Willits City Hall, and Fort Bragg City Hall.

Chair Directive to the clerk to poll for alternative dates that work for both commissioners and locations.

15. CLOSED SESSION

No Closed Session was held.

16. ADJOURNMENT

There being no further business, the meeting adjourned at 10:12 a.m.

Kristine Lawler, MSWMA Secretary

List of Grants, MSWMA CalRecycle Grants and Funding Sources

Updated: 9/8/2023

Cycle Code	Program	Award #	Date Subm.	\$ Amount	Spend Dead.
HD35	Household Hazardous Waste Discretionary Grant	HD35-20-0003		74,011.00	9/1/2024
TCU18	Local Gov Waste Tire Cleanup	TCU18-20-0023		9,497.00	9/28/2023
TCU19	Local Gov Waste Tire Cleanup	TCU19-22-0039		10,310.00	
FY 2020-21	City/County Pmnt Prog, Beverage Container Recycling		1/19/2021	30,140.00	4/1/2023
FY 2021-22	City/County Pmnt Prog, Beverage Container Recycling			30,088.00	4/1/2024
OPP12	Used Oil Payment Program, FY 2021-22	OPP12-21-0248	5/28/2021	30,000.00	8/15/2023
TA6	Waste Tire Amnesty Program	TA6-21-0032	3/30/2021	90,000.00	10/31/2023

OTHER PROGRAMS

Ongoing	Used Oil Recycling Incentive Program
Ongoing	Paint Care - Reimbursement Program

GRANT SERIES

- Illegal Disposal Site Abatement Grant Program
- Farm and Ranch Program
- Local Government Waste Tire Amnesty Grant Program (FY 2023-24)
- Community Composting for Green Spaces
- Caltrans Clean California
- County of Mendocino CDBG Grant Application

MSMW is not participating in this grant program.



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City of Ukiah
YEAR-TO-DATE BUDGET REPORT, THROUGH AUGUST 31, 2023

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FOR 2024 02

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
920 MSWMA OPERATIONS							
43209 GRANTS	-150,000	0	-150,000	.00	.00	-150,000.00	.0%
44795 DISPOSAL SITE SURCHARGE	-410,000	0	-410,000	-64,076.95	.00	-345,923.05	15.6%
44796 HAZARDOUS WASTE COLLECTION	-33,000	0	-33,000	.00	.00	-33,000.00	.0%
44940 OTHER PROGRAM REVENUE	-143,886	0	-143,886	.00	.00	-143,886.00	.0%
46110 INTEREST ON INVESTMENTS	-500	0	-500	-14.88	.00	-485.12	3.0%
52100 CONTRACTUAL SERVICES	30,000	0	30,000	.00	.00	30,000.00	.0%
52134 GENERAL ADMIN	144,000	0	144,000	334.99	.00	143,665.01	.2%
52153 AUDIT SERVICES	9,900	0	9,900	.00	.00	9,900.00	.0%
52170 UKIAH WASTE SOLUTIONS	383,947	0	383,947	85,109.40	.00	298,837.60	22.2%
52173 ILLEGAL DUMP CLEANUP	120,000	0	120,000	.00	.00	120,000.00	.0%
54700 FINES & PENALTIES	0	0	0	315.74	.00	-315.74	100.0%
TOTAL MSWMA OPERATIONS	-49,539	0	-49,539	21,668.30	.00	-71,207.30	-43.7%
TOTAL REVENUES	-737,386	0	-737,386	-64,091.83	.00	-673,294.17	
TOTAL EXPENSES	687,847	0	687,847	85,760.13	.00	602,086.87	
GRAND TOTAL	-49,539	0	-49,539	21,668.30	.00	-71,207.30	-43.7%

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City of Ukiah
BALANCE SHEET, AUGUST 31, 2023

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FUND: 920 MSWMA OPERATIONS			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS				
92000000	10101	POOLED CASH	70,668.74	58,426.71
92000000	10250	SAVINGS BANK OF MENDOCINO COUN	-5,434.80	166,245.49
92000000	10251	SBMC MONEY MARKET	.00	27,805.44
92000000	10410	ACCOUNTS RECEIVABLE	-46,737.10	109,693.56
92000000	10499	MISCELLANEOUS RECEIVABLES	185.41	260.41
TOTAL ASSETS			18,682.25	362,431.61
LIABILITIES				
92000000	20100	ACCOUNTS PAYABLE	9,670.40	.00
92000000	20507	P/R DEDUCT.-DEFERRED COMP	.00	-3,177.44
92000000	20520	P/R DEDUCT.- MEDICAL INS	-4,584.74	.00
TOTAL LIABILITIES			5,085.66	-3,177.44
FUND BALANCE				
92000000	30005	REVENUE CONTROL	-24,295.68	-64,091.83
92000000	30006	EXPENDITURE CONTROL	527.77	85,760.13
92000000	30007	FUND BALANCE	.00	-380,922.47
TOTAL FUND BALANCE			-23,767.91	-359,254.17
TOTAL LIABILITIES + FUND BALANCE			<u>-18,682.25</u>	<u>-362,431.61</u>



2023 Hazmobile Schedule

HazMobile Base Facility, 3200 Taylor Drive in Ukiah

Base Facility Hours: Wednesdays from 9AM-1PM

DATE	LOCATION	ADDRESS
September 8 th & 9 th , 2023	Willits	350 Franklin Ave. Willits, CA 95490
October 5 th & 6 th , 2023	Caspar	14000 Prairie Way, Mendocino, CA 95460
November 3 rd & 4 th , 2023	Willits	350 Franklin Ave. Willits, CA 95490
December 7 th & 8 th , 2023	Caspar	14000 Prairie Way, Mendocino, CA 95460

Collections may be cancelled due to severe rain and wind. (* indicates Residencial Appointments needed)

Free to households, with daily load limit of 15 gallons per vehicle per day, measured by container size.

Items accepted: motor oil, oil filters, antifreeze, gasoline, solvents, paint thinner, oil-based paint, latex ballasts, acids, bases, pesticides, herbicides, pool chemicals and medication. There is a charge for compressed gas cylinders. **Not accepted:** explosives, ammunition, radioactive wastes, medical waste , and compressed gas cylinders larger than 5 gallons.

For more information or to make an appointment, call the Recycling Hotline at 468-9704.

A Service of: Mendocino Solid Waste Management Authority

www.MendoRecycle.org

SERVICE AGREEMENT
BETWEEN
MENDOCINO SOLID WASTE MANAGEMENT AUTHORITY AND
CITY OF UKIAH

This Agreement is made and entered in Ukiah, California on June 1, 2023 (“Effective Date”) by and between the Mendocino Solid Waste Management Authority (“MSWMA”) and City of Ukiah (“City”). MSWMA and City may be referred to hereafter individually as “Party” and collectively as “Parties.”

RECITALS:

1. MSWMA is a joint powers agency currently organized and operating under an Amended and Restated Joint Powers Agreement among the Cities of Fort Bragg, Ukiah, Willits and the County of Mendocino, dated November 19, 2019 (“JPA”). Under the JPA MSWMA was formed for various purposes, including: (1) making reasonable efforts to increase recycling and diversion of materials in order to reduce landfill deposits and achieve the waste diversion goals of a Reduction and Recycling Plan; (2) providing for the proper handling, reuse or disposal of household hazardous wastes; (3) providing educational outreach to encourage recycling, diversion and proper disposal of solid and household hazardous waste; (4) providing for the cleanup of sites where solid waste has been illegally disposed; and (5) removing graffiti.

2. City is a California general law municipal corporation in Mendocino County, California and a signatory of the JPA.

3. MSWMA entered or will enter a Lease and an HHW Services Agreement with an independent contractor to operate MSWMA’s HHW program.

4. Pursuant to Section 7(a) of the JPA, the MSWMA Board of Directors has determined to contract with the City to perform the services of MSWMA’s General Manager, including the General Manager performing as the MSWMA Treasurer pursuant to Section 6 of the JPA, and to provide other clerical and accounting services.

AGREEMENT:

Based on the foregoing recitals which are incorporated into this Agreement, the terms and conditions stated hereafter and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS:** The following capitalized terms shall have the meaning specified in this Section 1:

- a. **"Commission"** shall mean the five-member governing body of MSWMA established under Section 2 of the JPA.
- b. **"Commencement Date"** shall mean the date when City is required to begin providing services under this Agreement as specified in Section 2 below.
- c. **"County"** shall mean Mendocino County.
- d. **"Facility"** shall mean household hazardous waste disposal facility at the MSWMA Site.
- e. **"Fiscal year"** means July 1 to June 30.
- f. **"Haulers' Advisory Committee"** shall mean a group composed of at least one representative from each company holding an exclusive curbside collection franchise contract in the incorporated and unincorporated territory of the County and a representative of the County Department of Transportation.
- g. **"Household Hazardous Waste or "HHW"** shall mean leftover household products that can catch fire, react, or explode under certain circumstances, or that are corrosive or toxic, including products, such as paints, cleaners, oils, batteries, pesticides and other products specified by MSWMA as accepted at the Facility.
- h. **"HHW Services Agreement"** means the Agreement, an unexecuted draft of which is attached hereto as Attachment 1.
- i. **"Lease"** shall mean the lease between MSWMA and Ukiah Waste Solutions for the MSWMA Site, substantially in the form of the attached Attachment 2.
- j. **"MSWMA"** has the meaning provided in Recital 1, above.
- k. **"MSWMA Site"** shall mean the real property located at 3200 Taylor Drive, Ukiah, CA as depicted and described in the Lease.

2. **GENERAL MANAGER AND TREASURER SERVICES:** Commencing on June 1, 2023, using its own employees and/or independent contractors City shall perform the duties of the General Manager and Treasurer of MSWMA in accordance with Sections 6 and 7 of the JPA. In keeping with sections 5, 7, 13 and 15 of the JPA, the Commission will appoint the City of Ukiah Director of Public Works as General Manager. The holder of that position will remain the General Manager until the Commission, with the agreement of the City's City Manager, makes a different appointment. In keeping with the provisions of section 6 of the JPA, the Commission will appoint the Finance Director of the City of Ukiah as Treasurer. The Treasurer shall perform appropriate accounting, reporting, audit management, and other regular and customary financial services functions necessary for the prudent financial management of MSWMA. The holder of that position will remain the Treasurer until the Commission, with the mutual agreement of the City's City Manager, makes a different appointment.

A. In its capacity as General Manager, the City shall:

- (1) act as MSWMA's representative in managing the HHW Services Agreement and the Lease to determine if the services required by those agreements are being performed in compliance with their terms;
- (2) prior to the commencement of each Fiscal Year, present a preliminary budget to the Commission for consideration and by no later than June 15, submit a final budget for Commission approval. The Parties may agree to alter this schedule;
- (3) call meetings of and consult with a standing committee formed by the Commission pursuant to Section 4(b) of the JPA, to provide guidance and clarify issues in an advisory role between Commission meetings. The Commission may elect to create and appoint as members of such committee one Commissioner who represents an area that includes the coastal area and one Commissioner who represents an area that includes an inland area of Mendocino County.
- (4) call and chair meetings of the Haulers Advisory Committee as and when determined necessary by the General Manager;
- (5) Maintain the MSWMA (Mendo Recycle) website;

- (6) Understanding that each member of MSWMA has sole responsibility to comply with California law including, but not limited to, SB 1383, when requested by the Commission, advise and assist MSWMA members to comply with California statutes and regulations governing waste reduction and recycling; provided, however, that the following services will be provided by non-City entities:
- i. The County of Mendocino, Department of Transportation ("DOT"), possessing all the necessary resources, has committed to provide all required updates of the MSWMA Source Reduction and Recycling Element (Plan). MSWMA will reimburse DOT for its cost to provide the Plan updates at the rate DOT pays or charges for similar services.
 - ii. The County of Mendocino, Department of Transportation, possessing all the necessary resources, has committed to provide all required updates of the MSWMA Household Hazardous Waste Element (Plan). MSWMA will reimburse DOT for its cost to provide the Plan updates at the rate DOT pays or charges for similar services.
 - iii.
- (7) perform the duties of Secretary to the Commission responsible for (1) the preparation of meeting notices and agendas in compliance with the Brown Act, (2) minutes of meetings and other documents requiring Commission approval and (3) act as the custodian of Commission records created after the Effective Date and secure documents existing prior to the Effective Date that can be reasonably located at the Facility. Preparation of minutes is contingent on the Commission adopting a Resolution Providing for Action Minutes, substantially in the form of the attached Attachment 3;
- (8) oversee the application for and administration of all routinely available CalRecycle Grants and other grants that will advance the MSWMA's purposes as stated in Section 1 of the JPA.
- (9) Within thirty (30) days of the Commencement Date in consultation with Contractor, City shall oversee the preparation of an inventory of all personal property, including equipment and vehicles owned by MSWMA and located at the Facility which shall be acknowledged in writing by City and Contractor to be complete. Within said thirty (30) days, the inventory shall be delivered to the Clerk of the Commission
- for presentation to the Commission at a regular or special meeting. The Commission shall review the inventory and the recommendations of the City and the Contractor and determine which items on the

inventory the Contractor is authorized to use in providing services under the services agreement between MSWMA and the Contractor and which items shall be declared surplus property and disposed of at the Direction of the General Manager.

B. In its capacity as Treasurer, the City shall perform the duties of the Treasurer as set forth in Section 6 of the JPA. The Treasurer shall perform appropriate accounting, reporting, audit management, and other regular and customary financial services functions necessary for the prudent financial management of MSWMA. In the performance of those services, the City shall:

- (1) maintain appropriate accounting procedures and practices, in accordance with City of Ukiah Policy Resolution No. 39, Establishing Financial Management Policies for the City of Ukiah, Generally Accepted Accounting Principles (GAAP) and the policies of the Government Accounting Standards Board ("GASB"), including, but not limited to, budgeting, accounting, and treasury management (receipts, deposits, investments, and disbursements);
- (2) maintain records for all MSWMA transactions and accounts, which may include MSWMA fiduciary accounts established as part of the City's financial management system, and separately account for all funds received, disbursed or invested by the City in its capacity as Treasurer;
- (3) provide regular budgetary and financial reports to MSWMA and upon request of the Commission;
- (4) be the custodian of all MSWMA funds and perform custodial functions, including the deposit of MSWMA funds in and disbursement of such funds from bank accounts maintained by the City and invest surplus funds until needed in accordance with City Policy Resolution No. 39, crediting MSWMA with the return on those investments, whether positive or negative;
- (5) each Fiscal Year engage the same independent certified public accountant who audits the financial statements of the City, to perform an audit and report directly to the Commission on the financial statements of MSWMA.

C. **City is a service provider.** MSWMA shall be responsible for and for understanding the financial and other activities and information performed or related to the services provided by the City under this Agreement. The City is not performing these services as the MSWMA's agent but as a service provider and MSWMA agrees that the City does not assume a fiduciary duty to MSWMA in the performance of these financial and general services.

3. **OTHER SERVICES.** When mutually agreed by the Parties as documented in the minutes of the Commission, City will provide Other Services to MSWMA including, but not limited to, legal and other professional services.

4. COMPENSATION FOR SERVICES PROVIDED UNDER THIS AGREEMENT.

A. **Annual Compensation:** The annual MSWMA budget proposed by the City and approved by the Commission shall include compensation to the City for the services provided under Section 2 of this Agreement.

Within thirty (30) days after the end of each quarter of the Fiscal Year, MSWMA will remit twenty-five (25%) percent of the annual budgeted Compensation to the City and any additional amount needed if the budgeted amount is amended.

B. **Payment for Other Services:** Unless a different rate is stipulated at the time Other Services are requested by the MSWMA, the City will charge MSWMA for staff services according to the City's Charge Out Rate Schedule which is updated annually, or at the same rate that it pays for such services to outside third parties. The City will bill for these services on a quarterly basis and payment for the services provided in that quarter is due no later than thirty (30) days after presentation of the invoice to MSWMA. The City will also be eligible for any dedicated administration reimbursements from awarded grants that are allowable expenses in the administration of activity delivery for the corresponding grant.

5. **TERM.** This Agreement shall commence on the Effective Date and remain in effect until terminated by either the Commission or the City. Termination shall occur not sooner than ninety (90) days after either Party gives written notice of termination. A different termination date may be established by agreement of the Parties. Upon termination of the Agreement by either Party, the City shall cooperate in the transition to another means of performing the services provided by

City under this Agreement. Upon the termination of this Agreement the City shall have no authority, responsibility or liability for MSWMA's continued operations.

6. NOTICES. Whenever notice or other communication is permitted or required by this agreement, it shall be deemed given when personally delivered or when received, if delivered by overnight courier or email, if receipt is acknowledged in writing, or 48 hours after it is deposited in the United States mail with proper first- class postage affixed thereto and addressed as follows:

To City: City of Ukiah
 Attention: Sage Sangiacomo, City Manager 300
 Seminary Ave.
 Ukiah, CA 95482
 Email:
 Attention: City Manager

To MSWMA: Mendocino Solid Waste Management Authority
 Attention: Chairperson of the Board
 3200 Taylor Dr, Ukiah, CA Ukiah, CA
 95482
 Email:
 Attention: Commission Chair

A Party may change the address and email address to which notices shall be sent by giving notice of the change as provided herein.

7. SEVERABILITY. Should any part, term, portion, or provision of this Agreement or the application thereof of any person or circumstances, be in conflict with any State or Federal law, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions, or the application thereof to other persons or circumstances, shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to continue to constitute the Agreement that the parties intended to enter into in the first instance.

8. HOLD HARMLESS AND INDEMNITY. MSWMA agrees to defend, indemnify, and save the City harmless from and against any and all claims, liability, damages or costs arising out of the decisions or directives of the Commission. The City agrees to indemnify and defend MSWMA from and against

any claims, liability, damages or costs caused by the grossly negligent acts, errors, omissions or willful misconduct of its officers or employees in performing pursuant to this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by the City's officers, employees, or agents.

Each Party hereby agrees to defend itself from any claim, action or proceeding by third parties arising out of the acts or omissions of its officers or employees. In such cases, each Party agrees to retain its own legal counsel, bear its own defense costs, and waive its right to seek reimbursement of such costs.

Notwithstanding the above, where a trial verdict or arbitration award allocates or determines the comparative fault of the Parties, the Parties may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments and awards, consistent with said comparative fault.

As required by Section 9 herein, the Parties are responsible to provide workers compensation insurance for injuries sustained in the normal course and scope of their respective employees' performance of services. The Parties waive any right of subrogation against each other for any and all losses sustained by the Parties, subject to such workers compensation coverage.

For purposes of this section, the terms "employee" or "employees" shall refer to and include employees, officers, agents, representatives, subcontractors or volunteers.

Notwithstanding the foregoing, no employee, officer, agent, representative, subcontractor or volunteer of any Party shall be considered an "employee" of the other Party for purposes of indemnification.

9. INSURANCE Each Party shall be responsible for maintaining a program of insurance that shall cover each Party's indemnification obligations. Without in any way affecting the indemnity herein provided and in addition thereto, each Party shall secure and maintain throughout the Agreement the following types of insurance, including coverage through a pooled risk joint powers agency with limits as shown.

A. Workers' Compensation:

If the Party has employees, a program of Workers' Compensation Insurance or a state-approved self-insurance program in an amount and form to meet all

applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons providing services on behalf of each Party and all risks to such persons under this Agreement.

B. Comprehensive General and Automobile Liability Insurance:

This coverage is to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy or self-insurance shall have combined single limits for bodily injury and property damage of not less than two million dollars (\$2,000,000.00).

C. Additional Named Insured:

All policies, and/or memoranda of coverage, except Workers' Compensation, shall contain additional endorsements naming each Party and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of each Party's performance hereunder.

D. Policies Primary and non-Contributory:

All policies required above are to be the primary and non-contributory with any insurance or self-insurance carried or administered by each Party.

10. INDEPENDENT CONTRACTOR.

It is the express intention of the Parties that City is an independent contractor and not an employee, joint venturer, or partner of MSWMA for any purpose whatsoever. MSWMA shall have no right to and shall not control the manner or prescribe the method of accomplishing those services contracted to and performed by City under this Agreement, and the general public and all governmental agencies regulating such activity shall be so informed.

Those provisions of this Agreement that reserve ultimate authority in MSWMA have been inserted solely to achieve compliance with federal and state laws, rules, regulations, and interpretations thereof. No such provisions and no other provisions of this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between City and MSWMA.

City shall pay all estimated and actual federal and state taxes that are due the state and federal government and shall furnish and pay worker's compensation insurance, unemployment insurance and any other benefits required by law for its

employees. City agrees to indemnify and hold MSWMA and its officers, agents and employees harmless from and against any claims or demands by federal, state or local government agencies for any such taxes or benefits due but not paid by City, including the legal costs associated with defending against any audit, claim, demand or lawsuit.

11. MEDIATION. Should any dispute arise out of this Agreement, any Party may request that it be submitted to mediation. The Parties shall meet in mediation within 30 days of a request, unless they mutually agree to a longer period. The mediator shall be agreed to by the Parties; in the absence of an agreement, the Parties shall each submit one name from mediators listed by an agreed-upon service or the Parties themselves. The mediator shall be selected by a mutually agreed random selection process. The cost of mediation shall be borne equally by the Parties. No Party shall be deemed the prevailing party. No Party shall be permitted to file a legal action without first meeting in mediation and making a good-faith attempt to reach a mediated settlement. The mediation process, once commenced by a meeting with the mediator, shall not last more than 60 days, unless the 60-day period is extended in writing by the Parties. If a dispute is not resolved by mediation, a Party may pursue litigation in California state courts in compliance with all applicable state laws.

12. ASSIGNMENT/DELEGATION. Neither party hereto shall assign, sublet, or transfer any interest in this Agreement or any duty hereunder without written consent of the other, and no assignment shall be of any force or effect whatsoever unless and until the other party shall have so consented.

13. NO THIRD-PARTY BENEFICIARIES. This Agreement is only for the benefit of the Parties as local governmental entities and shall not be construed as or deemed to operate as an agreement for the benefit of any third party or parties, and no third party or parties shall have any standing or right to interpret, enforce or state any cause of action arising under or pertaining to this Agreement, or obtain any right to benefits or position of any kind under the terms of this Agreement.

14. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

15. ENTIRE AGREEMENT. This document is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement. This Agreement may be transmitted electronically and executed in

counterparts, each such executed electronic copy of which shall constitute an original admissible for any purpose and in any judicial or administrative proceeding as evidence of the agreement between the Parties. .

16. AMENDMENTS. This Agreement may be amended from time to time only by written agreement between the parties signed by an authorized representative of each party. Either party may at any time request that the service or other provisions in this Agreement be modified by delivering written notice of its requested modifications to the other party. Within thirty (30) days after receipt of any such request, the parties shall meet and negotiate in good faith on adopting such requested modifications, including, without limitation, any change to the Rates necessitated by such modifications, provided that nothing herein shall obligate either party to agree on any such requested modifications.

17. WAIVER. Failure of any Party to insist upon strict performance of any of the terms, conditions or covenants in this Agreement will not be deemed a waiver of any right or remedy that Party may have and will not be deemed a waiver of any right or remedy for a subsequent breach or default of the terms, conditions or covenants contained in this Agreement, nor will it constitute a precedent for interpretation of this Agreement.

18. SEVERABILITY. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder to this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

MENDOCINO SOLID WASTE MANAGEMENT AUTHORITY

By: 
Chairperson, Board of Commissioners

CITY OF UKIAH


Sage Sangiacomo, City Manager

ATTEST:

Kristine Lawler
Kristine Lawler (Jun 29, 2023 13:25 PDT)

Kristine Lawler, City Clerk

LEASE

THIS LEASE is made on April 1st, 2023 (the “Effective Date”), by and between the Mendocino Solid Waste Management Authority (“Lessor”), a joint powers agency under the California Joint Exercise of Powers Act (“Lessor”) and Ukiah Waste Solutions, Inc., a California corporation in good standing (“Lessee”), with reference to the following:

A. Lessor and Lessee have entered a Services Agreement, dated April 1st, 2023 (the “Agreement”), a true and correct copy of which is attached hereto as Exhibit 1, pursuant to which Lessor has agreed to provide various services previously provided by Lessor, in part, on certain improved real property situated in the City of Ukiah, County of Mendocino, State of California, commonly known as 3200 Taylor Drive, as more particularly depicted and described in the attached Exhibit 2 (the “Premises”).

B. The services to be provided under the Agreement include operation on the Premises of an HHW drop-off center as described therein. In addition, Lessee has agreed to operate a California Redemption and general Buy-back Center on the Premises in compliance with applicable state statutes and regulations, including emergency regulations at 14 California Code of Regulations (CCR) 2750 et seq.

C. Lessor agrees to lease the Premises to the Lessee for the purpose of performing under the Agreement and to operate the buy-back center.

D. Lessor has the authority under the JPA to lease property it owns to further its purposes

E. Capitalized terms used herein have the meaning stated in the Agreement, unless otherwise expressly stated herein.

NOW, THEREFORE, in consideration of the above-recitals and the mutual covenants described below, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. Lease. Lessor hereby leases the Premises to Lessee on the terms and conditions as stated in this Lease. The Premises includes all buildings and other improvements thereon and any equipment, fixtures, trade fixtures or other items of personal property located on the Premises on the Effective Date. An inventory of such items shall be prepared by Lessor and approved by Lessee as of the Effective Date.

2. Term. The term hereof shall be the same as the term of the Agreement.

3. Rent. The annual rent for the premises shall be One Dollar (\$1.00). Such rent shall be paid to Lessor on the Commencement Date and on the same date each year thereafter. Lessee may prepay rent for all or any portion of the remaining term of this Lease. Rent shall be paid to Lessor and delivered to Finance Department, City of Ukiah,. 300 Seminary Ave., Ukiah, California 95482, or to such other place as may be designated by Lessor from time to time.

4. Condition of Leased Premises.

(a) Environmental Indemnification. Lessee shall be responsible for the costs of remediation and removal of any Hazardous Materials released on the Premises during the term of this agreement, to the extent caused by the acts, omissions, negligence or willful misconduct of Lessee or Lessee's invitees; provided, however, Lessee shall not be responsible for such costs to the extent resulting from or arising out of the negligence or willful misconduct of Lessor or any other third party. Lessee agrees to assume the defense of, indemnify, and hold Lessor harmless from any and all claims, costs, and expenses related to environmental liabilities to the extent resulting directly from Lessee's acts, omissions, negligence or willful misconduct of Lessee in its operations on the Premises or its invitees; provided, however, Lessee shall have no obligations to defend, indemnify or hold Lessor harmless to the extent such claims, costs, or expenses result from or arise out of the negligence or willful misconduct of Lessor or any other third party. Notwithstanding anything to the contrary in this agreement, Lessor and Lessee acknowledge and agree that Lessee's responsibilities and liability with respect to the presence of any Hazardous Materials disposed of or otherwise placed on or beneath the Premises, or incorporated or migrating into or beneath the Premises, shall be limited to those responsibilities and liabilities arising directly from conditions caused by Lessee's acts, omissions, negligence or willful misconduct during the term of this agreement or its invitees, and in no event shall Lessee be responsible or liable for the action or inaction of Lessor, other Lessees or third parties with respect to such conditions. Lessor shall be responsible for the costs of remediation and removal of any Hazardous Materials released on the Premises prior to, during or after the term of this agreement, to the extent caused by the negligence or willful misconduct of Lessor. Lessor agrees to assume the defense of, indemnify, and hold Lessee harmless from any and all claims, costs, and expenses related to environmental liabilities to the extent resulting directly from Lessor's negligence or willful misconduct. The rights and obligations of this Section 4(a) shall survive the termination of this agreement.

(b) For purposes of this Agreement, "Hazardous Materials" means any and all substances, chemicals, wastes, sewage or other materials that are now or hereafter regulated, controlled or prohibited by any Environmental Laws, including any (i) substance defined as a "hazardous substance", "extremely hazardous substance", "hazardous material", "hazardous chemical", "hazardous waste", "toxic substance" or "air pollutant" by the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; the Federal Water Pollution Control Act, 33 U.S.C. Section 1251, et seq.; the Clean Air Act, 42 U.S.C. Section 7401, et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Section 11001, et seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; or the Occupational Safety and Health Standards, 25 C.F.R. 1910-1000 et seq., or regulations promulgated thereunder, all as amended to date and as amended hereafter, (ii) hazardous substance, hazardous waste, toxic substance, toxic waste or hazardous material, waste, chemical or compound described in any other environmental laws, and (iii) asbestos, polychlorinated biphenyls, urea formaldehyde insulation, flammable or explosive or radioactive materials, gasoline, oil, motor oil, waste oil, petroleum (including crude oil or any component thereof), petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonium compounds, and other regulated chemical products, but expressly excluding nonhazardous oilfield waste and naturally occurring radioactive materials and materials

expressly excluded from the definition of "hazardous materials" under such applicable laws as may be amended from time to time.

5. Use. The Premises are to be used exclusively to provide the services under the Agreement as it now reads or may be amended in the future and to operate a buy-back facility in compliance with applicable state laws and regulations and in accordance with the attached Exhibit 3 which includes a list of recyclable items to be accepted at the buy-back center. Lessee shall comply with the maintenance and operation requirements, including, but not limited to, required fencing, methods of securing Hazardous Materials and security systems as set forth in the attached Exhibit 4.

6. Uses Prohibited. Lessee shall not use any portion of the Premises for purposes other than those specified hereinabove, and no use shall be made or permitted to be made upon the Premises, nor acts done, which will increase the existing rate of insurance upon the property, or cause cancellation of insurance policies covering said property.

7. Assignment and Subletting. Lessee shall not assign this Lease or sublet any portion of the Premises without the prior written consent of Lessor, which shall be in Lessor's sole and absolute discretion to give or deny. Any such assignment or subletting without such consent shall be void and, at the option of the Lessor, may terminate this Lease. "Assignment," as used herein, includes any change in the ownership or control of Lessee or any sale of substantially all of its assets.

8. Ordinances and Statutes. Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the Premises, occasioned by or affecting the continuing use thereof by Lessee.

9. Maintenance, Repairs, Alterations. Lessee acknowledges that except for any existing subsurface Hazardous Waste contamination which the Parties acknowledge are unknown to Lessee, the Premises are in good order and repair. Lessee shall, at its own expense and at all times, maintain the Premises (including all improvements) in good order and repair, keep the Premises clean and in good and safe condition, do no damage to the Premises, and shall surrender the Premises, at termination or expiration of this Lease, in as good condition as received, normal wear and tear excepted. Lessee's obligation includes any reconstruction or replacement of the Improvements necessary to maintain the Premises in good condition for the uses allowed under this Lease.

No improvement or alteration of the Premises shall be made by Lessee without the prior written consent of Lessor. Prior to the commencement of any substantial repair, improvement or alteration to which Lessor shall so consent, Lessee shall give Lessor at least two (2) days advance written notice in order that Lessor may post appropriate notices to avoid any liability for liens.

10. Entry and Inspection. Lessee shall permit Lessor or Lessor's agents to enter upon the Premises without prior notice during hours when the Premises are open to the public and at other reasonable times upon reasonable notice for the purpose of inspecting the same, and will permit Lessor to place upon the Premises any usual "To Let" or "For Lease" signs, and permit

persons desiring to Lease the same to inspect the Premises thereafter, within six (6) months prior to expiration of this Lease.

11. Quiet Enjoyment. Lessor covenants that Lessee shall and may, at all times during the Term, peaceably and quietly have, hold, occupy, and enjoy the Premises.

12. Indemnification of Lessor. Lessee shall indemnify and defend Lessor against, reimburse Lessor for, and hold Lessor harmless from any and all losses, costs, liabilities, suits, actions, damages, injuries, or expenses (including reasonable legal fees and costs of expert witnesses) to the extent caused by, resulting from, connected with, or related to any claim of damages, whether or not suit has been filed: (i) occurring as a result of Lessee's acts, omissions, or negligence, or the acts, omissions, or negligence of Lessee's agents, contractors, subcontractors, employees or invitees, in connection with this agreement; (ii) occurring as a result of Lessee's breach of this agreement or any of its representations or warranties contained herein; and (iii) otherwise in connection with Lessee's use of the Premises; except to the extent resulting from Lessor's acts, omissions, or negligence, or the acts, omissions, or negligence of Lessor's agents, contractors, subcontractors, or employees.

13. Insurance. Lessee, at its expense, shall maintain public liability insurance, including bodily injury and property damage, in accordance with the terms of Section 7.C. of the Agreement.

14. Utilities. Lessee shall be responsible for the payment of all utilities, including water, gas, electricity, heat and other services delivered to the Premises during the term hereof.

15. Abandonment of Premises. Lessee shall not vacate or abandon the Premises at any time during the term hereof, and if Lessee shall abandon or vacate the Premises, or be dispossessed by process of law, or otherwise, any personal property belonging to Lessee left upon the Premises shall be deemed to be abandoned, at the option of Lessor.

16. Condemnation. If any part of the Premises shall be taken or condemned for public use, and a part thereof remains which is susceptible of occupation hereunder, this Lease shall, as to the part taken, terminate as of the date the condemnor acquires possession, and thereafter Lessee shall be required to pay such proportion of the rent for the remaining term as the value of the Premises remaining bears to the total value of the Premises at the date of condemnation; provided, however, that Lessee may at its option, terminate this Lease as of the date the condemnor acquires possession. In the event that the Premises are condemned in whole, or that such portion is condemned that the remainder is not susceptible for use hereunder, this Lease shall terminate upon the date upon which the condemnor acquires possession. All sums which may be payable on account of any condemnation shall belong to the Lessor, and Lessee shall not be entitled to any part thereof; provided, however, that Lessee shall be entitled to retain any amount awarded to Lessee for its trade fixtures or moving expenses.

17. Trade Fixtures. Any and all fixed improvements made to the Premises during the term hereof shall belong to Lessor, except trade fixtures of the Lessee. Lessee may, upon termination hereof, remove all its trade fixtures, subject to Lessor's rights under Section 8 of the

Agreement, but shall repair or pay for all repairs necessary for damages to the Premises occasioned by such removal.

18. Destruction of Premises. In the event of a whole or partial destruction of the Premises during the term hereof from any cause, Lessor shall forthwith repair the same provided that the insurance proceeds are sufficient for such purpose and provided that such repairs can be made within one hundred twenty (120) days under existing governmental laws and regulations, but such partial destruction shall not terminate this Lease, except that Lessee shall be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs shall interfere with the business of Lessee on the Premises. If such repairs cannot be made with the available insurance proceeds or within said one hundred twenty (120) days, Lessor or Lessee, at its option, may make the same within a reasonable time, this Lease continuing in effect with the rent proportionately abated as aforesaid, and in the event that Lessor shall not elect to make such repairs which cannot be made with the available insurance proceeds or within one hundred twenty (120) days, this Lease may be terminated at the option of either party.

19. Insolvency. In the event a receiver is appointed to take over the business of Lessee, or in the event Lessee makes a general assignment for the benefit of creditors or Lessee takes or suffers any action under any insolvency or bankruptcy act, the same shall constitute breach of this Lease by Lessee.

20. Remedies of Lessor on Default. In the event of any breach of this Lease by Lessee, Lessor may, at its option, terminate the Lease and recover from Lessee any amount necessary to compensate Lessor for all detriment proximately caused by Lessee's failure to perform its obligations under the Lease or which in the ordinary course of things would be likely to result therefrom. Nothing contained herein shall be deemed to limit any other rights or remedies which Lessor may have.

21. Attorney's Fees. In case suit should be brought for recovery of the Premises, or for any sum due hereunder, or because of any act which may arise out of the possession of the Premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including reasonable attorney's fees.

22. Waiver. No failure of Lessor to enforce any term hereof shall be deemed to be a waiver of such term.

23. Notices. Whenever a notice or document is required or permitted to be served or given hereunder, it shall be deemed given or served when received if delivered by email (with acknowledgment of receipt), certified U.S. Mail, overnight courier (such as UPS or Federal Express), or 48 hours after deposit in the U.S. Mail with first class postage affixed. Any such document or notice shall be addressed as follows:

TO LESSOR

Mendocino Solid Waste Management Authority
Attention:
3200 Taylor Drive

Ukiah, California 95482

Email: [REDACTED]

TO LESSEE

Ukiah Waste Solutions, Inc.

Attention: Bruce McCracken, District Manager

3515 Taylor Drive

Ukiah, California 95482

Email: bruce.mccracken@wasteconnections.com

or to such other person or address as may be specified from time to time in writing by either party in accordance with this Section.

24. Time. Time is of the essence of this Lease.

25. Heirs, Assigns, Successors. This Lease is binding upon and shall inure to the benefit of the respective heirs, assigns and successors in interest to each of the parties.

26. Property Taxes. Lessee shall pay all Property Taxes on the Premises, including any improvements thereon. For purposes of this Lease, "**Property Taxes**" shall mean: (a) all real estate taxes and other assessments on the Premises and/or any improvements, including assessments for special improvement districts and building improvement districts, taxes and assessments levied in substitution or supplementation in whole or in part of any such taxes and assessments; (b) all personal property taxes for property that is owned by Lessor and used in connection with the operation, maintenance and repair of the Premises and/or improvements; (c) all governmental charges attributable to the Premises (such as business license taxes and fees); and (d) all costs and fees incurred in connection with seeking reductions in any tax liabilities described in (a) or (b) above, including, without limitation, any costs incurred by Lessor for compliance, review and appeal of Property Tax liabilities. The parties shall use commercially reasonable efforts to maintain or decrease the assessed value of the Premises upon conveyance of the Premises to Lessor.

27. Estoppel Certificate.

(a) Lessee shall at any time upon not less than ten (10) days' prior written notice from Lessor execute, acknowledge and deliver to Lessor a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), the amount of any security deposit, and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer to the Premises.

(b) At Lessor's option, Lessee's failure to deliver such statement within such time shall be a material breach of this Lease or shall be conclusive upon Lessee (i) that this Lease is in full force and effect, without modification except as may be represented by Lessor, (ii) that there are no uncured defaults in Lessor's performance, and (iii) that not more than one month's

rent has been paid in advance or such failure may be considered by Lessor as a default by Lessee under this Lease.

(c) If Lessor desires to finance, refinance or sell the Premises, or any part thereof, Lessee hereby agrees to deliver to any lender or purchaser designated by Lessor such financial statements of Lessee as may be reasonably required by such lender or purchaser. Such statements shall include the past three years' financial statements of Lessee. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

28. Entire Agreement. The foregoing (including, where applicable, the Agreement) constitutes the entire agreement between the parties with respect to the Premises and may be modified only by a writing signed by both parties. Capitalized terms used, but not defined, herein shall have the respective meanings given them in the Agreement.

29. Governing Law; Forum. This Lease shall be construed in accordance with the internal laws of the State of California (irrespective of choice of law principles). Any dispute hereunder shall be resolved in the state courts in Mendocino County and state appellate courts. The parties waive any right to a jury trial.

*[Remainder of page intentionally left blank;
Signature page follows.]*

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first above written.

MENDOCINO SOLID WASTE MANAGEMENT AUTHORITY (LESSOR)

By: Maureen Mulheren
Name: Maureen Mulheren
Title: Chair

UKIAH WASTE SOLUTIONS, INC. (LESSEE)

By: Susan L. Van Delinder
Name: Susan L. Van Delinder
Title: Division Vice President

EXHIBIT 2

RECORDING REQUESTED BY
Redwood Empire Title Company of Mendocino
County
MAIL TAX STATEMENTS
AND WHEN RECORDED MAIL TO:
MENDOCINO SOLID WASTE
MANAGEMENT AUTHORITY
P.O. BOX 123
UKIAH, CA 95482
ORDER NO.: 1300058-ROS

2009-04042
Recorded at the request of:
MENDO LAKE CREDIT UNION
03/25/2009 10:44 AM
Fee: \$14.00 Pgs: 1 of 3
OFFICIAL RECORDS
Susan M. Ranochak - Clerk-Recorder
Mendocino County, CA



SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
☒ unincorporated area
☐ THE city of

Documentary Transfer Tax is \$242. County
☐ computed on full value of interest or property conveyed, or
☒ full value less value of liens or encumbrances remaining at the
time of sale

Parcel No. 184-140-11

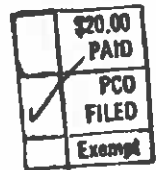
FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged.

Philip and Eloise Gannon Family, LLC and Catherine T. Golden, an unmarried woman
hereby GRANT(S) to

Mendocino Solid Waste Management Authority

the following real property in the Unincorporated Area, county of Mendocino, State of California:

See Exhibit A attached hereto and made a part hereof.



Dated: February 19, 2009

SELLERS:

Philip and Eloise Gannon Family, LLC

Thomas M. Gannon
Thomas M. Gannon, Member

Maurcen Riedy
Maurcen Riedy, Member

Catherine T. Golden
Catherine T. Golden.

STATE OF CALIFORNIA
COUNTY OF Marin

} SS:

On March 6, 2009 before me

Diane L. Julien, a Notary Public, personally appeared

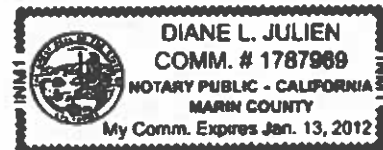
Thomas M. Gannon, Maurcen Riedy
who proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) were subscribed to the within instrument and
acknowledged in me that he/she/they executed the same in his/her/their
authorized capacity(ies) and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Diane L. Julien

FOR NOTARY SEAL OR STAMP



Grandept

STATE OF CALIFORNIA
COUNTY OF MENDOCINO

} SS:

On March 20, 2009 before me.

R. Burlesci

a Notary Public, personally appeared Catherine T. Golden
who proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) is are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies) and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf
of which the person(s) acted, executed the instrument.

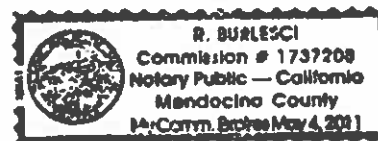
I certify under PENALTY OF PERJURY under the laws of the State
of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

R. Burlesci
R. Burlesci

FOR NOTARY SEAL OR STAMP



STATE OF CALIFORNIA
COUNTY OF

} SS:

On _____ before me.

a Notary Public, personally appeared _____
who proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) is are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies) and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

FOR NOTARY SEAL OR STAMP

Notaryak

Exhibit A

The land referred to herein is described as follows:

All that certain real property situate, lying and being in the unincorporated area, County of Mendocino, State of California, more particularly described as follows:

All that portion of the following land lying Easterly of the courses numbered (12), (13), (14) and (15); Northerly of the course numbered (16), and Westerly of the course numbered (17) in the Final Order of Condemnation recorded December 26, 1962 in Book 614, Page 288, Mendocino County Records:

Commencing at "H2", which is the Southwest corner of Lot 69 of Healey's Survey and Map of Yokayo Rancho, and which is marked by a half inch iron bolt; thence North 81°12' East, 30.6 feet to the East line of the State Highway and the point of beginning of this description; thence on the exterior boundaries of the land to be described as follows: North 20°38' West, on the East line of the State Highway 747 feet to an iron pipe, from which a white oak tree 40 inches in diameter, marked "FSVNB TGGE" bears South 38°11' East, 133.5 feet; thence North 76°52' East, 332.60 feet; thence North 59°50' East, 56.1 feet; thence North 81°37' East, 981.4 feet to the West line of the Northwestern Pacific Railway Company's right of way; thence South 21°39' East, along the West line of said right of way, 789.8 feet to the South line of said Lot 69; thence South 81°12' West, along the South line of said Lot 69, a distance of 1386.5 feet to the point of beginning, being a portion of Lot 69 of Healey's Map and Survey of Yokayo Rancho.

APN: 184-140-11

EXHIBIT 3

As required in Section 5 of the Lease, the Lessee will operate a California Certified CRV (Buy Back) Recycling Center at the Facility during the entire Term of the Lease, complying with all applicable rules and regulations of the State of California governing such operation, and will receive all items and make whatever CRV payments to the buyback customer required by applicable regulation in effect at the time.

EXHIBIT 4

Lessee agrees to maintain the property as described in Exhibit 2 in a manner keeping with industry standards regarding the storage, handling and securing Household Hazardous Waste (HHW). These standards may include but are not limited to; fencing, locked gates and doors, security lighting, alarms, proper containers, labels and handling procedures.

HHW items to be accepted at the Facility by Lessee in accordance with the terms and conditions of EXHIBIT 1 will include but are not limited to the following listed items. This list may be amended in future to meet regulatory requirements of the State of California.

Aerosol sprays

Antifreeze

Asbestos

Auto batteries

Automatic transmission fluid Ballasts

Bases

Batteries (auto, solar, household)

Brake fluid

Cleaners and disinfectants

Drum Disposal (empty only, 15-gal maximum size)

Engine cleaners

Fertilizers

Fire extinguishers

Flammable liquids & solids

Flares

Fluorescent bulbs

Fuels (such as butane, diesel, gasoline, kerosene and lamp oil) Fungicides

Glues

Insecticides

Bulbs

Medication

Mercury

Non- RCA Liquids/Solids

Nail polish & remover

Oil & filters

Oxidizers

Paint

Paint thinners

Perfumes

Pesticides

Photo chemicals

Pool chemicals

Power-steering fluid

Propane (5 gallon-cylinders and smaller)

Road Flares

Rodenticides

Sharps/needles

Shoe Polish

Sludge, Soil, Misc.

Smoke Detectors

Solvents

Treated Wood (nails/screws removed)

Toiletries Weed Killers Wood Finishes

**SERVICE AGREEMENT
BETWEEN
MENDOCINO SOLID WASTE MANAGEMENT AUTHORITY
AND
UKIAH WASTE SOLUTIONS, INC.**

This Service Agreement (this “**Agreement**”) is made and entered in Ukiah, California on [April 1st], 2023 (“**Effective Date**”) by and between the Mendocino Solid Waste Management Authority (“**MSWMA**”) and Ukiah Waste Solutions, Inc. (“**Contractor**”). MSWMA and Contractor may be referred to hereafter as “**Party**” and collectively as “**Parties.**”

RECITALS:

1. MSWMA is a joint powers agency currently organized and operating under an Amended and Restated Joint Powers Agreement among the Cities of Fort Bragg, Ukiah, Willits and the County of Mendocino, dated November 19, 2019 (the “**JPA**”). Under the JPA, MSWMA was formed for various purposes, including: (A) making reasonable efforts to increase recycling and diversion of materials in order to reduce landfill deposits and achieve the waste diversion goals of a Reduction and Recycling Plan; (B) providing for the proper handling, reuse or disposal of household hazardous wastes; (C) providing educational outreach to encourage recycling, diversion and proper disposal of solid and household hazardous waste; (D) providing for the cleanup of sites where solid waste has been illegally disposed; and (E) removing graffiti.

2. Ukiah Waste Solutions, Inc. is a California corporation in good standing serving and Mendocino County which is licensed and experienced in the collection, processing, temporary storage and proper disposal of Household Hazardous Waste, the collection and processing of solid waste, including recyclables and the curbside collection of solid waste and recyclable solid waste.

3. Among other purposes, the JPA authorizes MSWMA to make reasonable efforts to provide for the proper handling, reuse or disposal of HHW and the cleanup of Clean-up Sites.

4. MSWMA operates a household hazardous waste drop-off center at 3200 Taylor Drive, Ukiah, CA 95482 (the “**MSWMA Site**”) which property it owns in fee and which is not subject to any encumbrances, and has operated a Hazmobile to collect household hazardous waste in Other County Areas.

5. MSWMA has determined that it will be more efficient and cost effective to contract with a solid waste contractor, such as Contractor, which has local facilities and equipment and familiarity with the County, to operate and maintain the household hazardous waste functions at the MSWMA Site, collect, transport and properly dispose of household hazardous waste from Other County Areas and clean-up Clean-Up Sites.

6. The extent of HHW collection services at the MSWMA Site and in Other County Areas and of the removal of illegally disposed solid waste from Clean-Up Sites shall be determined periodically by MSWMA based on its funding and annual budget.

AGREEMENT:

Based on the foregoing recitals which are incorporated into this Agreement, the terms and conditions stated hereafter and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS.** The following capitalized terms shall have the meaning specified in this Section 1:

A. **"Clean-up Sites"** shall mean locations in the County where Solid Waste has been deposited illegally which are reasonably accessible from public roads.

B. **"Commencement Date"** shall mean the date when Contractor is required to begin providing services under this Agreement as specified in Section 2 below.

C. **"County"** shall mean Mendocino County.

D. **"Facility"** shall mean household hazardous waste disposal facility at the MSWMA Site.

E. **"Hazmobile"** shall mean the truck used by Contractor to collect HHW from Other County Areas at HHW Collection Events.

F. **"HHW Collection Events"** shall mean announced opportunities for members of the public in Other County Areas to dispose of HHW scheduled at varying locations at various dates and times as established from time to time by MSWMA

G. **"Household Hazardous Waste" or "HHW"** shall mean leftover household products that can catch fire, react, or explode under certain circumstances, or that are corrosive or toxic, including products, such as paints, cleaners, oils, batteries, pesticides and other products specified by MSWMA as accepted at the Facility.

H. **"Lease"** shall mean the lease between MSWMA and Contractor for the MSWMA Site, dated April 1, 2023.

I. **"MSWMA"** shall mean the Mendocino Solid Waste Management Authority, as further described in Recital 1 above.

J. **"MSWMA Site"** shall mean the real property located at 3200 Taylor Drive, Ukiah, CA as depicted and described in the Lease.

K. **"Other County Areas"** shall mean incorporated and unincorporated portions of Mendocino County outside the Ukiah Valley, including the South and North coastal areas and inland areas south, north and northeast of the Ukiah Valley.

L. **"Plan"** shall mean the plan for accepting household hazardous waste at Transfer Station Sites as further described in Section 2.B.(2) below.

M. **“Household Public”** shall mean members of a household who are not a commercial business.

N. **“Solid Waste”** shall mean all putrescible and non-putrescible refuse, and rubbish as defined in Public Resources Code Section 40191 and other materials as specified by MSWMA, including tires, vehicle parts, construction debris, shopping carts and similar items but excluding Hazardous Waste and Household Hazardous Waste.

O. **“Transfer Station Sites”** shall mean fully permitted solid waste transfer stations in the County specified in the Plan.

2. **SERVICES.** Commencing on April 1st, 2023 (the **“Commencement Date”**), Contractor shall provide the following services:

A. **Household Hazardless Waste Acceptance, Processing at Facility and Disposal.** Pursuant to the Lease, Contractor shall operate and maintain the Facility for use of the general public.

(1) Operations. Operations pertaining to the type and amount of household hazardous waste members of the public can bring to the Facility and other requirements related thereto are contained in Attachment 1, attached hereto, which MSWMA may revise each fiscal year based on its funding and its annual budget and the fees and rates established as provided in Sections 4 and 5 or otherwise as mutually agreed by MSWMA and Contractor. Any revised version of Attachment 1 must be signed and dated by duly authorized representatives of the Parties and attached to this Agreement.

(2) Schedule. The days and hours when the Facility is open to the public and accepting household hazardous waste shall be set by MSWMA on or prior to the Commencement Date and each year thereafter during the term of this Agreement by written notice to Contractor given no later than March 31. MSWMA may provide notice to Contractor to modify the schedule during the fiscal year taking into account MSWMA’s available funding, any budget amendments adopted by the Commission and the ongoing charges from Contractor under Sections 4 and 5.

B. **Collecting Hazardous Waste from Other County Areas.** Contractor shall collect, transport to the Facility for processing and dispose of household hazardous waste from Other County Areas.

(1) Use of Hazmobile or Other Suitable Equipment. Contractor shall use the Hazmobile or other suitable equipment approved by MSWMA to collect household hazardous waste from Other County Areas.

a. Rules. **Attachment 1** contains the operations pertaining to the type and amount of household hazardous waste Contractor shall collect from mobile locations and other requirements related thereto, attached hereto, which MSWMA may revise each fiscal year based on its funding and its annual budget and the rates established as provided in Sections 4 and 5. Any revised version of Attachment 1 must be signed and dated by duly authorized representatives of the Parties and attached to this Agreement.

b. Schedule and Location. The days or dates, hours and locations when and where Contractor will conduct HHW Collection Events shall be set by MSWMA on or prior to the Commencement Date and each year thereafter during the term of this Agreement by written notice to Contractor given no later than March 31. MSWMA may provide notice to Contractor to modify the schedule during the fiscal year taking into account MSWMA's available funding, any budget amendments adopted by the Commission and the ongoing charges from Contractor under Sections 4 and 5.

(2) Use of Transfer Stations for Collection of Household Hazardous Waste from Other County Area. As an alternative to using mobile equipment and conducting HHW Collection Events, Contractor may submit a Plan for accepting household hazardous waste at Transfer Station Sites. The Plan may provide for Contractor subcontracting with transfer station owners/operators ("Operators") to accept and store HHW for Contractor to collect and transport to the Facility for processing.

a. The Plan shall describe in detail the schedule for accepting HHW at Transfer Station Sites, the method for receiving and storing HHW, the locations within the site for all functions associated with implementing the Plan, the measures the subcontractor is required to take to safely accept and store HHW, and shall include a draft subcontract between Contractor and the transfer station owners/operators that includes indemnification and insurance requirements and the proposed charges by the subcontractor and Contractor for their performance under the Plan.

b. Contractor may submit a proposed Plan to MSWMA covering one or more fiscal years by no later than March 31 for implementation in the next fiscal year, commencing July 1. Contractor shall specify the deadline for Plan approval, taking into account the time required by the subcontractor to prepare the Transfer Station Site to comply with applicable Plan requirements. MSWMA staff and Commission shall consider and respond to the Plan in good faith.

(3) Services to Transfer Station Operators. During the term of this Agreement, the Contractor shall provide the services described in **Attachment 3** at no cost to Transfer Station Site Operators. The Contractor may charge MSWMA for these services based upon the rates listed in **Attachment 2** which may be adjusted annually as described in Section 4A of this Agreement. At the sole discretion of the General Manager with the written agreement of the Contractor, additional services may be added to **Attachment 3** to meet current needs and requirements of the Operators of Transfer Station Sites. Any revised **Attachment 3**, shall be signed by the General Manager and an authorized representative of Contractor.

C. **Removing Solid Waste from Clean-Up Sites.** As directed by MSWMA, Contractor shall remove and properly dispose of Solid Waste from Clean-up Sites specified by MSWMA.

(1) Contractor shall provide all labor, trucks, bins, boxes and equipment required to perform this service and to properly dispose of the removed material. To the extent practical, as determined in the reasonable exercise of Contractor's discretion, Contractor shall, in accordance with all legal requirements, recycle recyclable materials removed from the site.

(2) MSWMA may specify one or more Clean-up sites by written notice to

Contractor. Within fifteen (15) days of such notice, Contractor shall inspect the site and provide written notice to MSWMA of the estimated cost to remove the Solid Waste from the site. Upon receipt and approval of the estimated cost, MWSMA shall provide written notice to Contractor to proceed with the clean-up. Contractor shall provide the clean-up service within thirty (30) days of notice to proceed from MSWMA, weather permitting.

D. of hazardous waste at the Facility and in Other County Areas and about reporting to Contractor illegal dump sites.

E. **Other Services Consistent with the Purposes of MSWMA Subject to Further Agreement between Contractor and MSWMA.** On terms and conditions, including fees Contractor charges therefor, MSWMA and Contractor may enter a written addendum to this Agreement under which Contractor provides additional services within the purposes of MSWMA as set forth in the JPA.

3. **TERM.** The term of this Agreement shall run concurrently with the City of Ukiah Curbside Collection Franchise agreement, including extensions and renewals, subject to earlier termination under Section 8.

4. **FEES.** MSWMA shall pay Contractor for services under this Agreement as follows:

A. Initial fees for services under Sections 2.A., 2.B. and 2.C. and the annual adjustment of those fees are set forth in Attachment 2 to this Agreement.

B. Contractor shall submit invoices by the fifteenth (15th) day of every month for services provided during the preceding month, showing the services provided and the charges for each such service, including the accounting required by Section 5.B. MSWMA shall pay all undisputed invoices for the services provided by Contractor under Sections 2.A., 2.B. and 2.C. within thirty (30) days of receipt of the invoice.

5. **RATES.**

A. MSWMA shall set rates charged, if any, separately to members of the Household Public who dispose of HHW at the Facility and to members of the Household Public who dispose of HHW in Other County Areas. Payments required by members of the Household and Commercial Public, if any, shall be collected by Contractor when the service is provided. The rates may not exceed the fees paid by MSWMA under Section 4 for the service provided to the member of the Household and Commercial Public.

B. By no later than the fifteenth (15th) day of each [month][other?] when services are provided under Sections 2.A. and 2.B., Contractor shall submit to MSWMA an accounting showing the fees for such services provided in the previous month, the fees collected from members of the Public for those services provided under Section 2.A. and the difference between the fees charged to MSWMA and the fees paid by members of the Public. MSWMA shall pay Contractor the amount, if any, by which the fees payable by MSWMA exceed the fees, if any, collected from members of the Public.

C. Contractor shall keep records in compliance with Section 6.D. that include records and receipts of the services provided to members of the Public under Sections 2.A. and 2.B. and all fees paid by MSWMA for services and all amounts paid for such services by members of the

Public. MSWMA shall have the right to copies of such records, with a 24-hour notice to Contractor which can be provided as Excel Spreadsheet or PDF attachments to an email or by link to an online document service or accounting system.

D. If in an audit or other review of the records provided by Contractor to MSWMA under Section 6.C., MSWMA determines that it has been overcharged, it shall provide the results of the audit or review to Contractor who shall have thirty (30) days from the receipt of the audit or review to explain or otherwise dispute its conclusions. If the Parties have failed to resolve any such dispute within thirty (30) days from MSWMA's receipt of Contractor's position, the dispute shall be subject to binding dispute resolution as provided in Section 8.

6. **PERFORMANCE REQUIREMENTS.**

A. Permits and Licenses. Contractor shall obtain and maintain throughout the term of this Agreement all permits, licenses and approvals required for Contractor to perform the work and services described herein, including, but not limited to a Permit by Rule (PBR) as required by 22 California Code of Regulations (CCR) §676450.25(a)(3) for a Permanent Household Hazardous Waste Collection Facility. MSWMA shall reasonably cooperate with Contractor in connection with obtaining or renewing such permits, licenses and approvals.

B. Compliance with the Permanent Household Hazardous Waste Collection Facility Operations and Contingency Plan. Contractor shall comply with the Permanent Household Hazardous Waste Collection Facility Operations and Contingency Plan also contained in **Attachment 1**.

C. Inspections by MSWMA. MSWMA officials or their designee shall at all times have access on 24 hours' prior written notice to inspect Contractor's work during operations and the Facilities for purposes of ascertaining full knowledge respecting the conduct of Contractor's operations.

D. Records and Reports. Contractor shall keep and maintain accurate books and records in accordance with the most recently adopted Accounting Standards Codification of generally accepted accounting principles by the Financial Accounting Standards Board clearly showing its revenues and expenses in connection with the operations provided for in this Agreement only. Contractor shall maintain records accounting by category for the quantity of HHW collected at the Facility and from Other County Areas, tonnage of Solid Waste removed from Clean-up Sites and disposed at a landfill and recycled on a monthly, quarterly and annual basis.

7. **INDEMNIFICATION AND INSURANCE.**

A. Indemnification. Contractor shall indemnify and hold harmless MSWMA, the Commission and MSWMA's officers, agents, representatives and employees (the "**Indemnified Parties**") from any and all actions, claims or damages brought for or on account of injuries to or death of any person or damage to property of all kinds (collectively ("**Damages**") to the extent resulting from or arising out of (i) the negligence or willful misconduct of Contractor, its officers, agents or employees, or (ii) any breach of this Agreement Contractor, its officers, agents or employees; provided, however, that Contractor shall have no obligation to indemnify, defend or hold harmless any Indemnified to the extent any such Damages resulted from or arose out of the

negligence or willful misconduct of an Indemnified Party. The duty of Contractor to indemnify and hold MSWMA harmless shall include the duty to defend as set forth in California Civil Code Section 2778.

B. Workers' Compensation Insurance. Contractor shall have in effect during the term of this Agreement, workers' compensation and employer liability insurance providing full statutory coverage.

C. Liability Insurance. Contractor shall take out and maintain during the term of this Agreement comprehensive or commercial liability insurance as follows:

(1) General liability, including comprehensive form, premises operations, products/completed operations, hazard, contractual insurance, broad form property damage, independent contractors and personal liability, with limits for bodily and property damage combined of \$500,000 each occurrence and \$500,000 aggregate.

(2) Automobile liability, including comprehensive form, owned, hired and non-owned, with a limit of \$1,000,000 for bodily injury and property damage combined.

(3) Excess liability, umbrella form with the same scope of coverage and exclusions as the underlying policies, with a limit for bodily injury and property damage combined of \$5,000,000 each occurrence and \$5,000,000 aggregate.

(4) Pollution and remediation liability with limits in an amount of not less than two million dollars (\$2,000,000) per occurrence and four million dollars (\$4,000,000) annual aggregate insuring against loss, the cost of remediation and legal defense as a result of pollution conditions arising out of Contractor's performance under this Agreement.

(5) Insurance certificates and policy endorsements evidencing the required coverage shall be filed with MSWMA and shall be subject to approval by MSWMA's designated attorney. MSWMA, its Commission, officers, agents, employees and service providers shall be named as additional insureds on any such policies of insurance which shall also contain a provision that the insurance afforded thereby shall be primary. No such policy shall be cancelled or modified except upon thirty (30) days' prior written notice to MSWMA. Insurance is to be placed with admitted California insurers with an A.M. Best's rating of no less than A- for financial strength, AA for long-term credit rating and AMB-1 for short-term credit rating.

8. REMEDIES UPON DEFAULT.

A. Default. Contractor shall be deemed in default in the event Contractor defaults in the performance of any of the duties to be performed by it under the terms of this Agreement and fails to cure the default as further provided in this Section 8.A. MSWMA shall give Contractor written notice as provided in Section 16 setting forth the default. Contractor shall correct such default within thirty (30) days after receipt of such notice (within seven (7) days if MSWMA determines that the public health or safety is at risk) unless the default cannot, by its nature, be cured within said period, in which case the cure period shall be extended for such additional time as is reasonably necessary to effect a cure, provided that Contractor shall commence efforts to effect a cure as soon as practicable and shall diligently pursue the cure to completion.

B. Material default. In the event Contractor's default described in Section 8.A. is of a material provision of this Agreement and is not cured as set forth in Section 8.A. or if Contractor has committed Multiple Breaches (defined to mean three (3) or more defaults of material provisions of this Agreement within an eighteen (18) month period, whether cured or not) ("**Material Default**"), MSWMA shall have the following remedies:

(1) Liquidated Damages. The Parties acknowledge that MSWMA may incur damages as a result of a Material Default, and that such Material Default may not warrant termination of this Agreement. The Parties agree that as of the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by MSWMA as a result of a Material Default. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to members of the public who are denied services or denied quality or reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Agreement to individual members of the general public for whose benefit this Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms; (iii) that exclusive services might be available at substantially lower costs than alternative services and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and (iv) the termination of this Agreement 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. Liquidated damages shall be MSWMA's exclusive damages remedy for any individual Material Default which does not result in termination of this Agreement by MSWMA. The amount of liquidated damages is \$500.00 for each day the Material Default continues after Contractor fails to cure until it is either cured or MSWMA terminates this Agreement.

(2) Termination. Without further notice and without suit or other proceedings, MSWMA may cancel and annul the rights and privileges of this Agreement upon a Material Default. In the event of termination of this Agreement for Material Default, MSWMA shall have the right forthwith to contract with another company to perform work under this Agreement. MSWMA shall also have access to Contractor's records for the purpose of billing during the period MSWMA is providing the services described in this Agreement and shall retain all fees collected for such services.

C. Performance Bond or Guarantee. Contractor shall post a \$300,000 performance bond or financial instrument reasonably acceptable to MSWMA as security for Contractor's faithful performance of each and every term, covenant and condition of this Agreement to be performed by Contractor. In the alternative, Waste Connections US, Inc., a Delaware corporation, may provide an irrevocable guarantee of Contractor's performance hereunder.

D. Other Remedies. Upon termination of this Agreement based on a Material Default, MSWMA shall have all other remedies in law or equity for such Material Default.

9. **DISPUTE RESOLUTION.** If a dispute arises between MSWMA and Contractor regarding fees or any other term or provision of this Agreement, the Parties agree to meet and confer in good faith to resolve the dispute. Either Party may request to meet and confer by written notice to the other Party. Alternatively, the Parties may agree to participate in non-binding

mediation. If the dispute is not resolved within thirty (30) days after the written request to meet and confer has been given or after the Parties have agreed to non-binding mediation, the matter, other than an action seeking specific performance or other equitable relief, damages of Twenty Five Thousand Dollars (\$25,000) or less, or indemnification or insurance coverage pursuant to Section 7, shall be submitted to non-binding arbitration in accordance with Title 9 of the California Code of Civil Procedure, commencing with Section 1280, before a single neutral arbitrator ("**Arbitrator**") in Mendocino County. The Arbitrator shall be an attorney with at least ten (10) years' experience or a retired judge (or a person having comparable qualifications) and shall be mutually agreed upon by the Parties. If the Parties are unable to agree on an Arbitrator, the Arbitrator shall be appointed by the superior court in accordance with Cal. Code Civ. Proc. §1281.6. The fees and expenses of the Arbitrator shall be borne equally by the Parties.

In the event such non-binding arbitration does not resolve the matter and in any other dispute that results in any court action, the Parties waive any right to a jury trial and agree that any such action shall be filed in the federal or state courts in or for Mendocino County, each Party hereby consents to the jurisdiction of and venue in such courts, the matter shall be governed by the internal laws of the State of California (irrespective of choice of law principles), and the prevailing Party shall be entitled to recover its reasonable attorneys' fees, costs and disbursements incurred in such action from the non-prevailing Party.

10. **INSOLVENCY.** If Contractor shall at any time during the term of this Agreement or any extension thereof, become insolvent, or if proceedings in bankruptcy shall be instituted by or against Contractor, or if Contractor shall be adjudged bankrupt or insolvent by any Court, or if a receiver or trustee in bankruptcy or a receiver of any property by Contractor shall be appointed in any suit or proceeding brought by or against Contractor, or if Contractor shall make an assignment for the benefit of creditors, then and in each and every such case, and provided that such proceedings, adjudication, appointment or assignment, as the case may be, continue in effect for ninety (90) days without being vacated, removed or withdrawn, this Agreement shall immediately cease and come to an end, and the rights and privileges granted shall immediately be cancelled and annulled without notice or action required on behalf of MSWMA.

11. **FORCE MAJEURE.** Notwithstanding any other provision herein, no default, delay or failure to perform on the part of either Party shall be considered a breach hereunder if such default, delay or failure to perform is due to causes beyond such Party's control, including, but not limited to, riots, civil disturbances, actions or inactions of governmental authorities, epidemic or pandemic (or any restrictions imposed by governmental authorities in response thereto), war, embargoes, severe weather, fire, earthquake, flood, acts of God, defaults by the other Party or defaults by carriers. In the event of any such default, delay or failure to perform, any dates or times by which the affected Party otherwise is scheduled to perform shall be extended for a period of time equal in duration to the additional time required because of the excused default, delay or failure to perform.

12. **ASSIGNMENT.**

A. Contractor shall not directly or indirectly, voluntarily or involuntarily assign, mortgage, pledge or encumber any interest in all or a part of this Agreement without the prior written consent of MSWMA, which consent shall not be unreasonably withheld, conditioned or

delayed. The MSWMA Council shall have the right to determine in its reasonable discretion whether to approve, conditionally approve or deny any request by Contractor for approval under this Section, provided, however, that any such approval shall not be unreasonably withheld, conditioned or delayed. Any action requiring MSWMA Council approval under this Section that occurs without such approval shall give MSWMA the right to terminate this Agreement without prior notice to Contractor or its successors or assigns. For purposes of this Section, any transaction involving the transfer, sale or exchange of stock which results in a change in majority control of Contractor from its owners as of the date hereof (excluding transfers between such owners and their affiliates and transfers by any such owners to revocable living trusts for the benefit of their families) shall be an assignment subject to MSWMA review and approval.

B. Any written agreement between Contractor and an Authorized Facility for the disposal of Solid Waste generated in MSWMA entered into after the date of this Agreement shall provide that: (1) MSWMA is a third party beneficiary with the same right as a Party to enforce such agreement; (2) any assignment of such agreement shall require MSWMA approval; (3) in the event such agreement is terminated during its term or any extended term by Contractor or by the Authorized Facility operator based on an uncured default by Contractor under such agreement, such agreement may be assumed by MSWMA without change, including as to disposal rates and terms; and (4) if terminated based on an uncured default by Contractor, any payments due but unpaid under such agreement on the date of termination shall continue to be an obligation of Contractor and the obligation to make any such payments shall not be assumed by MSWMA upon its assumption of such agreement.

13. **WAIVER.** The waiver by either Party of any breach or violation of any term or condition of this Agreement or of any provision of law by the other Party must be in writing signed by the Party to be charged and shall not be deemed to be a waiver of the term, condition or provision of law, or of any subsequent breach or violation of the same or any other term, condition or provision of law. The acceptance by MSWMA of any franchise fee or other fee or other monies which may become due hereunder to MSWMA shall not be deemed to be a waiver of any preceding breach or violation by Contractor.

14. **ADMINISTRATION.** The administration and enforcement of this Agreement shall be the responsibility of a designated representative of MSWMA which can be a member of MSWMA or any of their designated employees, contractor or officials. Nothing contained in this Agreement shall prohibit MSWMA from seeking approval from its Commission for any decision MSWMA or its authorized agent is authorized to make under the terms of this Agreement.

15. **INDEPENDENT CONTRACTOR.** Contractor is an independent contractor and is solely responsible for its acts or omissions. Contractor (including its agents, servants, and employees) are not MSWMA's agent, employee, or representative for any purpose.

It is the express intention of the Parties hereto that Contractor is an independent contractor and not an employee, joint venturer, or partner of MSWMA for any purpose whatsoever. MSWMA shall have no right to, and shall not control the manner or prescribe the method of accomplishing those services contracted to and performed by Contractor under this Agreement, and the general public and all governmental agencies regulating such activity shall be so informed.

Those provisions of this Agreement that reserve ultimate authority in MSWMA have been inserted solely to achieve compliance with federal and state laws, rules, regulations, and interpretations thereof. No such provisions and no other provisions of this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between Contractor and MSWMA.

Contractor shall pay all estimated and actual federal and state income and self-employment taxes that are due the state and federal government and shall furnish and pay worker's compensation insurance, unemployment insurance and any other benefits required by law for himself and his employees, if any. Contractor agrees to indemnify and hold MSWMA and its officers, agents and employees harmless from and against any claims or demands by federal, state or local government agencies for any such taxes or benefits due but not paid by Contractor, including the legal costs associated with defending against any audit, claim, demand or law suit.

16. **NOTICES.** Whenever a notice or document is required or permitted to be served or given hereunder, it shall be deemed given or served when received if delivered by email (with acknowledgment of receipt), certified U.S. Mail, overnight courier (such as UPS or Federal Express), or 48 hours after deposit in the U.S. Mail with first class postage affixed. Any such document or notice shall be addressed as follows:

MSWMA:

Mendocino Solid Waste Management Authority
Attn: []
3200 Taylor Drive
Ukiah, California 95482
Email: []

CONTRACTOR:

Ukiah Waste Solutions, Inc.
Attn: Bruce McCracken, District Manager
3515 Taylor Drive
Ukiah, California 95482
Email: bruce.mccracken@wasteconnections.com

or to such other person or address as may be specified from time to time in writing by either Party in accordance with this Section.

17. **AMENDMENTS.** This Agreement may be amended from time to time only by written agreement between the Parties signed by an authorized representative of each Party. Either Party may at any time request that the service or other provisions in this Agreement be modified by delivering written notice of its requested modifications to the other Party. Within thirty (30) days after receipt of any such request, the Parties shall meet and negotiate in good faith on adopting such requested modifications, including, without limitation, any change to the Rates necessitated by such modifications, provided that nothing herein shall obligate either Party to agree on any such requested modifications.

18. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon, and shall inure to the benefit of, the permitted successors and assigns of the Parties.

19. **INTEGRATION; SEVERABILITY.** This Agreement, including the Exhibits hereto, constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements between the Parties, whether written or oral, relating to such subject matter. If a court finds any provision of this Agreement invalid or unenforceable as applied to any circumstance, the remainder of this Agreement and the application of such provision to other persons or circumstances shall remain in effect. The Parties further agree to replace such void or unenforceable provision with a valid and enforceable provision which will achieve, to the extent possible, the economic, business and other purposes of the void or unenforceable provision.

*[Remainder of page intentionally left blank;
Signature page follows.]*

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

MENDOCINO SOLID WASTE MANAGEMENT AUTHORITY

By: *Maureen Mulheron*
Name: *Maureen Mulheron*
Title: *Chair*

UKIAH WASTE SOLUTIONS, INC.

By: *Susan L. Van Delinder*
Name: *Susan L. Van Delinder*
Title: *Division Vice President*

ATTACHMENT 2

CITY OF UKIAH INVOICE

HOUSEHOLD HAZARDOUS WASTE COLLECTION

Bill To: City of Ukiah Public Works
300 Seminary Avenue
Ukiah, CA 95482

Car Count

Sat
Sun

Event Date

Location:

City of Ukiah

0

Material	Unit	Disposal Cost	Quantity	Subtotal
PAINT - Oil Based	Gallon	\$0.000		\$0.00
Latex	Gallon	\$0.000		\$0.00
Flammables - Bulk Solv	Gallon	\$3.300		\$0.00
Solids/Grease	Gallon	\$4.600		\$0.00
Liquids loose pack	Gallon	\$3.460		\$0.00
POISONS - Solid	Gallon	\$4.780		\$0.00
POISONS - Flammable Liquids	Gallon	\$7.260		\$0.00
CORROSIVES - Acids & Bases	Gallon	\$4.450		\$0.00
OXIDIZERS - Solids & Liquid	Gallon	\$6.750		\$0.00
GASES - Aerosol Cans	Drum	\$235.000		\$0.00
Aerosol Meter Box	Each	\$710.000		\$0.00
5- Gallon Propane bottle	Each	\$0.000		\$0.00
1-Gallon Propane	Each	\$2.000		\$0.00
1 Pound Propane Meter Box	Each	\$980.000		\$0.00
MISC - Non-RCRA Solids	Gallon	\$6.260		\$0.00
Non-RCRA Liquids	Gallon	\$4.770		\$0.00
Motor Oil	Gallon	\$0.000		\$0.00
Oil Filters	Gallon	\$0.000		\$0.00
PCB Ballasts	Pound	\$0.650		\$0.00
Fluorescent Tubes	Foot	\$0.150		\$0.00
HID Bulbs	Each	\$1.200		\$0.00
Compact Fluorescent Lamps	Each	\$0.600		\$0.00
Bent light tubes	Each	\$1.600		\$0.00
Crushed Tubes	Pound	\$2.100		\$0.00
Lead Chips/Contaminated Soil/Absorbent	Gallon	\$4.780		\$0.00
Mercury	Gallon	\$42.180		\$0.00
Household Batteries	Pound	\$1.000		\$0.00
Cell Battery NICAD / Lithium Recycle	Pound	\$0.300		\$0.00
Antifreeze	Gallon	\$0.000		\$0.00
Drum Disposal	Each	\$0.000		\$0.00
Fire Extinguishers	Each	\$2.000		\$0.00
Asbestos Loose	Gallon	\$6.400		\$0.00
Sharps	Cu Ft.	\$3.92		\$0.00
Flares	Gallon	\$33.540		\$0.00
			Disposal	\$0.00
HHW Supplies	20X100 POLY FILM	\$110.00		\$0.00
	DUCT TAPE	\$6.00		\$0.00
			Supplies	\$0.00
Labor				
HHW Tech 1 Labor Fee	Hour	\$35.25		\$0.00
HHW Tech 2 Labor Fee	Hour	\$35.25		\$0.00
HHW Manager Labor Fee	Hour	\$52.10		\$0.00
HHW Support Labor Fee	Hour	\$44.75		\$0.00
				\$0.00
Vehicle Expense				

HHW Travel Mileage	Mile	\$0.90		\$0.00
HHW Packaging Supplies -	Meter Box	\$36.00		\$0.00
	E-Manifest	\$28.00		\$0.00
	Steel Drums 8-DM-OT-55 GAL	\$40.00		\$0.00
				\$0.00
Equipment	Roll-off Truck	\$100.00		\$0.00
	Loader	\$200.00		\$0.00
	Skid Steer	\$200.00		\$0.00
	Trailer	\$100.00		\$0.00
				\$0.00
Freon Removal		\$10.00		\$0.00
Facility Overhead & Profit				\$0.00
Total				\$0.00

Remit To:
Ukiah Waste Solutions, Inc.
P.O. Box 60
Ukiah, CA 95482

ATTACHMENT 3

Services Provided at No Cost to Transfer Station Operators

The Contractor will provide the following services at no cost to the transfer station site operators on a reasonable time schedule as agreed by the Contractor and the transfer station operator in accordance with 2 B. (3) of the Agreement.

1. Freon Removal from Refrigerators, Air Conditioners, and other Freon Appliances.
2. Removal and collection of Mercury Switches from Appliances.
3. Collection of Hazardous Materials from Load Checking Procedures
4. Collection of smaller household batteries
5. Collection of prescription medications and sharps

ATTACHMENT 1

OPERATIONS

Household Hazardous Waste. Commencing on a start date in 2023 as determined by MSWMA, Contractor shall provide for collection, storage and disposal of Household Hazardous Waste in accordance with its Household Hazardous Waste Operations Plan. Notwithstanding said Operations Plan, Contractor shall provide for the collection, storage and disposal of Household Hazardous Waste ("HHW") from and after such start date, as follows:

(a) Collection.

(i) Contractor shall provide Hazardous Waste Collection at 3200 Taylor Dr, Ukiah, CA 95482. It is anticipated that there will also be offerings of mobile events within the northern and western regions of Mendocino County. Each drop-off event shall be fully compliant with state and federal regulations that govern such events, and shall be available to the owners or occupants of all single-unit residential properties in the County without charge. Additionally, said drop-off events shall be available to the owners, tenants or operators of all commercial properties located in the County for a fee negotiated in good faith by the parties hereto, which fee may be amended from time to time pursuant to mutual written agreement of Contractor and MSWMA executed by the General Manager, to reflect the agreed upon compensation relative to Attachment 1.

Proof of County residence may be required. In its discretion, Contractor may also offer Household Hazardous Waste collection service at residential and commercial properties in the County at such fees as are established by mutual good-faith negotiations between the parties hereto.

(ii) The Company agrees to receive Household Hazardous Waste at the Recycling Facility, at a fee to be negotiated in good-faith by the parties hereto, at hours other than indicated in 2.a.2. above, if (a) requested by the MSWMA to accommodate unusual quantities of Hazardous Waste resulting from an emergency or from programs of any Mendocino County-based local governmental entity designed to promote clean-up of an area in the Territory; (b) the Recycling Facility is able, in the reasonable judgment of the Contractor, to receive such additional quantities of Household Hazardous Waste without adversely affecting the Company's operation or maintenance of the Recycling Facility; and (c) MSWMA will provide the Company with reasonably adequate advance notice of such delivery of Household Hazardous Waste to enable the Contractor to respond to any such request. Written confirmation shall be provided within ten days of such event.

Contractor, with the consent of the MSWMA (which shall not be unreasonably withheld) may change the list of Household Hazardous Waste materials that are acceptable for disposal at the Recycling Facility. Contractor shall be under no obligation to accept or receive Household Hazardous Waste that is not identified as acceptable for disposal at the Recycling Facility.

(iii) Subject to compliance with licensing and permit requirements, nothing herein shall preclude Contractor, in its sole discretion, from electing to provide HHW collection services to any of its customers in the Territory on an "as-requested" basis. Contractor may charge said customers for collection of HHW collection services at rates to be negotiated in good faith between Contractor and MSWMA, which rates may be amended from time to time pursuant to mutual written consent of Contractor and MSWMA executed by the General Manager.

(b) Storage. Contractor shall provide for storage of Household Hazardous Waste collected, whether collected by Contractor or County, at any properly licensed and permitted HHW storage facility including the Recycling Facility, which HHW storage facility shall be maintained in compliance with all applicable federal, state and local statutes, laws, regulations and ordinances, as currently in existence or as may be enacted or modified during the Term of this Agreement.

(c) Disposal. For all Household Hazardous Waste stored at the Recycling Facility, the Contractor shall provide for the removal, shipment, transportation and delivery of said Household Hazardous Waste to Licensed Hazardous Waste Recycling Treatment or Disposal Facilities ("TSDFs"). Wherever possible, such HHW shall be recycled or, if not possible, treated or incinerated. If recycling, treatment and incineration are not available alternatives, then, and only then, may Contractor arrange for the landfilling of Household

Hazardous Waste at a landfill willing and permitted to accept same. MSWMA hereby agrees that all Household Hazardous Waste manifests for such removal, transportation and disposal shall bear the name of MSWMA as Generator of the waste, and shall be signed by Contractor n authorized representative of MSWMA.

Contractor shall remove, ship, transport and deliver such Household Hazardous Waste in a reasonable and cost-effective manner consistent with the other provisions of this Section. Contractor shall determine the TSDFs to be used for recycling, treatment, incineration, or disposal of such Household Hazardous Wastes, and Contractor shall use such TSDFs for such purposes unless otherwise directed by MSWMA or unless uncontrollable circumstances require use of an alternative TSDF. Notwithstanding any of the foregoing, Contractor shall obtain the prior written approval of MSWMA before landfilling any Household Hazardous Waste.

(d) Compliance with Laws. Throughout the duration of this Agreement, Contractor shall comply with, and pay, any fine, penalty or other charge with respect to the Contractor's failure to adhere to all requirements of any applicable environmental laws and regulations or other applicable laws, ordinances, codes, regulations and rules, and any permits issued thereunder, which are necessary for the collection, storage and disposal of Household Hazardous Waste, unless such fine, penalty or other charge is imposed by reason of the negligent acts or omissions of MSWMA or other third parties beyond Contractor's control.

(e) Compensation: MSWMA shall compensate Contractor based upon the agreed upon rates in attachment 1. Contractor shall invoice MSWMA quarterly for services and shall be itemized to the satisfaction of MSWA's General Manager who shall pay said invoices within 30 days of receipt. Additionally, to the extent eligible State or Federal funds are provided to MSWMA for such purposes, MSWMA will provide for additional collection events, improvement to the HHW collection facilities, the purchase of personal protective equipment and/or Hazardous Waste Operations and Emergency Response Standards (HAZWOPPER) training. Pursuant to mutual written consent of Contractor and MSWMA executed by the General Manager.

(f) Safety of Persons and Property. Contractor warrants that it understands the known hazards that are present to persons, property, and the environment in the transportation, storage, and treatment/disposal of the wastes received at HHW facilities. Throughout the term of this Agreement, the Contractor agrees that it will: (a) take all reasonable precautions to prevent damage, injury or loss, by reason of or related to the operation and maintenance of the Recycling Facility, to any property on the Recycling Facility site or adjacent thereto, including equipment, structures and utilities, which are dedicated to the collection, storage and disposal of HHW; (b) establish and maintain safety procedures for the Recycling Facility for the protection of employees of the Contractor and all other Persons, invitees and permittees at the Recycling Facility in connection with the operation and maintenance thereof at a level consistent with applicable law and with good industry standards and practices for HHW collection facilities; (c) comply with all applicable laws, ordinances, rules, regulations and lawful orders of any governmental agency relating to the safety of persons or property at the Recycling Facility or their protection at the Recycling Facility from damage, injury or loss; and (d) designate a qualified and responsible member of its organization at the Recycling Facility whose duties shall include safety and the prevention of fires and accidents at the Recycling Facility and to coordinate such activities as shall be necessary with federal, state, local, and municipal officials.

(g) Personnel. All of the Contractor's personnel assigned to the Recycling Facility shall be appropriately trained in accordance with all applicable rules, regulations and law so that the Recycling Facility will be operated and maintained in accordance with all applicable federal, state and local laws and regulations.

(h) Violation Notification. Contractor shall notify MSWMA within five (5) working days if any of the following occurs between now and termination of this Agreement:

- (i) Contractor or its affiliates are served with a notice of violation of any laws, regulations, or permits which relate in any material respect to the HHW services proposed hereunder; or
- (ii) Proceedings are commenced against Contractor, its affiliates, its waste management facilities or other handlers that could lead to revocation of permits or licenses that relate to the HHW services envisioned herein.

(i) Licenses, Permits, Etc. Contractor represents and warrants to MSWMA that it, its affiliates and any subcontractors engaged by Contractor to perform HHW work relative to this Agreement, shall have at the time of the effective date of this Agreement and at all times during the term of this Agreement, all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required for Contractor to provide the HHW collection, storage and disposal services envisioned herein. In the event that its mobile HHW facilities and any other facilities necessary to provide the HHW services delineated herein, should lose its permitted status during the term of this Agreement, Contractor shall promptly notify MSWMA of such loss. Contractor will ensure that all Permit By Rule (PBR) conditions to operate the HHW mobile events and other relevant facilities are met. The Contractor will complete the PBR forms and submit to MSWMA for necessary signatures. MSWMA is responsible for submittal and obtaining approval of the PBR.

LEASE

THIS LEASE is made on August __, 2023 (the “**Effective Date**”), by and between the Mendocino Solid Waste Management Authority (“**Lessor**”), a joint powers agency under the California Joint Exercise of Powers Act (“**Lessor**”) and Ukiah Waste Solutions, Inc., a California corporation in good standing (“**Lessee**”) (Lessor and Lessee may be referred to hereafter as “**Party**” and collectively as “**Parties**”), with reference to the following:

A. Lessor and Lessee have entered a Services Agreement, dated April 1, 2023 (the “**Agreement**”), a true and correct copy of which is attached hereto as **Exhibit 1**, pursuant to which Lessee has agreed to provide various services previously provided by Lessor, in part, using trucks, trailers, vehicles and equipment as more particularly depicted and described in the attached **Exhibit 2** (the “**Units**”).

B. Capitalized terms used herein have the meaning stated in the Agreement, unless otherwise expressly stated herein.

C. The services to be provided under the Agreement include the operation of the Units.

D. Lessor agrees to lease the Units to Lessee for the purpose of performing under the Agreement.

E. Lessor has the authority under the JPA to lease property it owns to further its purposes.

NOW, THEREFORE, in consideration of the above-recitals and the mutual covenants described below, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. **Lease**. Lessor hereby leases the Units to Lessee on the terms and conditions as stated in this Lease. The Units include all those items scheduled in **Exhibit 2** as of the Effective Date. The Units scheduled in **Exhibit 2** may be modified or updated as necessary during the Term by the written approval of both Lessor and Lessee. Signed and dated amendments of **Exhibit 2**, shall be attached to the original Lease with copies provided to each Party.

2. **Term**. The term of this Lease shall be the same as the term of the Agreement, subject to the removal of Units from **Exhibit 2** as provided in **Section 1** (“**Unit Term**”). Any Units removed shall be subject to disposition as directed by Lessor.

3. **Rent**. The rent for the Units shall be a non-refundable One Dollar (\$1.00) for each Unit scheduled in **Exhibit 2** for the Unit Term. Such rent shall be paid to Lessor within ten (10) business days following the Effective Date. Rent shall be paid to Lessor and delivered to Finance Department, City of Ukiah, 300 Seminary Ave., Ukiah, California 95482, or to such other place as may be designated by Lessor from time to time.

4. **Condition of Leased Units**. The Units are leased “**as is, where is**” at the Premises on the Effective Date.

5. Use. The Units are to be used exclusively to provide the services under the Agreement as it now reads or may be amended in the future. Lessee shall comply with normal maintenance and operation requirements needed to safely operate the Units.

6. Uses Prohibited. Lessee shall not use the Units for purposes other than those specified herein and in Exhibit 1.

7. Assignment and Subletting. Lessee shall not assign this Lease or sublet any Units without the prior written consent of Lessor, which shall be in Lessor's sole and absolute discretion to give or deny. Any such assignment or subletting without such consent shall be void and, at the option of Lessor, may terminate this Lease. "**Assignment**," as used herein, includes any change in the ownership or control of Lessee or any sale of substantially all of its assets.

8. Ordinances and Statutes. Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, applicable or pertaining to the operation, use or possession of the Units.

9. Maintenance, Repairs, Alterations. Lessee acknowledges that, the Units are leased "**as is where is**" at the Premises. Lessee shall, at all times, maintain the Units in good order and repair, normal wear and tear excepted, as required to operate them safely and in compliance with all applicable laws and regulations to perform the Services. During the Term, Lessee will charge Lessor the applicable annual agreed to milage rate under the Agreement on Lessee's monthly invoice to cover all costs of operation and maintenance of the Units. Lessee shall surrender the Units, at termination or expiration of this Lease, in serviceable working condition consistent with the individual unit's age and prior use, normal wear and tear excepted. After termination of a scheduled unit by the mutual written consent of Lessor and Lessee, the unit will be disposed of in a manner mutually agreed to by the parties, proceeds of the disposition, if any, will be credited to Lessor on Lessee's next monthly invoice(s) presented under the Agreement.

10. Entry and Inspection. Lessee shall permit Lessor or Lessor's agents to enter upon the Premises without prior notice during hours when the Premises are open to the public and at other reasonable times upon reasonable notice for the purpose of inspecting the Units.

11. Quiet Enjoyment. Lessor covenants that Lessee shall and may, at all times during the Term, peaceably and quietly have, hold, use, and enjoy the Units.

12. Indemnification of Lessor. Lessee shall indemnify and defend Lessor against, reimburse Lessor for, and hold Lessor harmless from any and all losses, costs, liabilities, suits, actions, damages, injuries, or expenses (including reasonable legal fees and costs of expert witnesses) to the extent caused by, resulting from, connected with, or related to any claim of damages, whether or not suit has been filed: (i) occurring as a result of Lessee's possession and use of the Units by Lessee or its agents, contractors, subcontractors, employees or invitees; or (ii) occurring as a result of Lessee's breach of this Lease or any of its representations or warranties contained herein; except to the extent resulting from Lessor's negligence or willful misconduct, or the negligence or willful misconduct of Lessor's agents, contractors, subcontractors, or employees.

13. Insurance. Lessee, at its expense, shall maintain public liability insurance, including bodily injury and property damage, in accordance with the terms of Section 7.C. of the Agreement

and collision insurance for highway vehicles in an amount sufficient to cover the fair market value of the Unit.

14. Registration and Fees. For any Units Lessee intends to operate on public streets, roads or highways, Lessee shall comply with all laws applicable to that use, including the requirements of the State of California Department of Motor Vehicles to register Units in its name within seventy-five (75) days of the Effective Date so that the Lessee may operate such Units legally on public highways. Lessee shall be responsible for the payment of all licenses and registrations fees during the Term hereof and for satisfying all applicable financial responsibility and insurance requirements.

15. Abandonment of Units. Lessee shall not abandon the Units at any time during the Term, and if Lessee shall abandon the Units, or be dispossessed by process of law, or otherwise, any Units left upon the Premises shall be deemed to be abandoned, at the option of Lessor.

16. Destruction of Units. In the event of a whole or partial destruction of one or more Units during the Term from any cause, Lessor shall forthwith repair the same provided that the insurance proceeds are sufficient for such purpose and provided that such repairs can be made within one hundred twenty (120) days under existing governmental laws and regulations, but such partial destruction shall not terminate this Lease. If such repairs cannot be made with the available insurance proceeds or within said one hundred twenty (120) days, Lessor or Lessee, at their option, may agree in writing to a different action.

17. Insolvency. In the event a receiver is appointed to take over the business of Lessee, or in the event Lessee makes a general assignment for the benefit of creditors or Lessee takes or suffers any action under any insolvency or bankruptcy act, the same shall constitute breach of this Lease by Lessee.

18. Remedies of Lessor on Default. Lessee shall be deemed in default in the event Lessee defaults in the performance of any of the duties to be performed by it under the terms of this Lease and fails to cure the default as further provided in this [Section 18](#). Lessor shall give Lessee written notice as provided in [Section 21](#) setting forth the default. Lessee shall correct such default within thirty (30) days after receipt of such notice unless the default cannot, by its nature, be cured within said period, in which case the cure period shall be extended for such additional time as is reasonably necessary to effect a cure, provided that Lessee shall commence efforts to effect a cure as soon as practicable and shall diligently pursue the cure to completion. In the event of any default of this Lease by Lessee, Lessor may, at its option, terminate this Lease and pursue all other remedies in law or equity available to Lessor. Nothing contained herein shall be deemed to limit any other rights or remedies which Lessor may have.

19. Attorney's Fees. In case suit should be brought to enforce or interpret this Lease, including, but not limited to the recovery of any Units, or any sum due hereunder, or because of any act or omission arising out of the possession of the Units, the prevailing party shall be entitled to recover from the other Party all costs incurred in connection with such action, including reasonable attorney's fees.

20. Waiver. No failure of Lessor to enforce any term hereof shall be deemed to be a waiver of such term.

21. Notices. Whenever a notice or document is required or permitted to be served or given hereunder, it shall be deemed given or served when received if delivered by email (with acknowledgment of receipt), certified U.S. Mail, overnight courier (such as UPS or Federal Express), or 48 hours after deposit in the U.S. Mail with first class postage affixed. Any such document or notice shall be addressed as follows:

TO LESSOR:

Mendocino Solid Waste Management Authority
Attention: [REDACTED]
3200 Taylor Drive
Ukiah, California 95482
Email: [REDACTED]

TO LESSEE:

Ukiah Waste Solutions, Inc.
Attention: Bruce McCracken, District Manager
3515 Taylor Drive
Ukiah, California 95482
Email: bruce.mccracken@wasteconnections.com

WITH A COPY TO:

Waste Connections US Holdings, Inc.
Attention: Legal Department
3 Waterway Square Place, Suite 110
The Woodlands, Texas 77380
Email: robert.cloninger@wasteconnections.com

or to such other person or address as may be specified from time to time in writing by either party in accordance with this Section.

22. Time. Time is of the essence of this Lease.

23. Heirs, Assigns, Successors. This Lease is binding upon and shall inure to the benefit of the respective heirs, assigns and successors in interest to each of the Parties.

24. Property Taxes. Lessee shall pay all Property Taxes on the Units, including any improvements thereon. For purposes of this Lease, "**Property Taxes**" shall mean: (a) all personal property taxes for property that is owned by Lessor and used in connection with the services provided under the Agreement (b) all governmental charges attributable to the Units (such as business license taxes and fees).

25. Estoppel Certificate.

(a) Upon ten (10) days notice from Lessor, Lessee shall execute, acknowledge and deliver to Lessor a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), the amount of any security deposit, and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer to the Units.

(b) At Lessor's option, Lessee's failure to deliver such statement within such time shall be a material breach of this Lease or shall be conclusive upon Lessee (i) that this Lease is in full force and effect, without modification except as may be represented by Lessor, (ii) that there are no uncured defaults in Lessor's performance, and (iii) that not more than one month's rent has been paid in advance or such failure may be considered by Lessor as a default by Lessee under this Lease.

(c) If Lessor desires to finance, refinance or sell the Units, or any part thereof, Lessee hereby agrees to deliver to any lender or purchaser designated by Lessor such financial statements of Lessee as may be reasonably required by such lender or purchaser. Such statements shall include the past three years' financial statements of Lessee. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

26. Entire Agreement. The foregoing (including, where applicable, the Agreement) constitutes the entire agreement between the parties with respect to the Units and may be modified only by a writing signed by both parties. Capitalized terms used, but not defined, herein shall have the respective meanings given them in the Agreement.

27. Governing Law; Forum. This Lease shall be construed in accordance with the internal laws of the State of California (irrespective of choice of law principles). Any dispute hereunder shall be resolved in the state courts in Mendocino County and state appellate courts. The parties waive any right to a jury trial.

***[Remainder of page intentionally left blank;
Signature page follows.]***

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first above written.

LESSOR:

MENDOCINO SOLID WASTE MANAGEMENT AUTHORITY

By: _____
Name:
Title:

LESSEE:

UKIAH WASTE SOLUTIONS, INC.

By: _____
Name:
Title:

EXHIBIT 1
SERVICES AGREEMENT

Attached hereto.

EXHIBIT 2
UNITS

[To be provided.]

Scheduled Units

Unit	Equipment				VIN or	Estimated	
<u>Number</u>	<u>Type</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Serial Number</u>	<u>Fair Market</u>	<u>Description</u>
						<u>Value</u>	