

From: john farnsworth <johnrfarnsworth@att.net>
Sent: Wednesday, September 2, 2020 11:12 AM
To: Nicol, Colleen <CNicol@riversideca.gov>
Subject: [External] Fw: Objection to City of Riverside Proposed Trash Rate Increase

This email's attachments were cleaned of potential threats by The City of Riverside's Security Gateway.
Click [here](#) if the original attachments are required (justification needed).

Resent.

----- Forwarded Message -----

From: john farnsworth <johnrfarnsworth@att.net>
To: City Clerck@riversideCA.gov <city_clerck@riversideca.gov>; john farnsworth <johnrfarnsworth@att.net>
Sent: Wednesday, September 2, 2020, 11:03:54 AM PDT
Subject: Objection to City of Riverside Proposed Trash Rate Increase

From:
John Farnsworth
7242 Westport St.
Riverside, CA 92506
johnrfarnsworth@att.net

I object to the City's proposed Trash rate increase.

The proposed increase of almost 30% over the next four years is not justified whatsoever. Riverside trash rates are already up to 10% more than adjacent cities; this increase if approved would widen that difference.

The proposed rate increase highlights the mismanagement of the City for solid waste removal services.

The current contract with Burrtec is more than 19 years old, obviously out of date and no longer reflects the current environment in which the services are operated. I understand that a new RFP is being prepared. Copies of this RFP should be distributed to interested parties before the RFP is released for bid, and seek comments/suggestions (I for one have experience in competitive RFPs for Government purposes). The RFP should also solicit bids to handle the solid waste services for the entire city (as other cities have accomplished), not just the service area currently handled by Burrtec. THIS IS A FLAWED PROCESS.

The City requested and received an independent report from a hired consultant on the solid waste removal status and future recommendations. The City ignored the consultant's recommendation to outsource this City service completely to an outside firm, without advising the public of this decision, resulting in higher costs to the rate payers.

City administrative costs are nearly 1/3 of the proposed rate increase, highly inflated. On top of this, the City taxes, that should be applied to the account for which they are collected, are used inefficiently in the general fund.

I do not understand, and doubt that much of the customers do either, understand the high additional costs for recycling. RECYCLERS ARE PAID TO RECYCLE ALUMINUM CANS THAT CONSUMERS ARE ASKED TO RECYCLE. THE CITY DOES NOT RECEIVE ANY REVENUE FOR THE CONSUMERS COMPLYING WITH RECYCLING. THIS IS IN ADDITION TO CONSUMERS PAYING 5 CENTS PER CAN WHEN PURCHASED. THIS MONEY SHOULD BE GIVEN BACK TO THE CONSUMERS.

New equipment/personnel would not be required if the entire refuse collection was outsourced to a single company. Five new trucks? Give me a break - sounds like a reserve fleet to me. Don't know how many trucks are currently in service.

Appears this proposed increase will be used to increase revenue for the City (which recently passed an 10% reduction from the previous year without consideration of this proposed rate increase).

I have attached many of the attachments I received from the City that support my comments above, along with comments I received herein (I compliment the City for answering my questions).

Again, I object to the City's proposed Trash rate increase. More time is needed to better study/disseminate information to the paying customers on this subject. I hope the City Council decides to defer vote on this increase until such time that the comments/concerns I have highlighted herein are addressed.

**John Farnsworth
724 Westport St.
Riverside, CA 92506**

----- Forwarded Message -----

From: john farnsworth <johnrfarnsworth@att.net>

To: Garcia, Kristy <kgarcia@riversideca.gov>; john farnsworth <johnrfarnsworth@att.net>

Sent: Wednesday, August 26, 2020, 04:54:28 PM PDT

Subject: Re: [External] Request for Information Related to Solid Waste Rate Increase

Kristy:

Thank you for the information - helpful, but not quite what I was hoping to better understand. I've taken up enough of your time, so I will work with what I have.

John Farnsworth

On Wednesday, August 26, 2020, 03:06:27 PM PDT, Garcia, Kristy <kgarcia@riversideca.gov> wrote:

Here is the breakdown for the proposed 2020 curbside/disabled solid waste residential rate based on the cost per customer.

1. Service – Base Rate	\$8.11
2. Disposal/Processing Costs	\$10.48
a. Refuse Disposal Processing Fee	\$2.07
b. Refuse Landfill Fee	\$3.45
c. Green Waste Processing Fee	\$2.13
d. Green Waste Landfill Fee	\$0.97
e. Recycling Processing Cost	\$1.86
3. Franchise Fees	\$1.57
4. <u>City Costs</u>	<u>\$10.76</u>

Total: \$30.92

Kristy

From: john farnsworth <johnrfarnsworth@att.net>
Sent: Wednesday, August 26, 2020 1:51 PM
To: Garcia, Kristy <KGarcia@riversideca.gov>
Subject: Re: [External] Request for Information Related to Solid Waste Rate Increase

Ok....is it possible to determine the the **actual cost** per address?

On Wednesday, August 26, 2020, 11:34:25 AM PDT, Garcia, Kristy <kgarcia@riversideca.gov> wrote:

Hi Mr. Farnsworth,

Burrtec and City staff go through an annual review process of the **actual costs** associated with disposing and sorting trash/recyclables for all residential customers. Those factors, along with the number of customers in each rate category, help set the appropriate rate components per household for the following year.

Sorry, this is a long way of answering your question that Burrtec is charging the City the same per address. The City does not incur more per address.

Thank you,

Kristy

From: john farnsworth <johnrfarnsworth@att.net>
Sent: Wednesday, August 26, 2020 10:30 AM
To: Garcia, Kristy <KGarcia@riversideca.gov>
Cc: Martinez, Kris <KMARTINEZ@riversideca.gov>; Conder, Chuck <CConder@riversideca.gov>; john farnsworth <johnrfarnsworth@att.net>
Subject: Re: [External] Request for Information Related to Solid Waste Rate Increase

Ms. Kristy:

Thank you for your prompt response and the additional information.

I still do not understand the response to this question: I am still asking for the COST incurred by Burrtec and the City (calculated for the City services) per address. Again, what is given below is the amount charged to the customer (residents). I am trying to understand if Burrtec is charging the City more or less per address than what the City incurs per address.

Is Burrtec the same cost per address as what the City receives for the same services (if more expensive, why?)?

- a. The standard curbside/disabled trash rate is the same for Burrtec and City customers. I was asking for the COST per address charged by Burrtec/City, not the revenue the (trash rate) the City receives.

*The standard curbside/disabled monthly service charge for Burrtec and the City is currently \$26.85/month. The proposed monthly rate is \$30.92/month. The cost per address currently charged by Burrtec is \$26.85/month and the proposed new rate will be \$30.92/month.

John Farnsworth

On Tuesday, August 25, 2020, 04:17:19 PM PDT, Garcia, Kristy <kgarcia@riversideca.gov> wrote:

Good Afternoon Mr. Farnsworth,

I have responded to the items highlighted in yellow in your email below. Please let me know if I can be of further assistance.

Thank you,

Kristy

From: john farnsworth <johnrfarnsworth@att.net>
Sent: Monday, August 24, 2020 2:43 PM
To: Garcia, Kristy <KGarcia@riversideca.gov>
Cc: Martinez, Kris <KMARTINEZ@riversideca.gov>; Conder, Chuck <CConder@riversideca.gov>; john farnsworth <johnrfarnsworth@att.net>
Subject: Re: [External] Request for Information Related to Solid Waste Rate Increase

Ms. Garcia:

Thank you for your email - there is a lot of data to digest.

I have several questions/request for clarification(s) as highlighted below.

John Farnsworth

On Friday, August 21, 2020, 04:34:04 PM PDT, Garcia, Kristy <kgarcia@riversideca.gov> wrote:

Good Afternoon Mr. Farnsworth,

Here are the responses to your questions and attachments/links:

Provide a copy of the current contract with Burrtec (I am serviced by Burrtec) and provide a response for the following:

Was this contract awarded subject to competitive bidding process (if not why)? Did not see a response to this question.

*Yes. In September 2000, the City of Riverside sent out a Request for Bids for Integrated Waste Management Services. Specifically, the City of Riverside requested bids for exclusive automated collection of residential refuse, recyclables, and green waste in two service areas with a combined total of approximately 18,000 dwelling units. The other 37,000 residential customers would be serviced by City crews. Please see the attached City Council Report dated February 27, 2001 for the bid award. The bidding process is explained in the report.

a. Burrtec's original agreement was executed on May 11, 2001~~0~~. (Correction). Here is the link to the agreement & back-up documents. [Burrtec 5-11-2001 Agreement](#)

When does their contract expire?

a. The current residential and commercial agreements expire on June 30, 2023. Both are attached.

If Burrtec was not the low bidder, what selection criteria was used to make the award? Did not see a response to this question. **When will a new Competitive RFP be issued?**

*See attached February 27, 2001 City Council Report. A new RFP is in the process of being drafted for the remaining one-third of residential customers serviced by Burrtec and for all commercial collection services.

Is Burrtec the same cost per address as what the City receives for the same services (if more expensive, why?)?

a. The standard curbside/disabled trash rate is the same for Burrtec and City customers. I was asking for the **COST per address charged by Burrtec/City, not the revenue the (trash rate) the City receives.**

*The standard curbside/disabled monthly service charge for Burrtec and the City is currently \$26.85/month. The proposed monthly rate is \$30.92/month. The cost per address currently charged by Burrtec is \$26.85/month and the proposed new rate will be \$30.92/month.

Provide a balance sheet for the solid waste department (some accounting verified document that identifies all revenue and expenses, to better understand in a financial manner why a rate increase is necessary).

b. [Link to FY 2020/21 Budget - FY 2020-21 Budget](#) I asked for a balance sheet for the **solid waste department**, not the City budget (unless it is buried somewhere in the 400+ page document).

*See attached Refuse Fund FY 20-21 Budget. The updated Refuse Fund 5-year Plan is currently being prepared for fiscal year ending 19-20. It should be published by the Finance Department in the coming month and a half.

Has a comparison been made to nearby cities? Corona, Moreno Valley and Perris have lower rates by about 10%.

a. Please see the attached rate comparison table.

How does the city account for financially the income it receives for recycling of waste (paper, aluminum and yard)?

b. Recycling is handled by Burrtec Waste Industries at the Agua Mansa MRF facility. The most current agreement signed June 22, 2020 is attached. What was attached (unless I missed it) covers GREEN (garden) recycling. What about paper, aluminum and glass? It appears that the City pays to sort recycled material, and the vendor then gets the cash for recycled material after sorting; is this correct?

* We used to get money back from Burrtec for recycled material every year; however, that is no longer the case. Changes in the recycling market have made it so that now there are costs associated with getting rid of recycled material.

The city recently approved next year budget (a 10% reduction I heard). Was this planned increase in income taken into account for determining the budget?

- a. No. We did not include a solid waste rate increase in our emergency FY 20/21 fiscal year budget because we have to go through the Proposition 218 process before new rates are implemented. Proposition 218 provides that prior to adoption of increases to solid waste rates, the City must provide written notice to all affected ratepayers informing them about the proposed rate increase for residential and commercial solid waste services and to set a public hearing for consideration no less than 45 days after mailing. The notice of public hearing was mailed on July 28, 2020.

Your letter identifies state mandates and regulations as part of why the rate increase is needed. Please identify said mandates by regulation number, directive number (or whatever the correct term is for these described items).

- b. Here is a list of the state mandates referenced on the public notice:
 - a. AB 939 was adopted in 2000 and began California's waste management transformation by setting a 50% waste reduction target through source reduction, recycling and composting for residential and commercial services.
 - b. AB 341 Mandatory Commercial Recycling (MCR)
 - c. AB 1826 Mandatory Commercial Organics Recycling (MORe)
 - d. SB 1383 builds on California's efforts to reduce greenhouse gas emissions and air pollution throughout the state by establishing methane emissions reduction targets. Expanded residential and commercial organics recycling.

So the solid waste rate increase will slightly increase the funds the City is expected to receive in the out years.

*Yes.

What are the additional staff and resources (specifically) identified in your letter?

- a. Additional staff in order to operate two (2) additional routes; one (1) for refuse and one (1) for recycling. This does not include any additional resources needed to comply with SB 1383 effective January 1, 2022.
- b. Five (5) new fully automated side loaders are needed to provide a sufficient number of reliable primary route vehicles (23 total routes). The average age of the current vehicle fleet is 10 years.

How does street sweeping relate to this increase and in the budget planning?

- a. Street Sweeping services are included in the Refuse Fund budget.

What is the refuse fund budget? Can this be provided?

*Please see the attached.

Please provide me with any and all presentations / documentation that has been generated by the department in support of this activity. I was able to access the information in the links.

- a. Due to the size of the reports and attachments, I have provided the links below to access this information. If you have any trouble at all accessing these, please let me know and I will work with my IT Department in order to email you the documents in a compressed file.

- a. January 14, 2020 Council Report & Solid Waste Recycling Program Strategy & Economic Study Report by R3 Consulting Group, Inc. - [Council Report with Rate Study](#)

b. June 16, 2020 Council Report Regarding Proposed Commercial & Residential Trash Rate Plan through June 30, 2025 and Agreement Amendments - Propose Rate Increase

Thank you,

Kristy Garcia

City of Riverside

Public Works Department

Direct: 951.826.2394

RiversideCA.gov

From: john farnsworth <johnfarnsworth@att.net>

Sent: Thursday, August 6, 2020 12:08 PM

To: Conder, Chuck <CConder@riversideca.gov>; Martinez, Kris <KMARTINEZ@riversideca.gov>; john farnsworth <johnfarnsworth@att.net>

Subject: [External] Request for Information Related to Solid Waste Rate Increase

*****PLEASE ACKNOWLEDGE RECEIPT OF THIS EMAIL*****

I have received your letter dated 28 July 2020 regarding proposed solid waste rate increases.

So that I can better understand this proposed rate increase, I request the following information/ documents, to properly enable me to submit an objection.

Provide a copy of the current contract with Burrtec (I am serviced by Burrtec) and provide a response for the following:

Was this contract awarded subject to competitive bidding process (if not why)?

When does their contract expire?

If Burrtec was not the low bidder, what selection criteria was used to make the award?

Is Burrtec the same cost per address as what the City receives for the same services (if more expensive, why?)?

Provide a balance sheet for the solid waste department (some accounting verified document that identifies all revenue and expenses, to better understand in a financial manner why a rate increase is necessary).

Has a comparison been made to nearby cities? Corona, Moreno Valley and Perris have lower rates by about 10%.

How does the city account for financially the income it receives for recycling of waste (paper, aluminum and yard)?

The city recently approved next year budget (a 10% reduction I heard). Was this planned increase in income taken into account for determining the budget?

Your letter identifies state mandates and regulations as part of why the rate increase is needed. Please identify said mandates by regulation number, directive number (or whatever the correct term is for these described items).

What are the additional staff and resources (specifically) identified in your letter?

How does street sweeping relate to this increase and in the budget planning?

Please provide me with any and all presentations / documentation that has been generated by the department in support of this activity.

Thank you for your prompt assistance. **If possible, please provide written responses / requested documentation no later than 21 August 2020 to allow for adequate time for me to prepare a timely written response to this proposed solid waste notice.**

John Farnsworth

7142 Westport St.

Riverside, CA 92506

951/789-6672

cc Mayor
City Council
City Manager
City Attorney
ACMs
DCM
PW Director

**SIXTH AMENDMENT
TO RESIDENTIAL SOLID WASTE AGREEMENT FOR
INTEGRATED SOLID WASTE MANAGEMENT SERVICES**

BURRTEC WASTE INDUSTRIES, INC.

THIS SIXTH AMENDMENT TO RESIDENTIAL SOLID WASTE AGREEMENT BETWEEN CITY OF RIVERSIDE AND BURRTEC WASTE INDUSTRIES, INC., FOR INTEGRATED SOLID WASTE MANAGEMENT SERVICES ("Sixth Amendment") is made and entered into this 18th day of June, 2020, by and between the CITY OF RIVERSIDE, a charter city and municipal corporation ("City") and BURRTEC WASTE INDUSTRIES, INC., a California corporation ("Company").

RECITALS

WHEREAS, on May 11, 2001, City and Company entered into that certain Residential Solid Waste Agreement for Integrated Solid Waste Management Services ("Agreement"); and

WHEREAS, on April 13, 2004, City and Company entered into a First Amendment to Residential Solid Waste Agreement for Integrated Solid Waste Management Services ("First Amendment") to add an additional day to permit a re-route of its services; and

WHEREAS, on January 1, 2007, City and Company entered into a Second Amendment to Residential Solid Waste Agreement for Integrated Solid Waste Management Services ("Second Amendment") to enact Consumer Price Index adjustments, provide for the provision of a new low emission alternative fuel fleet, and modify certain operational provisions; and

WHEREAS, on November 8, 2016, City and Company entered into a Third Amendment to Residential Solid Waste Agreement for Integrated Solid Waste Management Services ("Third Amendment") to extend the term of the Agreement for one (1) year to December 31, 2017.

WHEREAS, on December 19, 2017, City and Company entered into a Fourth Amendment to Residential Solid Waste Agreement for Integrated Solid Waste Management Services ("Fourth Amendment") to extend the term of the Agreement for one (1) year to December 31, 2018.

WHEREAS, on October 19, 2018, City and Company entered into a Fifth Amendment to Residential Solid Waste Agreement for Integrated Solid Waste Management Services ("Fifth Amendment") to extend the term of the Agreement for Eighteen (18) months from January 1, 2019 to June 30, 2020.

WHEREAS, City and Company now desire to extend the term of the Agreement for Two (2) years to June 30, 2022 with the option to extend it up to June 30, 2023.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, City and Company agree as follows:

1. Section 2.4, "Term of Collection Service," is hereby amended to extend the term of the Agreement through June 30, 2022.

2. Section 2.4.1, "Option to Extend Term," is hereby amended to read as follows:

City shall have the sole option to extend the Term of this Agreement for up to one additional year, up to June 30, 2023.

3. All terms and conditions of the Agreement, First Amendment, Second Amendment Third Amendment, Fourth Amendment, and Fifth Amendment not inconsistent with this Sixth Amendment shall remain in full force and effect and are incorporated herein by this reference as if set forth in full.

[Signatures on next page]

IN WITNESS WHEREOF, City and Company have caused this Sixth Amendment to Residential Solid Waste Agreement for Integrated Solid Waste Management Services to be duly executed on the day and year first written above.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

By: Rafael Guzman
Rafael Guzman (Jun 18, 2020 10:54 PDT)
City Manager

BURRTEC WASTE INDUSTRIES, INC.,
a California corporation

By: [Signature]
Name: Cole Burr
Title: President

ATTEST:

By: Colleen J. Nicol
Colleen J. Nicol (Jun 18, 2020 11:13 PDT)
City Clerk

By: [Signature]
Name: Tracy A. Sweeney
Title: Vice President

Certified as to Availability of Funds:

By: [Signature]
Chief Financial Officer

APPROVED AS TO FORM:

By: [Signature]
Ruthann M. Salera
Deputy City Attorney

CA #01-772.8 RMS 05/07/2020
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CITY OF RIVERSIDE



CITY COUNCIL MEMORANDUM

HONORABLE MAYOR AND CITY COUNCIL

DATE: February 27, 2001

ITEM NO.: 30

SUBJECT: RESIDENTIAL REFUSE COLLECTION SERVICE AGREEMENTS – AWARD OF CONTRACT – BID NO. 5778

Background:

On September 5, 2000 the City Council authorized staff to obtain competitive bids for the collection of residential refuse in areas currently provided service by private companies. Currently City staff provides refuse service to about 40,000 customers while private companies provide refuse service to about 18,000 customers in two areas of the City (See Attached Map). Staff with the assistance of a consultant prepared bidding documents specifying the following requirements for the new service agreements:

- Length of service agreement will be 7 years
- Service will be fully automated 3 container (trash, green waste, recycling materials)
- All refuse service will be provided on the same day
- Rates may be adjusted annually according to the Consumers Price Index starting in 2003

On October 4, 2000 seven bids were received for providing refuse service in the areas currently serviced by private companies. Bidders were required to furnish a base collection rate on supplied bidding forms which was then used to calculate a total annual revenue (see attached bidding forms). Bidders had the option of only bidding Service Area #1, or only bidding Service Area #2 or submitting a bid for the combination of the two service areas. Burrtec Industries submitted the lowest qualified bid for both Service Area #1 and for Service Area #2. Burrtec bid \$4.98 a month for a base rate for both service areas. The City adds to this rate all costs related to disposal, transfer station processing, franchise fee, and administration. Based on their bid, the total annual revenue for both Service Areas #1 and #2 will be \$1,919,436. This is approximately 14% lower than the second lowest bidder. Staff is recommending that the City Council award a seven-year service contract to Burrtec to provide refuse service in Service Area #1 and Service Area #2.

Finally, an environmental review is currently being performed by staff for the service contract procurement process and any subsequent minor changes that have been made to the current refuse collection program. It is anticipated that the study will be presented to the City Council in March. Staff is recommending award at this time since there is a considerable amount of coordination and mobilization by Burrtec in order to ensure uninterrupted residential service.

Fiscal Impact:

The costs of residential refuse service will be the same citywide based on the averaging the private companies costs with City costs. It is anticipated that the residential refuse rate for typical service will be approximately \$15.75 per month.

Alternatives:

None; current refuse franchise agreements expire on May 11, 2001 and new service arrangements must be implemented as soon as possible to insure adequate refuse service within the City.

RECOMMENDATION:

Staff recommends that the City Council:

- 1) Award Bid No. 5778 for a seven year contract to Burrtec Industries for the collection of residential refuse in Service Area #1 and Service Area #2, and
- 2) Authorize the preparation of appropriate contract documents for execution by the City Manager or his designee.

Prepared by:




Rick McGrath
Public Works Director

Concurs with:



John Holmes
City Manager

Concurs with:



Robert C. Wales
Asst. City Manager - Development

Certifies as to the Availability of Funds:



Paul Sundeen
Finance Director

Concurs With:



Mel Abeyta
Purchasing Services Manager

Approves as to Form:



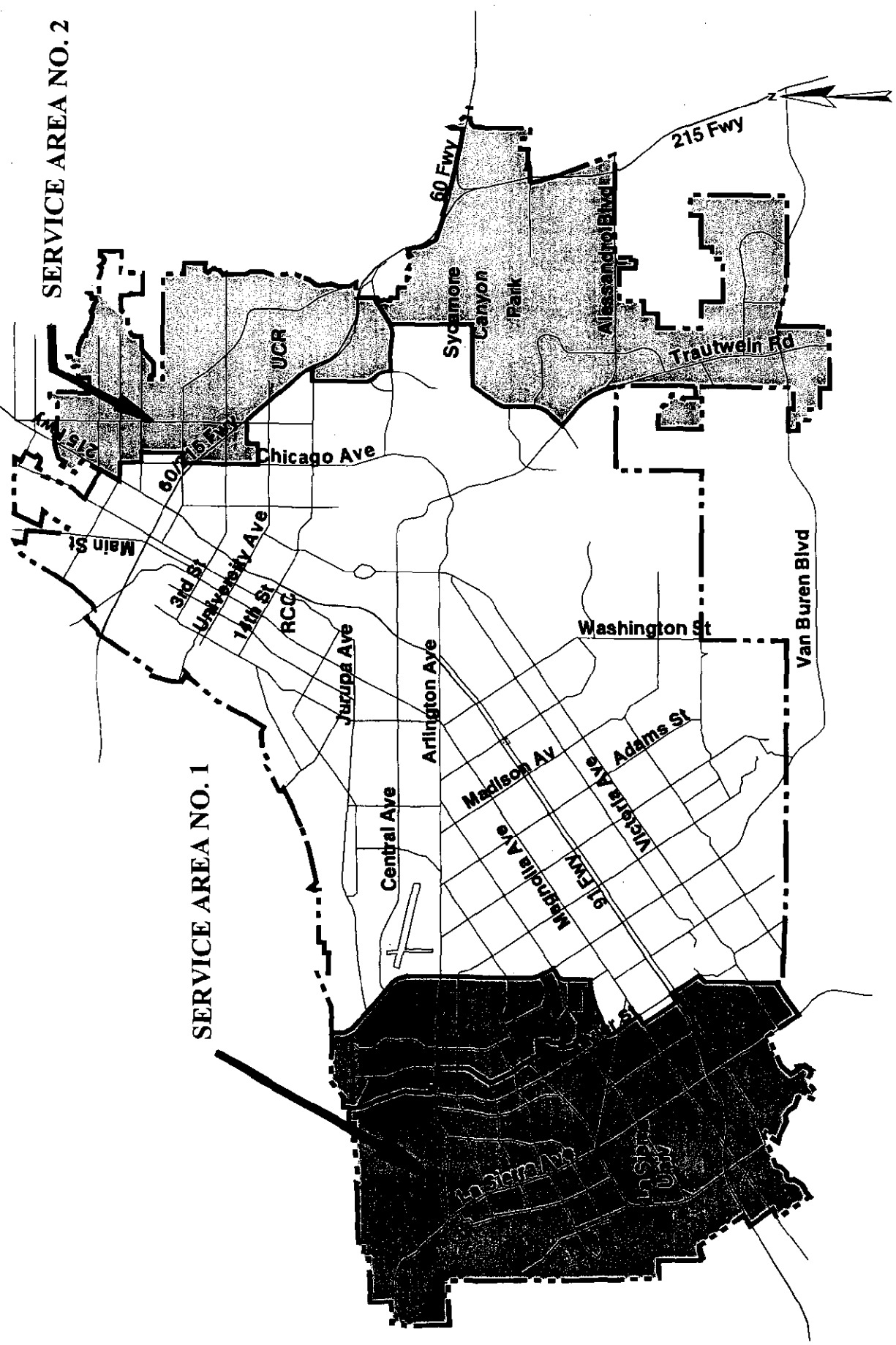
Stan T. Yamamoto
City Attorney

cc: City Clerk
Legal

SERVICE AREAS

SERVICE AREA NO. 2

SERVICE AREA NO. 1



1 inch = 8650 feet
 January 16, 2001
 Aerial photos taken April 1998. The City of Riverside makes no warranty on the accuracy or content of the data shown on this map. This map shall not be reproduced or distributed without the written consent of the City of Riverside, California. Copyright 2001 City of Riverside, California. Drawing: 840.

RESIDENTIAL REFUSE COLLECTION AREAS

BID FORMS

Attachment 3A

Proposed Residential Rates - Service Area #1

Item Description	Single Family		Condominium/ Townhome		Apartment/ Mobile Home	
	Refuse, Recycling, Greenwaste		Refuse, Recycling		Refuse only	
1. Monthly Base Rate - Collection	<div style="border: 1px solid black; width: 40px; height: 20px; display: flex; align-items: center; justify-content: center;">(a)</div>		\$ - - (b)		\$ - - (c)	
2. Refuse Disposal	\$ 3.04		\$ 2.38		\$ 3.06	
3. Greenwaste Disposal	\$ 1.00		\$ - -		\$ - -	
4. Total Monthly Rate to Contractor	\$ - -		\$ - -		\$ - -	
5. # of Dwelling Units	10,810		202		27	11,039
6. Total Monthly Rate Revenue (d)	\$ - -		\$ - -		\$ - -	\$ - -
7. Months/Year	12		12		12	12
8. Total Annual Rate Revenue (d)	\$ - -		\$ - -		\$ - -	\$ - -

(a) Fill in only this rate.

(b) This rate will automatically calculate to 60% of the proposed Single Family base rate. If reproducing this worksheet, multiply the proposed Single Family base rate by 0.60 to calculate these rates.

(c) This rate will automatically calculate to 50% of the proposed Single Family base rate. If reproducing this worksheet, multiply the proposed Single Family base rate by 0.50 to calculate these rates.

(d) Excludes revenue from extra carts.

Note: Recyclables processing fees are paid directly by the City and should not be included in rates bid.

Failure to complete and submit this form may deem the bidder non-responsive for the Residential Service Area #1 Bid

Attachment 3B

Proposed Residential Rates - Service Area #2

Category	Single Family	Condominium	Apartment	Total
	Refuse, Recycling, Greenwaste	Refuse, Recycling	Refuse only	
1. Monthly Base Rate - Collection	(a)	\$ - (b)	\$ - (c)	
2. Refuse Disposal	\$ 3.04	\$ 2.38	\$ 3.06	
3. Greenwaste Disposal	\$ 1.00	\$ -	\$ -	
4. Total Monthly Rate to Contractor	\$ -	\$ -	\$ -	
5. # of Dwelling Units	6,491	35	446	6,972
6. Total Monthly Rate Revenue (d)	\$ -	\$ -	\$ -	\$ -
7. Months/Year	12	12	12	12
8. Total Annual Rate Revenue (d)	\$ -	\$ -	\$ -	\$ -

(a) Fill in only this rate.

(b) This rate will automatically calculate to 60% of the proposed Single Family base rate. If reproducing this worksheet, multiply the proposed Single Family base rate by 0.60 to calculate these rates.

(c) This rate will automatically calculate to 50% of the proposed Single Family base rate. If reproducing this worksheet, multiply the proposed Single Family base rate by 0.50 to calculate these rates.

(d) Excludes revenue from extra carts.

Note: Recyclables processing fees are paid directly by the City and should not be included in rates bid.

Failure to complete and submit this form may deem the bidder non-responsive for the Residential Service Area #2 Bid

Attachment 3C

Proposed Residential Rates - Both Service Areas

Service Area	Single Family		Condominium/Apartment		Total Units
	Refuse, Recycling, Greenwaste	Refuse, Recycling	Refuse only	Refuse only	
1. Monthly Base Rate - Collection	(a)	\$ - - (b)	\$ - - (c)		
2. Refuse Disposal	\$ 3.04	\$ 2.38	\$ 3.06		
3. Greenwaste Disposal	\$ 1.00	\$ - -	\$ - -		
4. Total Monthly Rate to Contractor	\$ - -	\$ - -	\$ - -		
5. # of Dwelling Units	17,301	237	473		18,011
6. Total Monthly Rate Revenue (d)	\$ - -	\$ - -	\$ - -		\$ - -
7. Months/Year	12	12	12		12
8. Total Annual Rate Revenue (d)	\$ - -	\$ - -	\$ - -		\$ - -

(a) Fill in only this rate.
 (b) This rate will automatically calculate to 60% of the proposed Single Family base rate. If reproducing this worksheet, multiply the proposed Single Family base rate by 0.60 to calculate these rates.
 (c) This rate will automatically calculate to 50% of the proposed Single Family base rate. If reproducing this worksheet, multiply the proposed Single Family base rate by 0.50 to calculate these rates.
 (d) Excludes revenue from extra carts.
 Note: Recyclables processing fees are paid directly by the City and should not be included in rates bid.

Optional - Bidders may bid a rate for servicing both Service Areas

BID AWARD RECOMMENDATION

DATE SUBMITTED 1/23/01

AGENDA ITEM NO.

BID NO.	BID TITLE	DEPARTMENT/DIVISION
5778	Residential Intergraded Waste Management Services	Public Works Administration
		DATE BID OPENED
		10/4/00

BIDS RECEIVED (7) BID INVITATIONS ISSUED (16) BUDGETED/ESTIMATED COST:2,200,000.00

BIDDERS: BID PRICE GOOD THROUGH: 4/4/01 AMOUNT BID:

Total Area #1 & #2

Burrtec Waste Industries, Inc.	Fontana	1,919,436.00
Ware Disposal, Inc.	Newport Beach	2,180,412.00
USA Waste of California dba		
WM West Management	Riverside	2,401,044.00
Universal Waste Systems, Inc.	Pomona	2,403,840.00
Norcal Waste Services, Inc.	Montebello	2,502,900.00
CR&R Solid Waste	Perris	2,634,420.00
National Environmental Waste Corp	Riverside	2,664,114.00

BID DESCRIPTION:

To provide residential solid waste collection, transportation, recycling processing, and disposal services for the City's residential customers.

BUDGET DATA
ACCOUNT NO.

Low Bid

Amount Budgeted

Amount Available

BID RECOMMENDED FOR AWARD (Includes Sales Taxes)

☒ 10% Surety Included

☒ Contract

Item Lowest Responsible Bidder

☐ 10% Surety not required

☐ Purchase Order

Amount of Bid

Burrtec Waste Industries, Inc. Total for Area #1 & #2 1,919,436.00

COMMENTS:

The Purchasing Division has evaluated all bids received and recommends award be made to the lowest responsive bid submitted. The Public Works Department concurs with this recommendation and will be submitting a report.

Submitted by:

Purchasing Services Manager

COMMENTS:

30-9

Approved by:

Finance Director



7000 JURUPA AVE • RIVERSIDE, CA 92504 • (909) 688-4350

February 21, 2001

RECEIVED
FEB 21 2001

OFFICE OF THE CITY CLERK

Mr. Rick McGrath
Public Works Director
City of Riverside
3900 Main Street, 3rd Floor
Riverside, CA 92501

Dear Mr. McGrath:

Do you hate us so much that you are willing to allow all of the dirty deals that are being done? Athens Services and Burrtec were at the Galleria two weeks ago during a business expo stating that they are the new haulers in town and that they will be starting service May 11, 2001. As far as we know there has been no award of any contracts. The indifferent attitude that both the Council and staff have toward NEWCO is unbelievable.

The City is prepared to put a local business out of business by awarding a contract to criminals. There has been no discussion regarding the past criminal behavior of Athens, Burrtec, or CR&R. Is it that you just don't care? Or do you want to get rid of NEWCO and Sam Cardelucci that much?

When you first started as the Public Works Director, we worked with you and gave you the respect you deserved. What happened to you over the last two years? Suddenly NEWCO is the bad guy. We have done everything you have asked us to do, what more can we do?

For years you have allowed refuse haulers from outside the area to work illegally in the City of Riverside. However, since the "bid" haulers have increased this illegal activity. We have asked your office to do something about this yet there is no impact to the activity. We have called the companies directly to have them remove their containers and their response has been "the City doesn't give a damn about NEWCO, so forget it."

Rick, we know that you are a fighter; well we are too. We have to fight for our rights, the rights that you are taking away from us. The unfair prejudice behavior toward NEWCO and Sam Cardelucci has to stop. Enough is enough.

Sincerely,

A handwritten signature in black ink, appearing to read "Sam Cardelucci", is written over a horizontal line.

Sam Cardelucci

Distributed to:

- ✓ Mayor
- ✓ City Council
- ✓ City Manager
- ✓ Rick McGrath
- ✓ City Attorney

As President of Clean Clean Clean, Inc., located in the city of Riverside and a resident of Orangecrest, I expect the City of Riverside's Trash Collection Contract to be awarded to the lowest bidder. Ann Macias, President (909) 787-8733

From: "Clean Clean Clean" <clnclncl@pe.net>
To: "City Council" <council@ci.riverside.ca.us>
Date: 2/20/01 10:01AM
Subject: City of Riverside Trash Collection Contract

As President of Clean Clean Clean, Inc., located in the city of Riverside and a resident of Orangecrest, I expect the City of Riverside's Trash Collection Contract to be awarded to the lowest bidder.

Ann Macias, President
(909) 787-8733

CC: <PublicWorks@ci.riverside.ca.us>

From: <LSAprin@aol.com>
To: <council@ci.riverside.ca.us>
Date: 2/16/01 7:52AM
Subject: RE: Refuse providers

To Whom:

We have had a great working relationship with Burrtec.
They listen and focus on the customer. Newco is far down the list.

Bud Moon
Principal, La Sierra Academy

From: <RiversideScrap@aol.com>
To: <council@ci.riverside.ca.us>
Date: 2/15/01 2:31PM
Subject: Trash contract

Council,

We have been in the city for the past 47 years and have been involved many times in the bid process. You have a low bidder. You have spent the time and money to go through this procedure. Give the low bidder a chance to prove themselves.

Thank you. Daniel Frankel, President, Riverside Scrap Iron and Metal

From: Dan Kipper <Dan@kctconsultants.com>
To: "council@ci.riverside.ca.us" <council@ci.riverside.ca.us>
Date: 2/15/01 2:26PM
Subject: Trash Collection Contracts

We urge you to approve the Trash Collection Contract resulting for the competitive bid process. This is good business, and what would be required of any small or large firm that was engaged in a contract with the City.

While we feel for the employees of the present contractor, the City's purpose is not to guarantee jobs, but to provide efficient, low cost services to its citizens.

Should you have questions, please feel free to contact me.

Sincerely,
Daniel J. Kipper, President
KCT Consultants, Inc.
909 341-8940, Ext 222

CC: "publicworks@ci.riverside.ca.us" <publicworks@ci.riverside.ca.us>

From: "Beadle, Denis" <Denis.Beadle@Ati-title.com>
To: "'council@ci.riverside.ca.us'" <council@ci.riverside.ca.us>
Date: 2/15/01 1:46PM
Subject: New Disposal Contracts

To whom it may concern:

It is gratifying to know that the city of Riverside is taking such active part in determining the most effective way to serve the business community. You are to be congratulated for taking the initiative in this area.

Thank you for your diligence.

Sincerely,

Denis Beadle
Operations Manager
ATI Title Company
2111 Atlanta Avenue
Suite 100
Riverside, California 92507

From: <Wgasa2585@aol.com>
To: <council@ci.riverside.ca.us>
Date: 2/15/01 8:58AM
Subject: Trash Collection.

NEWCO has served the city quite well over the years. The owner as well as most of their personnel live in the city and pay city taxes. I have found over the years that the lowest bid does not always bring the best service. During my 32 years in Air Force Materiel "If it aint broke don't fix it". and NEWCO aint broke. Thank you gentlemen.
TJM. Scotty Cardwell, Private Contractor.

CC: <PublicWorks@ci.riverside.ca.us>

From: <Cleeentz@aol.com>
To: <council@ci.riverside.ca.us>
Date: 2/14/01 4:52PM
Subject: Trash Fees

Please share my view with all members of the council.

In my opinion, it makes good fiscal sense to carefully examine all bids. The bid that offered the most value for the money at the least expensive cost is the one that makes the most sense. While, I certainly feel it is important support our local businesses I don't want that to be the only criteria. As council members you have a fiduciary responsibility to your constituents to handle the City of Riverside's tax payers money responsibly. I trust that you will. Perhaps the Riverside companies could revise their bids to be more competitive?

Sincerely,

Collette Lee
Tower Realty



7000 JURUPA AVE • RIVERSIDE, CA 92504 • (909) 688-4350

November 21, 2000

RECEIVED
NOV 21 2000
OFFICE OF THE CITY CLERK

Mr. Rick McGrath
City of Riverside
3900 Main Street, 3rd Floor
Riverside, CA 92522

Re: Bid No. 5790

Dear Mr. McGrath:

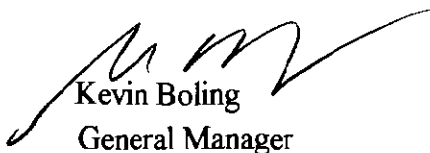
Your responses to the questions asked by potential bidders for the above referenced bid are not adequate, as your letter dated November 16, 2000 indicates. The inability or simple unwillingness of the City to properly and fairly analyze the potential bidders questions is another example of the City of Riverside's prejudice and discriminatory actions.

We are aware of the November 6, 2000 cut off date for questions to be submitted, however, that date should not prohibit full and complete answers to questions previously asked, yet remaining unanswered or responded to unclearly.

The City of Riverside has set the stage to award the commercial contract to a specific contractor. How can you speak of fairness, in this obviously bias process that favors only one company?

Eventually the answers to those unanswered questions and many others will be answered. One way or another.

Sincerely


Kevin Boling
General Manager

cc: Sam Cardelucci
Jeff Gardner, Esq.

11-22-00

cc: City Clerk ✓
City Manager ✓
City Attorney ✓
Risk Management ✓

orig to P.W. ✓



7000 JURUPA AVE • RIVERSIDE, CA 92504 • (909) 688-4350

RECEIVED
OCT 10 2000

October 9, 2000

OFFICE OF THE CITY CLERK

Mr. Rick McGrath
City of Riverside
3900 Main Street, 3rd Floor
Riverside, CA 92522

Dear Mr. McGrath:

Since early last year, Burrtec employees at the Robert A. Nelson Transfer Station have harassed my employees. When the process began with regard to the "bidding" of the refuse collection in the City of Riverside, the Burrtec employees began a systematic method to interfere with the NEWCO contract. The Burrtec employees were telling the NEWCO employees that they had the contract "wrapped" up and that NEWCO would be out of business when the bids came in.

This situation intensified Monday October 2, 2000, two days before the bid was even opened, and was nearly out of control on Wednesday October 4, 2000 after the bids were opened.

This is a formal notification to the City of Riverside that Burrtec is interfering with the performance of our contract. NEWCO has never faltered in the performance of its contract, however, the harassment from Burrtec has caused an employee moral issue. NEWCO is prepared to cease using the Robert A. Nelson Transfer Station to ensure uninterrupted service for the City of Riverside.

Sincerely,


Sam Cardelucci

cc: John Holmes, City Manager
City Clerk
Jeff Gardner, Esq.

Distribution:
Mayor ✓
City Council ✓
City Manager ✓
Legal ✓
Public Works ✓

**SIXTH AMENDMENT TO COMMERCIAL NON-EXCLUSIVE
SOLID WASTE AGREEMENT BETWEEN CITY OF RIVERSIDE AND
BURRTEC WASTE INDUSTRIES, INC. FOR
INTEGRATED SOLID WASTE MANAGEMENT SERVICES**

This Sixth Amendment to Commercial Non-Exclusive Solid Waste Agreement between City of Riverside and Burrtec Waste Industries, Inc. ("Sixth Amendment"), is made and entered into this 18th day of June, 2020, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City") and BURRTEC WASTE INDUSTRIES, INC., a California corporation, 9890 Cherry Avenue, Fontana, California 92335 ("Company") with respect to the following facts:

RECITALS

WHEREAS, on May 11, 2001, City and Company entered into that certain Commercial Non-Exclusive Solid Waste Agreement between City of Riverside and Burrtec Waste Industries, Inc. wherein Company agreed to provide commercial waste hauling services within the City limits from May 12, 2001 through May 11, 2008; and

WHEREAS, on July 22, 2003, City and Company entered into that certain First Amendment to Commercial Non-Exclusive Solid Waste Agreement between City of Riverside and Burrtec Waste Industries, Inc. for Integrated Solid Waste Management Services ("First Amendment") wherein certain terms and conditions of the agreement were modified to more efficiently provide services thereunder; and

WHEREAS, on January 27, 2009, City and Company entered into that certain Second Amendment to Commercial Non-Exclusive Solid Waste Agreement between City of Riverside and Burrtec Waste Industries, Inc. for Integrated Solid Waste Management Services ("Second Amendment") wherein the Agreement was extended through June 30, 2018, and its terms and conditions were substantially modified; and

WHEREAS, on February 18, 2010, City and Company entered into that certain Third Amendment to Commercial Non-Exclusive Solid Waste Agreement between City of Riverside and Burrtec Waste Industries, Inc. for Integrated Solid Waste Management Services ("Third Amendment") wherein the Agreement was amended to include certain additional services that were erroneously deleted in the Second Amendment; and

WHEREAS, on January 25, 2013, City and Company entered into that certain Fourth Amendment to Commercial Non-Exclusive Solid Waste Agreement between City of Riverside and Burrtec Waste Industries, Inc. for Integrated Solid Waste Management Services ("Fourth Amendment") wherein the Agreement was amended to delete certain services that are currently being provided by Company; and

WHEREAS, on January 29, 2018, the City and Company entered into that certain Fifth Amendment to Commercial Non-Exclusive Solid Waste Agreement between City of Riverside and Burrtec Waste Industries, Inc. for Integrated Solid Waste Management Services ("Fifth Amendment") wherein the Agreement was amended to extend the term on a monthly basis for a maximum of five years, until June 30, 2023;

WHEREAS, the First, Amendment, Second Amendment, Third Amendment, Fourth Amendment, and Fifth Amendment are collectively referred to herein as the "Agreement;" and

WHEREAS, City and Company desire to amend the Agreement to provide for the provision of organic waste recycling services in compliance with AB 341 and AB 1826.

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein by this reference, City and Company agree as follows:

1. Article 1, "Definitions," is hereby amended to add the following definitions:

1.42 AB 1826

"AB 1826" means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014 modifying Division 30 of the California Public Resources Code), also commonly referred to as "AB 1826," as amended, supplemented, superseded, and replaced from time to time.

1.43 AB 341

"AB 341" means the California Jobs and Recycling Act of 2011 (Chesbro, Chapter 476, Statutes of 2011), also commonly referred to as "AB 341", as amended, supplemented, superseded, and replaced from time to time.

1.44 Organic Waste

"Organic waste" means food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in food waste.

1.45 Covered Generator

“Covered Generator” means any business or multifamily residential property subject to the provisions of AB 341, AB 1826, and SB 1383.

1.46 SB 1383

SB 1383 means Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016), and its accompanying regulations, also commonly referred to as “SB 1383”, as amended, supplemented, superseded, and replaced from time to time.

2. Article 1, “Definitions,” is hereby amended as follows:

1.38 Solid Waste

“Solid Waste” means all Putrescible and non-Putrescible Refuse, Recyclable Material, Green Waste, and Organic Waste, and as otherwise defined in Public Resources Code §40191.

3. Sub-Section 4.2.1, “Collection” of Section 4.2, “Recycling Services” is hereby amended in its entirety as follows:

4.2.1 Collection

The Company must provide Recycling Collection service to all Covered Generators. The Company shall provide Recycling Bins in sufficient quantities to meet the Recycling Collection needs of each Customer, but in no event shall service fall below the minimum service levels set out in the applicable rate schedule adopted by the City. The Company shall notify all Customers each year of the availability of Recycling Collection programs in accordance with Section 8.3.1.e and provide education as to the proper segregation of Recycling Materials for generators to comply with AB 341 and AB 1826 and SB 1383.

4. Sub-section 4.2.2, “Collection Rates” and sub-section 4.2.3 “Warning Notices” of Section 4.2, “Recycling Services” are hereby amended in their entirety as follows:

4.2.2 Collection Rates

The Company shall charge a rate representing the actual cost of service plus a reasonable profit. In no event shall the Company charge less for recycling than the actual cost of providing such service. If City requests information regarding recycling rates, the Company will provide the information along with supporting cost information for review. In the event the City Council adopts a Recycling

City's reporting obligations for Organic Waste diversion. Reports shall be in a format as provided by the City.

7. All terms and conditions of the Agreement and amendments thereto not inconsistent with this Sixth Amendment shall remain in full force and effect and are incorporated herein by this reference as if set forth in full.

[Signatures on following page]

IN WITNESS WHEREOF, City and Company have caused this Sixth Amendment to Commercial Non-Exclusive Solid Waste Agreement between City of Riverside and Burrtec Waste Industries, Inc. for Integrated Solid Waste Management Services be duly executed on the day and year first above written.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

By: Rafael Guzman
Rafael Guzman (Jun 18, 2020 09:41 PDT)
City Manager

Attest: Colleen J. Nicol
Colleen J. Nicol (Jun 18, 2020 09:44 PDT)
City Clerk

APPROVED AS TO FORM:

By: [Signature]
Deputy City Attorney

CERTIFIED AS TO FUNDS AVAILABILITY:

By: [Signature]
Chief Financial Officer/ City Treasurer

BURRTEC WASTE INDUSTRIES, INC.,
a California corporation

By: [Signature]
Cole Burr President
Name and Title

By: [Signature]
Trey A. Sweeney
Name and Title Vice President

NINTH AMENDMENT TO AGREEMENT FOR TRANSFER SERVICES

Agua Mansa MRF, LLC

This Ninth Amendment to Agreement for Transfer Services ("Ninth Amendment"), is made and entered into this 22nd day of June, 2020, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City") and AGUA MANSA MRF, LLC, a California Limited Liability Company, 9890 Cherry, Fontana, California ("Contractor"), with respect to the following facts:

RECITALS

WHEREAS, City and Contractor's predecessor in interest, Burrtec Waste Industries, Inc., ("Burrtec") entered into that certain Agreement for Transfer Services dated January 8, 1997, ("Agreement") wherein Burrtec agreed to construct and operate a waste transfer station ("Station") and accept all waste for disposal collected by City and City's contracted haulers; and

WHEREAS, on August 26, 1997, City and Burrtec entered into that certain First Amendment to Agreement for Transfer Services ("First Amendment") wherein City consented to the transfer of ownership and management of the Agreement to Contractor; and

WHEREAS, on July 11, 2002, City and Contractor entered into that certain Second Amendment to Agreement for Transfer Services ("Second Amendment") wherein the Agreement was amended to expand the scope of services to include the processing of residential recyclable materials; and

WHEREAS, on October 21, 2003, City and Contractor entered into that certain Third Amendment to Agreement for Transfer Services ("Third Amendment") wherein the Agreement was amended to expand the scope of services to include the processing and disposal of residential greenwaste materials; and

WHEREAS, on December 1, 2004, City and Contractor entered into that certain Fourth Amendment to Agreement for Transfer Services ("Fourth Amendment") wherein the Agreement was amended to expand the scope of services to include the facilitation of a free disposal day on the third Saturday of each month for City residents; and

WHEREAS, on May 18, 2009, City and Contractor entered into that certain Fifth Amendment to Agreement for Transfer Services ("Fifth Amendment") wherein the month

utilized to calculate the annual CPI adjustment was changed from April to December, consistent with other City waste related agreements; and

WHEREAS, on July 1, 2009, City and Contractor entered into that certain Sixth Amendment to Agreement for Transfer Services ("Sixth Amendment") to further amend the Agreement to 1) provide for the use of a land application process as an alternative to landfill disposal of Greenwaste and 2) to make the material available to the public for pick-up free of charge; and

WHEREAS, on November 29, 2012, the City and Contractor entered into that certain Seventh Amendment to Agreement for Transfer Services ("Seventh Amendment") to allow the Contractor to request extraordinary cost adjustments, subject to City Council approval and adjust the costs provided for therein; and

WHEREAS, on January 7, 2019, the City and Contractor entered into that certain Eighth Amendment ("Eighth Amendment") to Agreement to provide for a one-time extraordinary cost increase in accordance with the provisions of the Seventh Amendment to allow the Contractor to request extraordinary cost adjustments, subject to City Council approval and adjust the costs provided for therein; and

WHEREAS, the City and Contractor desire to amend the Agreement to provide for the acceptance and processing of organic recyclable material, as defined herein.

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein by this reference, City and Contractor agree as follows:

1. The Agreement is amended to add the following:
 - a. "Organic Recyclable Material" means materials that are required to be separated from solid waste and recyclable materials prior to disposal and returned for use or reuse in the form of raw materials for new, used or reconstituted products. Organic recyclable materials include, but are not limited to: yard trimmings and food scraps such as green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small wood pieces, other types of organic yard waste, vegetable waste, fruit waste, dairy waste, meat waste, fish waste, and paper contaminated with food scraps.

- b. "Food waste" includes solid, semisolid, and liquid food, such as, fruit, vegetables, cheese, meat, bones, poultry, seafood, bread, rice, pasta, and oils; coffee grounds and filters and tea bags; cut flowers and herbs; and any putrescible matter produced from human or animal food production, preparation, and consumption activities. Food waste includes food-soiled paper.
- c. City shall cause all Organic Recyclable Material, except for greenwaste, collected within the City limits to be delivered to the Station for handling by Contractor.
- d. Contractor shall accept for handling and processing all Organic Recyclable Materials delivered to the Station by City and/or the City's Contracted Haulers. Such materials shall be handled in accordance with the diversion requirements of Assembly Bills 341 and 1826 and SB 1383.

2. Section 6 of the Agreement is amended to add a Food Waste processing fee, which shall be \$86.79 per ton of Organic Recyclable Material. This fee may be adjusted in accordance with Section 6 providing for adjustments based on changes in the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index or through a request for extraordinary adjustments as provided in Section 2 of the Seventh Amendment.

3. Section 6 of the Agreement is amended add the following language:

"From the date of this Ninth Amendment through the remaining term of the Agreement, annual adjustments will be effective July 1. The adjustments will be made in accordance with the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers for the Riverside-San Bernardino-Ontario Standard Metropolitan Statistical Area ("Index") for the January preceding the adjustment."

4. The Agreement is hereby amended as follows:

- a. "Beginning July 1, 2020, but subject to changes in State regulations, through the remaining term of this Agreement, the fees for the processing of Residential Recyclable Materials shall be as follows:
 - i. City shall pay to Contractor a processing fee of \$61.40 per ton of Residential Recyclable Materials delivered to the Station


- ii. Contractor shall pay to City a recyclable materials rebate equal to thirty percent of the net scrap and CRV value, negative value charged at 100%
- iii. City shall pay to Contractor a residue disposal fee of \$52.81 per ton of residue delivered to the landfill.
- iv. These fees may be adjusted in accordance with Section 6 providing for adjustments based on changes in the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index or through a request for extraordinary adjustments as provided in Section 2 of the Seventh Amendment.

5. All terms and conditions of the Agreement and amendments thereto not inconsistent with this Ninth Amendment shall remain in full force and effect and are incorporated herein by this reference as if set forth in full.

[signatures on following page]


IN WITNESS WHEREOF, City and Company have caused this Ninth Amendment to Agreement for Transfer Services between Agua Mansa MRF, LLC be duly executed on the day and year first above written.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

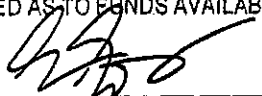
By: 
Rafael Guzman (Jun 22, 2020 16:53 PDT)
City Manager

Attest: Colleen J. Nicol
Colleen J. Nicol (Jun 22, 2020 17:01 PDT)
City Clerk

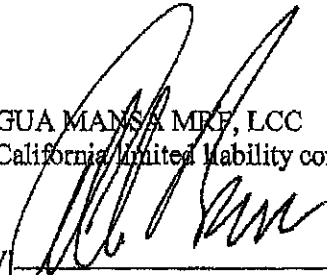
APPROVED AS TO FORM:

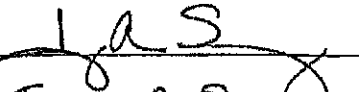
By: 
Ruthann M. Salera
Deputy City Attorney

CERTIFIED AS TO FUNDS AVAILABILITY:

BY: 
Chief Financial Officer/ City Treasurer

AGUA MANSÁ MRF, LCC
a California limited liability company

By: 
Cole Burr, President
Name and Title

By: 
Tracy A. Sweeney
Name and Title Vice President

COMMERCIAL
NON-EXCLUSIVE
SOLID WASTE AGREEMENT
BETWEEN
CITY OF RIVERSIDE
AND
Burrtec Waste Industries, Inc.
FOR
INTEGRATED SOLID WASTE
MANAGEMENT SERVICES

* * *

April 27, 2001

COMMERCIAL
NON-EXCLUSIVE
SOLID WASTE AGREEMENT
BETWEEN
CITY OF RIVERSIDE
AND
Burrtec Waste Industries, Inc.
FOR
INTEGRATED SOLID WASTE
MANAGEMENT SERVICES

TABLE OF CONTENTS

	<u>Page</u>
RECITALS	1
ARTICLE 1	2
DEFINITIONS	2
1.1 AB 939.....	2
1.2 AFFILIATE.....	2
1.3 AGREEMENT	3
1.4 BILLINGS.....	3
1.5 BIN.....	3
1.6 CAN	3
1.7 CART	3
1.8 CITY.....	3
1.9 COLLECT/COLLECTION	4
1.10 COMMERCIAL AND INDUSTRIAL PROPERTY	4
1.11 COMPANY	4
1.12 COMPANY'S BID	4
1.13 COMPANY COMPENSATION	4
1.14 CONSTRUCTION AND DEMOLITION WASTE.....	4
1.15 CONTAINERS	4
1.16 CUSTOMER	5
1.17 ENVIRONMENTAL LAWS.....	5
1.18 FACILITY.....	5
1.19 FRANCHISE FEE.....	5
1.20 GREEN WASTE	6
1.21 HAZARDOUS SUBSTANCE	6
1.22 HAZARDOUS WASTE	6
1.23 HOUSEHOLD HAZARDOUS WASTE (HHW)	7
1.24 MULTI-FAMILY DWELLING UNIT.....	7
1.25 OWNER.....	7
1.26 PERSON	7
1.27 PREMISES	7
1.28 PUTRESCIBLE WASTE.....	7
1.29 RATE YEAR.....	7
1.30 RECYCLING.....	8
1.31 RECYCLABLE MATERIALS	8
1.32 REFUSE.....	8
1.33 ROLLOFF BOX	8

1.34	SOLID WASTE	8
1.35	STATE	8
1.36	TRANSFORMATION	8
ARTICLE 2		9
GRANT AND ACCEPTANCE OF AGREEMENT.....		9
2.1	GRANT AND ACCEPTANCE OF AGREEMENT.....	9
2.2	NON-EXCLUSIVE NATURE OF AGREEMENT	9
2.2.1	<i>Minimum Business Requirements.....</i>	10
2.2.2	<i>Right to Award Additional Agreements.....</i>	10
2.3	EFFECTIVE DATE	10
2.4	TERM OF COLLECTION SERVICE.....	10
2.5	CONDITIONS TO EFFECTIVENESS OF AGREEMENT	11
2.6	DELEGATION OF AUTHORITY.....	11
2.7	CITY'S RIGHT TO DIRECT CHANGES	11
2.7.1	<i>General.....</i>	11
2.7.2	<i>New Diversion Programs.....</i>	12
2.8	OWNERSHIP OF SOLID WASTE	12
2.9	COMPANY STATUS	12
2.10	COMPANY AUTHORIZATION.....	13
2.11	ANNEXATIONS	13
ARTICLE 3		14
FRANCHISE FEE & LANDFILL SURCHARGE		14
3.1	FRANCHISE FEE AND LANDFILL SURCHARGE.....	14
3.1.1	<i>Franchise Fee Amount</i>	14
3.1.2	<i>Landfill Surcharge.....</i>	14
3.1.3	<i>Time and Method of Payment.....</i>	14
3.2	BUSINESS LICENSE	15
3.3	OTHER FEES.....	15
ARTICLE 4		16
DIRECT SERVICES.....		16
4.1	REFUSE COLLECTION SERVICES	16
4.1.1	<i>Permanent Bin Services.....</i>	16
4.1.2	<i>Temporary Bins and Rolloff Box Service</i>	16
4.1.3	<i>Commercial Can or Cart Service.....</i>	17
4.2	RECYCLING SERVICES.....	17
4.2.1	<i>Collection.....</i>	17
4.2.2	<i>Collection Rates</i>	17
4.2.3	<i>Warning Notice</i>	18
4.2.4	<i>Marketing and Sale of Recyclable Materials</i>	18
4.3	GREEN WASTE COLLECTION AND DIVERSION.....	18
4.4	DIVERSION REQUIREMENTS	18
4.5	SERVICE UPON REQUEST	19
4.6	OPERATIONS.....	19
4.6.1	<i>Schedules.....</i>	19
4.6.2	<i>Vehicles</i>	20
4.6.3	<i>Containers.....</i>	23
4.6.3.1	<i>Bins.....</i>	23
4.6.3.2	<i>Rolloff Boxes</i>	23
4.6.4	<i>Litter Abatement.....</i>	23
4.6.5	<i>Personnel.....</i>	24
4.6.6	<i>Identification Required.....</i>	25
4.6.7	<i>Fees and Gratuities.....</i>	25
4.6.8	<i>Non-Discrimination.....</i>	25
4.6.9	<i>Report of Accumulation of Solid Waste; Unauthorized Dumping.....</i>	26
4.7	TRANSPORTATION OF REFUSE TO THE ROBERT A. NELSON TRANSFER STATION	26
4.8	RECYCLABLES AND GREEN WASTE PROCESSING	26
4.9	STATUS OF SOLID WASTE ACCEPTANCE FACILITY	27
4.10	ANNUAL ROUTE AUDIT	27
4.11	SERVICE EXCEPTIONS; HAZARDOUS WASTE NOTIFICATIONS.....	27

ARTICLE 5	28
OTHER SERVICES	28
5.1 CUSTOMER BILLING	28
5.1.1 Billing.....	28
5.1.2 Notification to City of Billing Status Change.....	29
5.1.3 Credit for Failure to Collect.....	29
5.1.4 Review of Billings.....	29
5.1.5 Suspension of Service Due to Non-Payment	30
5.2 CUSTOMER SERVICE AGREEMENTS	30
5.3 CUSTOMER SERVICE	30
5.3.1 Office Hours.....	30
5.3.2 Missed Pick-ups.....	31
5.3.3 Complaint Documentation	31
5.3.4 Resolution of Customer Complaints.....	31
5.3.5 Government Liaison.....	32
5.4 WASTE GENERATION/CHARACTERIZATION STUDIES	32
ARTICLE 6	33
COMPANY COMPENSATION AND RATES	33
6.1 GENERAL	33
6.2 INITIAL RATES	33
6.3 SCHEDULE OF FUTURE ADJUSTMENTS	33
6.4 METHOD OF ADJUSTMENTS	34
6.5 EXTRAORDINARY ADJUSTMENTS.....	34
6.6 SUPPORTING INFORMATION	34
6.7 GRANTS.....	35
ARTICLE 7	36
REVIEW OF SERVICES AND PERFORMANCE.....	36
7.1 PERFORMANCE HEARING	36
ARTICLE 8	38
RECORDS, REPORTS AND INFORMATION REQUIREMENTS.....	38
8.1 GENERAL	38
8.2 RECORDS	38
8.2.1 General.....	38
8.2.2 Financial Records	39
8.2.3 Solid Waste Service Records.....	39
8.2.4 CERCLA Defense Records	39
8.2.5 Delivery and Disposal Records.....	40
8.2.6 Other Programs' Records.....	40
8.2.7 Cost of Audit.....	40
8.2.8 Payments and Refunds	40
8.3 REPORTS	41
8.3.1 Report Formats and Schedule.....	41
8.3.2 Monthly Reports	42
8.3.3 Quarterly Reports.....	42
8.3.4 Annual Report	42
8.3.5 Financial Report	43
8.4 ADVERSE INFORMATION	44
8.5 RIGHT TO INSPECT RECORDS	44
ARTICLE 9	45
INDEMNIFICATION, INSURANCE AND BONDS.....	45
9.1 INDEMNIFICATION	45
9.2 HAZARDOUS SUBSTANCES INDEMNIFICATION.....	46
9.3 INSURANCE.....	47
9.4 FAITHFUL PERFORMANCE BOND	51
9.5 FORFEITURE OF PERFORMANCE BOND	52
ARTICLE 10	53

CITY'S RIGHT TO PERFORM SERVICE.....	53
10.1 GENERAL	53
10.2 BILLING AND COMPENSATION TO THE CITY DURING THE CITY'S POSSESSION.....	54
10.3 CITY'S RIGHT TO RELINQUISH POSSESSION	54
10.4 CITY'S POSSESSION NOT A TAKING.....	55
10.5 DURATION OF THE CITY'S POSSESSION.....	55
ARTICLE 11	56
DEFAULT, REMEDIES AND LIQUIDATED DAMAGES	56
11.1 EVENTS OF DEFAULT	56
11.2 CRIMINAL ACTIVITY OF COMPANY	58
11.3 RIGHT TO TERMINATE UPON DEFAULT	58
11.4 LIQUIDATED DAMAGES	59
11.5 EXCUSE FROM PERFORMANCE	63
11.6 ASSURANCE OF PERFORMANCE.....	63
ARTICLE 12	65
OTHER AGREEMENTS OF THE PARTIES.....	65
12.1 RELATIONSHIP OF PARTIES	65
12.2 COMPLIANCE WITH LAW	65
12.3 GOVERNING LAW	65
12.4 JURISDICTION.....	66
12.5 ASSIGNMENT.....	66
12.6 AFFILIATED COMPANIES	68
12.7 CONTRACTING OR SUBCONTRACTING.....	68
12.8 BINDING ON ASSIGNS.....	69
12.9 TRANSITION TO THE NEXT COMPANY	69
12.10 PARTIES IN INTEREST	69
12.11 WAIVER.....	69
12.12 THE COMPANY'S INVESTIGATION.....	69
12.13 CONDEMNATION.....	69
12.14 NOTICE.....	70
12.15 REPRESENTATIVES OF THE PARTIES	70
12.16 CITY FREE TO NEGOTIATE WITH THIRD PARTIES	71
12.17 COMPLIANCE WITH MUNICIPAL CODE.....	71
12.18 PRIVACY.....	71
12.19 COOPERATION FOLLOWING TERMINATION.....	72
12.20 COMPLIANCE WITH IMMIGRATION LAWS.....	72
12.21 PROPRIETARY INFORMATION, PUBLIC RECORDS	72
12.22 GUARANTEE OF CONTRACTOR'S PERFORMANCE	73
12.23 ATTORNEY'S FEES	73
ARTICLE 13	74
MISCELLANEOUS AGREEMENTS.....	74
13.1 ENTIRE AGREEMENT	74
13.2 SECTION HEADINGS	74
13.3 REFERENCES TO LAWS AND OTHER AGREEMENTS.....	74
13.4 INTERPRETATION.....	74
13.5 AGREEMENT.....	74
13.6 SEVERABILITY	75
13.7 EXHIBITS.....	75
13.8 NON-WAIVER PROVISION	75

Exhibits

1. Initial Rates
2. Rate Adjustment Formulas
3. Corporate Guaranty
4. Company's Faithful Performance Bond
5. Notary Certification
6. Terms of Contracts with Existing Waste Haulers to Continue Providing Service in the City

RECITALS

This Solid Waste Agreement (Agreement) is entered into this 11th day of May, 2000, by and between the City of Riverside (City) and Burrtec Waste Industries (Company).

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB 939") (California Public Resources Code Section 40000 et seq.), has declared that it is in the public interest to authorize and require local agencies to make adequate provisions for Solid Waste handling within their jurisdictions to meet the goals and requirements of AB 939; and,

WHEREAS, pursuant to California Public Resources Code Section 40059(a)(2), the City of Riverside has determined that the public health, safety, and well-being require that an exclusive Franchise be awarded to a qualified company for the Collection, transportation, Recycling, processing, and Disposal of Solid Waste and other services to meet the goals and requirements of AB 939; and,

WHEREAS, the current Commercial Solid Waste Agreement will expire on May 11th, 2001; and,

WHEREAS, in response to a Request for Bids, the Company has submitted a Bid to the City; and

WHEREAS, the Company agrees to and acknowledges that it shall properly dispose of all Solid Waste collected in the City pursuant to this Agreement; and

WHEREAS, the City and the Company (Parties) hereto desire to enter into this Agreement,

NOW, THEREFORE, in consideration of the premises above stated and the terms, conditions, covenants and agreements contained herein, the Parties do hereby agree as follows:

ARTICLE 1

DEFINITIONS

Whenever any term used in this Agreement has been defined by the provisions of Section 6.04.010 of the Riverside City Code or by Division 30, Part 1, Chapter 2 of the California Public Resources Code, the definitions in the Municipal Code or the Public Resources Code shall apply unless the term is otherwise defined in this Agreement, in which case this Agreement shall control.

Except as provided in Article 1, words beginning with lower case letters are being used with their common ordinary meanings, not as defined terms. Otherwise, the following capitalized words and terms shall have the following meanings:

1.1 AB 939

"AB 939" means the California Integrated Waste Management Act of 1989 (California Public Resources Code Section 40000 et seq.), as it may be amended from time to time.

1.2 Affiliate

"Affiliate" means all businesses (including corporations, limited and general partnerships and sole proprietorships) that are directly or indirectly related to the Company by virtue of direct or indirect ownership interest or common management shall be deemed to be "Affiliated with" the Company and included within the term "Affiliates" as used herein. An Affiliate shall include a business in which the Company owns a direct or indirect ownership interest, a business that has a direct or indirect ownership interest in the Company and/or a business that is also owned, controlled or managed by any business or individual that has a direct or indirect ownership interest in the Company. For purposes of determining whether an indirect ownership interest exists, the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date of this Agreement, shall apply; provided, however, that (i) "ten percent (10%)" shall be substituted for "fifty percent (50%)" in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof; and (ii) Section 318(a)(5)(C) shall be disregarded. For purposes of determining ownership under this paragraph and constructive or indirect

ownership under Section 318(a), ownership interest of less than ten percent (10%) shall be disregarded and percentage interests shall be determined on the basis of the percentage of voting interest or value which the ownership interest represents, whichever is greater.

1.3 Agreement

"Agreement" means this Solid Waste Agreement between the City and the Company for the Collection, transportation, Recycling, processing and Disposal of Solid Waste, and other services related to meeting the goals and requirements of AB 939, including all exhibits and attachments, and any amendments thereto.

1.4 Billings

"Billings" means any and all statements of charges for services rendered, howsoever made, described or designated by the City or the Company, or made by others for the City or the Company, to Persons responsible for arranging for Solid Waste removal.

1.5 Bin

"Bin" means a metal Container with hinged lids and wheels serviced by a front-end loading truck with a capacity of 1 to 8 cubic yards.

1.6 Can

"Can" means a Solid Waste receptacle provided by the Customer and serviced by manual Collection.

1.7 Cart

"Cart" means a rigid plastic Container with a hinged lid and wheels with a capacity of not less than 30 gallons and not greater than 101-gallons that is provided for automated collection.

1.8 City

"City" means the City of Riverside, a municipal corporation, and all the territory lying within the municipal boundaries of the City as presently existing or as such boundaries may be modified during the term of this Agreement.

1.9 Collect/Collection

"Collect" or "Collection" means to take physical possession, transport, and remove Solid Waste within and from the City.

1.10 Commercial and Industrial Property

"Commercial and Industrial Property" means property upon which business activity is conducted, including but not limited to retail sales, services, wholesale operations, manufacturing and industrial operations, but excluding businesses conducted upon residential Premises which are permitted under applicable zoning regulations and are not the primary use of the property.

1.11 Company

"Company" means Burrtec Waste Industries, Incorporated, a California Corporation and its officers, directors, employees, agents, companies and subcontractors.

1.12 Company's Bid

"Company's Bid" means the Bid submitted by the Company to the City on November 22, 2000 in response to a Request for Bids dated October 19, 2000.

1.13 Company Compensation

"Company Compensation" means the revenue received by the Company from Billings in return for providing services in accordance with this Agreement and any amendments to this Agreement.

1.14 Construction and Demolition Waste

"Construction and Demolition Waste" means used or discarded construction materials removed from a Premises during the construction or demolition of a structure.

1.15 Containers

"Containers" means any and all types of Solid Waste receptacles, including Cans, Carts, Bins, Rolloff Boxes, and receptacles provided by customers.

1.16 Customer

"Customer" means a Person having the care and control of either any Multi-Family residential Premises in the City who receives Solid Waste Collection service from the Company by Bin or any commercial Premises in the City who receives Solid Waste Collection service from the Company, or any Person receiving Rolloff services in the City from the Company.

1.17 Environmental Laws

"Environmental Laws" means all federal and State statutes, county, local and the City ordinances concerning public health, safety and the environment including, by way of example and not limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.; the Resource Conservation and Recovery Act, 42 USC §6902 et seq.; the Federal Clean Water Act, 33 USC §1251 et seq.; the Toxic Substances Control Act, 15 USC §1601 et seq.; the Occupational Safety and Health Act, 29 USC §651 et seq.; the California Hazardous Waste Control Act, California Health and Safety Code §25100 et seq.; the California Toxic Substances Control Act, California Health and Safety Code §25300 et seq.; the Porter-Cologne Water Quality Control Act, California Water Code §13000 et seq.; the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code §25249.5 et seq.; as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

1.18 Facility

"Facility" means any plant or site, owned or leased and maintained, operated or used by the Company for purposes of performing under this Agreement.

1.19 Franchise Fee

"Franchise Fee" means the fee paid by the Company to the City for the right to be granted this Agreement.

1.20 Green Waste

"Green Waste" means leaves, grass, weeds, and wood materials from trees and shrubs (not more than four (4) inches in diameter or four (4) feet in length) and similar materials generated at the Premises.

1.21 Hazardous Substance

"Hazardous Substance" means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; or (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable federal, State or local Environmental Laws currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

1.22 Hazardous Waste

"Hazardous Waste" means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State of California in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the US Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder.

1.23 Household Hazardous Waste (HHW)

"Household Hazardous Waste" means Hazardous Waste generated at residential Premises.

1.24 Multi-Family Dwelling Unit

"Multi-Family Dwelling Unit" means any residential Premises at which Solid Waste is collected by Bin, not Can or Cart, irrespective of whether residence therein is transient, temporary or permanent.

1.25 Owner

"Owner" means the Person holding the legal title to the real property constituting the Premises to which Solid Waste Collection service is to be provided under this Agreement or the Person holding legal title to the Disposal Site, depending upon the context used in this Agreement.

1.26 Person

"Person" means any individual, firm, association, organization, partnership, corporation, business trust, joint venture, the United States, the State of California, the County of Riverside, town, city, or special purpose district.

1.27 Premises

"Premises" means any land, or building in the City where Solid Waste is generated or accumulated.

1.28 Putrescible Waste

"Putrescible Waste" means wastes that are capable of being decomposed by micro-organisms with sufficient rapidity as to cause nuisances because of odors, gases, or other offensive conditions.

1.29 Rate Year

"Rate Year" means the twelve-month period from May 12 to May 11 for each year of the Agreement.

1.30 Recycling

"Recycling" means any process by which materials which would otherwise become Solid Waste are collected (source-separated, co-mingled, or as mixed waste), separated and/or processed and returned to the economic mainstream in the form of raw materials or products or materials which are otherwise salvaged or recovered for reuse.

1.31 Recyclable Materials

"Recyclable Materials" means residential, commercial or industrial source separated by-products of some potential economic value, set aside, handled, packaged, or offered for Collection in a manner different from Refuse.

1.32 Refuse

"Refuse" means Putrescible and non-Putrescible Solid Waste or debris, except sewage, whether combustible or non-combustible.

1.33 Rolloff Box

"Rolloff Box" means an open-top metal Container or closed compactor boxes serviced by a rolloff truck with a capacity of 10 to 50 cubic yards.

1.34 Solid Waste

"Solid Waste" means all Putrescible and non-Putrescible Refuse, Recyclable Material, and Green Waste, and as otherwise defined in Public Resources Code §40191.

1.35 State

"State" means the State of California.

1.36 Transformation

"Transformation" means incineration, pyrolysis, distillation, gasification, or biological conversion other than composting. "Transformation" does not include composting.

ARTICLE 2

GRANT AND ACCEPTANCE OF AGREEMENT

2.1 Grant and Acceptance of Agreement

Subject to the terms and conditions of this Agreement, the City hereby grants to the Company a non-exclusive Agreement to Collect, transfer, transport, recycle, process, and dispose of Solid Waste accumulating in the City that is required to be accumulated and offered for Collection to the Company in accordance with this Agreement.

The Agreement is granted a non-exclusive privilege to provide Multi-Family Bin, Commercial and Industrial Collection services throughout the City. City may grant other companies the same non-exclusive right to provide these services. The Company hereby accepts the Agreement on the terms and conditions set forth.

2.2 Non-Exclusive Nature of Agreement

City intends to maintain a minimum of three competitive non-exclusive commercial contractors servicing the City's commercial Solid Waste Collection needs. In addition, City crews will be permitted to compete for commercial business throughout the City at the same rates. Existing haulers that provided service within the City prior to the start of this Agreement have special agreements with the City that permit them to continue providing services to customers in restricted service areas for up to five years. See Exhibit 6 for terms of these special agreements with existing service providers. Company acknowledges and agrees that City may permit other persons besides Company to Collect any or all types of Solid Waste without seeking or obtaining approval of Company under this Agreement.

This grant to the Company of a non-exclusive Agreement, right and privilege to Collect, transport, or process and Dispose of Solid Waste shall be interpreted to be consistent with State and federal laws, now and during the term of the Agreement, and the scope of this non-exclusive Agreement shall be limited by current and developing State and federal laws with regard to Solid Waste handling, franchising, control of Recyclable Materials, Solid Waste flow control, and related doctrines. In the event that future interpretations of current law, enactment or developing legal

trends limit the ability of the City to lawfully provide for the scope of services as specifically set forth herein, the Company agrees that the scope of the Agreement will be limited to those services and materials which may be lawfully provided for under this Agreement, and that the City shall not be responsible for any lost profits claimed by the Company to arise out of further limitations of the scope of the Agreement set forth herein. In such an event, it shall be the responsibility of the Company to minimize the financial impact to other services being provided as much as possible.

2.2.1 Minimum Business Requirements

Starting the third full calendar year under this Agreement, if a contractor's customers represent less than 5% of the commercial business within the City, as measured each calendar year by Solid Waste tons Collected, the City has the right to terminate this Agreement with a 90-day notice. City shall give such notice by March 31 of the following year.

2.2.2 Right to Award Additional Agreements

The City reserves the right to grant additional Agreements for commercial Collection, above three plus the City and previous haulers, if either:

- a contractor merges with, is bought out by, or otherwise becomes associated with another contractor; or
- the City terminates an existing Agreement.

2.3 Effective Date

The effective date of this Agreement shall be May 12, 2001 ("effective date").

2.4 Term of Collection Service

The term of commercial Solid Waste Collection service to be provided to the City under this Agreement shall be seven (7) years commencing on May 12th, 2001 and expiring on May 11, 2008.

2.5 Conditions to Effectiveness of Agreement

The obligation of the City to permit this Agreement to become effective and to perform its undertakings provided for in this Agreement is subject to the satisfaction of each and all of the conditions set out below, each of which may be waived in whole or in part by the City.

- a) **Accuracy of Representations.** Representations and warranties made by the Company throughout this Agreement are accurate, true and correct on and as of the effective date of this Agreement.
- b) **Absence of Litigation.** Litigation is currently pending challenging the award of this Agreement to the Company, the execution of this Agreement, and seeking to restrain or enjoin its performance. However, this litigation is not anticipated to change the effective date of the Agreement.
- c) **Furnishing of Insurance and Bonds.** The Company has furnished evidence of the insurance and bonds required by Article 9.
- d) **Effectiveness of the City Council Action.** The City Council's approval of this Agreement shall have become effective pursuant to California law prior to, or as, of the effective date of this Agreement.

2.6 Delegation of Authority

The administration of this Agreement by the City shall be under the supervision and direction of the Public Works Department, and the actions specified in this Agreement, unless otherwise stated, shall be taken by Public Works Director or the Director's designee.

2.7 City's Right to Direct Changes

2.7.1 General

The City may direct the Company to perform additional services (including new diversion programs, etc.) or modify the manner in which it performs existing services or bills for services. Pilot programs and innovative services that may entail new Collection methods, different kinds of services and/or new requirements for Customers, and alternative rate structures are included among the kinds of changes

that the City may direct. The Company shall be entitled to a reasonable adjustment in its Company Compensation.

2.7.2 New Diversion Programs

The Company shall present, within 45 days of a request to do so by the City, a proposal to provide additional or expanded diversion services. The proposal shall contain a complete description of the following:

- Collection methodology to be employed (equipment, manpower, etc.);
- Equipment to be utilized (vehicle number, types, capacity, age, etc.);
- Labor requirements (number of employees by classification);
- Type of materials Containers to be utilized;
- Provision for program publicity/ education/ marketing; and,
- Three-year projection of the financial results of the program's operations in an operating statement format including documentation of the key assumptions underlying the projections and the support for those assumptions.

2.8 Ownership of Solid Waste

Once Solid Waste is placed in Containers and properly placed at the designated Collection location, ownership and the right to possession shall transfer directly from the Customer to the Company by operation of this Agreement. Nothing in this Agreement shall be construed as giving rise to any inference that the City has such ownership or possession unless such written notice has been given to the Company.

2.9 Company Status

The Company represents and warrants that it is duly organized, validly existing and in good standing under the laws of the State of California. It is qualified to transact business in the State of California and has the power to provide services as required by this Agreement.

2.10 Company Authorization

The Company has the authority to enter into and perform its obligations under this Agreement. The Board of Directors or partners of the Company (or the shareholders, if necessary) have taken all actions required by law, its articles of incorporation, its bylaws or otherwise to authorize the execution of this Agreement. The Persons signing this Agreement on behalf of the Company have authority to do so. Company shall authorize one employee for the City as a single point of contact for issues arising under this Agreement. City may accept that this employee's actions are taken on behalf of and with the full approval of the Company.

2.11 Annexations

This Agreement extends to any territory annexed to the City during the term of this Agreement except to the extent that Collection by the Company within that annexed territory would violate the provisions of Public Resources Code Section 49520. In such event, this Agreement shall become effective as to such area at the earliest possible date permitted by law, and the City agrees that it shall cooperate with the Company to fulfill any requirement necessary for the Company to serve the annexed area consistent with this paragraph.

ARTICLE 3

FRANCHISE FEE & LANDFILL SURCHARGE

3.1 Franchise Fee and Landfill Surcharge

3.1.1 Franchise Fee Amount

In consideration of the non-exclusive right to Collect granted pursuant to this Agreement, the Company shall pay to the City a Franchise Fee equal to \$11.00 per ton of Refuse Collected under this Agreement. The Company shall remit this fee to the City according to Section 3.1.3 below. This fee is included in the rates in Exhibit 1 and is not to be charged in addition to the approved rate schedule.

3.1.2 Landfill Surcharge

Company shall pay to the City a landfill surcharge of \$0.92 per ton of Refuse Collected under this Agreement. After September 1, 2003, this surcharge will no longer be charged, and rates to the Customers shall be decreased by this amount, in accordance with Section 6.4. Company shall submit this surcharge to City according to Section 3.1.3 below. This fee is included in the rates in Exhibit 1 and is not to be charged in addition to the approved rate schedule.

3.1.3 Time and Method of Payment

Company shall remit Franchise Fee and Landfill Surcharge payments on or before the thirtieth (30th) day following the end of each month for tons collected through the end of the previous month, during the term of this Agreement as provided in Section 3.1.1. If the Franchise Fee or Landfill Surcharge is not paid on or before the thirtieth (30th) day following the end of the month, the Company shall pay to the City a service charge, and not as interest, in an amount equal to ten percent (10%) of the amount owing for that month. The Company shall pay an additional ten-percent (10%) service charge on any unpaid balance for each additional thirty (30) day period the Franchise Fee and/or Landfill Surcharge remains unpaid. Late payment service charges shall not be included in any revenue requirement. The Company agrees that the service charges contemplated by this Section 3.1.3 reasonably reflect the cost to the City to process any delinquency calculations and

notices, and to monitor the Company's services, all in an effort to collect the delinquent Franchise Fees and/or Landfill Surcharge that, together with all other remedies afforded City under this Agreement (including any award of attorney's fees and costs), and in accordance with applicable laws, are intended to compensate City in any collection efforts in the event of Company's default in the payment of Franchise Fees and landfill surcharges.

3.2 Business License

As a condition of this contract, the Company shall secure and maintain a business tax certificate to operate in the City of Riverside, and any other licenses or permits which may be required by federal, state, county or city law, ordinance or regulation. No contracts for services provided in the City shall be awarded to any vendor until such business licenses has been obtained, and all fees paid therefore, by the vendor.

3.3 Other Fees

The City shall reserve the right to set other fees, as it deems reasonably necessary. The amount, time and method of payment will be set similar to Section 3.1.3.

ARTICLE 4

DIRECT SERVICES

4.1 Refuse Collection Services

The work to be done by the Company pursuant to this Agreement shall include, but not be limited to, the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the services required. The enumeration of, and specification of requirements for, particular items of labor or equipment shall not relieve the Company of the duty to furnish all others, as may be required, whether enumerated elsewhere in the Agreement or not.

The work to be done by the Company pursuant to this Agreement shall be accomplished in a thorough and professional manner so that the residents within the City are provided reliable, courteous and high-quality Solid Waste Collection at all times.

4.1.1 Permanent Bin Services

Company shall provide Bin service to all Multi-Family Bin Customers and Commercial and Industrial Customers who request to receive such service from the Company. Company shall Collect and remove all Refuse that is placed in Bins from its Commercial and Industrial Customers at least once every week or more frequently if required to handle the waste stream of the Premises where the Bins are located. Company shall Collect and remove all Refuse that is placed in Bins from its Multi-Family Customers or food handling establishments at least twice per week or more frequently if required to handle the waste stream of the Premises where the Bins are located. Special consideration shall be given when determining the pick up area to ensure that the flow of traffic is not impeded, and location may be adjusted upon City's request.

Company shall return Bins to Bin enclosures after servicing.

4.1.2 Temporary Bins and Rolloff Box Service

The Company shall offer temporary Bin service and Rolloff Box service to all Persons requesting such services to be provided within the City for the Collection of

Refuse or Construction and Demolition Waste. The Company shall deliver and Collect temporary Bins and Rolloff Boxes at the direction of the Customer. Temporary Bins and Rolloff Boxes shall be free of graffiti and in good repair, and must be clearly marked and identifiable as belonging to the Company. Special consideration shall be given when determining the Collection location for temporary Bins and Rolloff Box service Customers to ensure that the flow of traffic is not impeded. The designated Collection location, if disputed by the Customer or the Company, shall be determined by the City. Additionally, if in the City's opinion the location of an existing Collection location is inappropriate for aesthetic or safety reasons, the City may require the Customer and/or Company to relocate the Collection location. Containers may only be placed in the public right of way with prior approval from the Public Works Director.

4.1.3 Commercial Can or Cart Service

The Company shall provide manual Can or Cart service to small volume customers and those that do not have room for a Bin. Company may select which containers will be used. Customers shall supply their own Cans for manual service, or Company will provide Carts for automated service.

4.2 Recycling Services

4.2.1 Collection

The Company agrees to provide Recycling Collection service to all Customers requesting it from the Company. The Company agrees to provide Recycling Bins in sufficient quantities to meet the Recycling needs of each Customer. The Company shall notify all Customers each year of the availability of Recycling Collection programs.

4.2.2 Collection Rates

The Company shall charge a rate representing the actual cost of service plus a reasonable profit. In no event shall the Company charge less for recycling than the actual cost of providing such service. If City requests information regarding recycling rates, the Company will provide the information along with supporting cost information for review. The Company shall not use recycling services to provide customers with additional disposal bins.

4.2.3 Warning Notice

The Company shall warn customers who have non-recyclables in their Recycling Container. If after two sequential written warnings the Container continues to be contaminated, the Company may remove the Recycling Container from Customers who fail to properly sort and segregate Recyclable Materials.

4.2.4 Marketing and Sale of Recyclable Materials

The Company may either process the Recyclable Materials at the Robert A. Nelson transfer station at the City's contract price with the facility, or at any facility that provides maximum diversion credit for the City. Company may retain proceeds from sales of Recyclable Materials.

4.3 Green Waste Collection and Diversion

The Company shall offer Rolloff Box Green Waste Collection to all Customers requesting such service. Green Waste Rolloff Box service shall be charged at the Rolloff Box pull rate plus actual Green Waste disposal cost per ton.

If Bin or Cart Green Waste Collection services are offered, in no event shall the Company charge less than the actual cost of providing such service.

Company shall divert Green Waste materials Collected, through Roll-off Boxes or other means, from Disposal. The Company must provide end uses for Green Waste that maximize diversion credits for the City according to regulations established by the California Integrated Waste Management Board.

4.4 Diversion Requirements

The minimum amount that shall be diverted through Recycling, Green Waste Collection, Mixed Waste Processing, and Transformation is 10% of the waste collected during each year of this Agreement. A Transformation facility may only be utilized with the prior approval of the City's Public Works Director, and diversion achieved by Transformation shall consist of a maximum of 10% of the waste collected.

If the City determines that the Company has not reached this goal during any calendar year, the City has until March 31 of the following year to give Company a

90-day notice that the City is terminating the Agreement due to the non-performance of this material term.

4.5 Service Upon Request

The Company shall not discriminate in the provision of service to Customers whose Premises are more difficult to service or at a distant, or otherwise inconvenient, location. All Customers requesting any or all services provided for under this Agreement shall receive those services from the Company at the approved rates.

4.6 Operations

4.6.1 Schedules

To preserve peace and quiet, no Solid Waste shall be Collected before 5:30 A.M. Company shall adjust the early morning start point of Collection routes to address and minimize service complaints when warranted and as practicable. Collection days from Multi-Family Customers or other Customers near residences shall be Monday through Friday, unless Saturday Collection is required due to a Friday holiday. Collection in Commercial areas shall be Monday through Saturday. If the regularly scheduled Collection day falls on New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, or Christmas Day, alternate Collection shall be performed on the following day, unless that day is Sunday. In which case, collection shall be performed on the following Monday. All other Collection days falling on a legal holiday shall remain as scheduled.

Customers must place Solid Waste Containers out for Collection between 6:00 P.M. the day before and 5:30 A.M. the morning of Collection, and must remove the emptied Solid Waste Containers by 8:00 P.M. the day of Collection, per Riverside City Ordinance Section 6.04.030.

The Company shall be prepared to review its operations plan outlining the Collection routes, intervals of Collection and Collection times for all materials Collected under this Agreement with the City once annually upon 30-day written notice requesting said review. More frequent reviews may be required if operations are not satisfactory based on documented observations or reports of complaints. If the plan is determined to be inadequate by the City, the Company shall revise its

plan incorporating any changes into a revised plan and review said revised plan with the City within thirty (30) calendar days.

4.6.2 Vehicles

A. General. The Company shall provide Collection vehicles sufficient in number and capacity to efficiently perform the work required by this Agreement in strict accordance with its terms as described in the Company's Bid. Any additional vehicles/routes that may be required to meet the service standards during the term of this Agreement, above the number included in the Company's Bid shall be done so at the Company's sole expense. The Company shall have available on Collection days sufficient back-up vehicles for each type of Collection vehicle used to respond to complaints and emergencies.

B. Specifications. At no time during the Agreement term shall Company use vehicles for the Collection of Solid Waste in the City that are more than ten (10) years old. All vehicles used by the Company in providing Solid Waste Collection services shall be registered with the California Department of Motor Vehicles. All such vehicles shall have water-tight bodies designed to prevent leakage, spillage or overflow.

C. Vehicle Identification. The Company's name and local telephone number shall be prominently displayed on all vehicles, in letters and numbers no less than (3) three inches high. The Company shall not place the City's name and/or any City logos on the Company vehicles. Vehicles shall all be painted in a standard color.

D. Cleaning and Maintenance

- 1) The Company shall maintain all of its properties, vehicles, Facilities, and equipment used in providing service under this Agreement in a good, safe, neat, clean and operable condition at all times.
- 2) Vehicles used in the Collection of Solid Waste shall be painted, thoroughly washed, and thoroughly steam cleaned on a regular basis so as to present a clean appearance. The City may inspect vehicles at any time to determine compliance with this Agreement. The Company shall also make vehicles available to the Riverside County Health Department for inspection, at any frequency it requests. The Company agrees to replace or repair to the City's

satisfaction, any vehicle that the City determines to be of unsightly appearance, leaking, or in unsatisfactory operating condition.

- 3) The Company shall repaint all vehicles used in the Collection of Solid Waste within sixty (60) days' notice from the City, if the City determines that their appearance warrants painting.
- 4) The Company shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles that are not operating properly, or vehicles in such a condition as to be unsafe or excessively noisy, shall be removed from service until repaired and operating properly. The Company shall reasonably perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule. The Company shall keep accurate records of all vehicle maintenance, recorded according to date and mileage (or hours of operation) and shall make such records available to the City upon request.
- 5) The Company shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown or any other cause so as to maintain all equipment in a safe and operable condition. If an item of repair is covered by a warranty, the Company shall obtain warranty performance. The Company shall maintain accurate records of repair, which shall include the date and mileage (or hours of operation), nature of repair and the verification by signature of a maintenance supervisor that the repair has been properly performed.
- 6) Upon request by the City, the Company shall furnish the City a written inventory of all equipment, including Collection vehicles, used in providing service, and shall update the inventory annually. The inventory shall list all equipment by manufacturer, ID number, date of acquisition, type, and capacity.

E. Operation. Vehicles shall be operated in compliance with the California Vehicle Code, and all applicable safety and local ordinances. The Company shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by State or local weight restrictions on vehicles.

Equipment shall comply with US EPA noise emission regulations, currently codified at 40 CFR Part 205 and other applicable noise control regulations, and shall incorporate noise control features throughout the entire vehicle. In no event shall the noise level of equipment used for Collection exceed 75 dB when measured at a distance of twenty-five (25) feet from the vehicle, five (5) feet from the ground. The Company shall store all equipment in safe and secure locations in accordance with the City's applicable zoning regulations.

Subject to Section 9.1, the Company shall be responsible for any damage resulting from or directly attributable to any of its operations, and which it causes to: the City's driving surfaces, whether or not paved; associated curbs, gutters and traffic control devices; other public improvements; and private roads and alleys.

F. City Inspection. The City may cause any vehicle used in performance of this Agreement to be inspected and tested at any commercially reasonable time and in such manner as may be appropriate to determine that the vehicle is being maintained in compliance with the applicable provisions of the State Vehicle Code, including all Vehicle Code Sections regarding smog equipment requirements. The City may direct the removal of any vehicle from service if that vehicle is found to be in nonconformance with applicable codes. No vehicle directed to be removed from service by the City shall be returned to service until it conforms with, and its return to service has been approved by, the City.

G. Vehicle Inspections. The Company shall cause its Collection vehicles to be inspected by the California Highway Patrol annually, and a report of said inspection shall be provided to the Public Works Director on July 1 of each year. Failure to submit the required reports shall be grounds for terminating this Agreement.

H. Correction of Defects. Following any inspection, the Public Works Director shall have the right to cause the Company, at its sole cost and expense, to recondition or replace any vehicle or equipment found to be unsafe, unsanitary or unsightly. The Public Works Director's determination may be appealed to the City Council, which decision shall be final.

4.6.3 Containers

4.6.3.1 Bins

The Company shall provide its Customers with Bin Containers for Collection of Solid Waste. The Company shall maintain its Containers in a clean, sound condition free from Putrescible residue. Containers shall be constructed of heavy metal, or other suitable, durable material, and shall be watertight and well painted. Wheels, forklift slots, and other appurtenances, which were designed for movement, loading, or unloading of the Container, shall be maintained in good repair. Company shall inspect, and if necessary or requested by the Customer, clean or replace all Containers once per year at no charge. Company shall perform cleaning or replacement of Containers more frequently if necessary, for an additional fee, to prevent a nuisance caused by odors or vector harborage. Customer may request additional cleanings at \$35 per cleaning. Company shall remove graffiti from any Container within twenty-four (24) hours of request by City or customers.

Each Container placed in the City by the Company shall have the name and phone number of the Company in letters not less than three inches high on the exterior of the Container so as to be visible when the Container is placed for use. The Company shall identify the Containers that are assigned to each commercial, industrial, and Multi-Family Customer using a method that is acceptable to the City. Company shall repaint Bins upon the City's request.

4.6.3.2 Rolloff Boxes

The Company shall provide clean Rolloff Boxes, free from graffiti. The Company shall properly cover all open Rolloff Boxes during transport to the Disposal Site.

4.6.4 Litter Abatement

A. Minimization of Spills. The Company shall use due care to prevent Solid Waste or fluids from leaking, being spilled and/or scattered during the Collection or transportation process. If any Solid Waste or fluids leak or are spilled during Collection, the Company shall promptly clean up all such materials. In no event shall the time to clean up such materials exceed 12 hours from the time Company is notified of a problem. Each Collection vehicle shall carry a broom and shovel at all times for this purpose.

The Company shall not transfer loads from one vehicle to another on any public street, unless it is necessary to do so because of mechanical failure, accidental damage to a vehicle, or a pre-approved method of Solid Waste transfer between vehicles, without prior written approval by the City.

B. Clean Up. During the Collection or transportation process, the Company shall clean up litter in the immediate vicinity of any Solid Waste storage or collection area whether or not the Company has caused the litter. The Company shall identify instances of repeated spillage not caused by it directly with the Customer responsible and will report such instances to the City. The City will attempt to rectify such situations with the Customer if the Company has already attempted to do so without success.

4.6.5 Personnel

The Company shall furnish such qualified drivers, mechanical, supervisory, clerical, management and other personnel as may be necessary to provide the services required by this Agreement in a satisfactory, safe, economical and efficient manner. All drivers shall be trained and qualified in the operation of vehicles they operate and must possess a valid license, of the appropriate class, issued by the California Department of Motor Vehicles.

The Company also agrees to establish and vigorously enforce an educational program that will train the Company's employees in the identification of Hazardous Waste. The Company's employees shall not knowingly place such Hazardous Waste in the Collection vehicles, nor knowingly dispose of such Hazardous Wastes at the processing Facility or disposal site.

The Company shall train its employees in Customer courtesy, shall prohibit the use of loud or profane language, and shall instruct Collection crews to perform the work quietly. The Company shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. If any employee is found to be discourteous or not to be performing services in the manner required by this Agreement, the Company shall take all necessary corrective measures including, but not limited to, transfer, discipline or termination. If the City has notified the Company of a complaint related to discourteous or improper behavior, the Company will consider reassigning the employee to duties not entailing contact

with the public while the Company is pursuing its investigation and corrective action process.

The Company shall provide suitable operations, health and safety training for all of its employees who use or operate equipment or who are otherwise directly involved in Collection or other related operations.

4.6.6 Identification Required

The Company shall provide its employees, companies and subcontractors with identification for all individuals who may make personal contact with residents or businesses in the City. The City may require the Company to notify customers yearly of the form of said identification. The Company shall provide a list of current employees, companies, and subcontractors to the City upon request.

The City reserves the right to perform a security and identification check through law enforcement agencies upon the Company and all its present and future employees, in accordance with accepted procedures established by the City, or for probable cause.

4.6.7 Fees and Gratuities

The Company shall not, nor shall it permit any agent, employee, or subcontractors employed by it, to request, solicit, demand, or accept, either directly or indirectly, any compensation or gratuity for temporary Bin/Rolloff Box services or the Collection, transportation, Recycling, processing, and disposal of Solid Waste, otherwise required under this Agreement.

4.6.8 Non-Discrimination

Except as provided in Section 12940 of the California Government Code, during Company's performance of the service, Company shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical handicap, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or and condition related thereto, marital status, sex or sexual orientation in the selection and retention of employees and subcontractors and the procurement of materials and equipment. Further, Company agrees to

conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

4.6.9 Report of Accumulation of Solid Waste; Unauthorized Dumping

The Company shall direct its drivers to note the addresses of any Premises at which they observe that Solid Waste is accumulating and is not being delivered for Collection; and the address, or other location description, at which Solid Waste has been dumped in an apparently unauthorized manner. The Company shall deliver the address or description to the City within five (5) working days of such observation. Company shall cooperate with City in the investigation and prosecution of any violations of the Riverside City Code.

4.7 Transportation of Refuse to the Robert A. Nelson Transfer Station

The Company shall transport all Refuse Collected under Section 4.1 to the Robert A. Nelson Transfer Station. The Company shall maintain complete, accurate and up-to-date records of the quantities of Solid Waste transported to the transfer station and will cooperate with the City in any audits or investigations of such quantities. The City reserves the right to designate the Solid Waste Facility (whether landfill, Transformation Facility, transfer station, processing Facility or Material Recovery Facility) at a later date.

4.8 Recyclables and Green Waste Processing

The Company may process Recyclable Materials and Green Waste at any properly permitted facility it chooses provided that the facility provides the City with the maximum diversion credit. Loads with more than 15% contamination shall be sent to the Robert A. Nelson Transfer Station

4.9 Status of Solid Waste Acceptance Facility

Any Solid Waste Acceptance Facility used by the Company must have been issued all permits from federal, State, regional, county and city agencies necessary for it to operate and is in full regulatory compliance with all such permits. If Facility is a landfill, it must be permitted as a Class III Sanitary Landfill. Transformation facilities may not be utilized without prior approval of the Public Works Director.

4.10 Annual Route Audit

At least once annually, the Company shall conduct an audit of its Collection routes in the City. The annual route audit shall be prepared in form and content acceptable to the City and shall include the truck identity, number of accounts serviced, number and size of Containers, frequency of pick-ups, as well as the weight of the Refuse delivered to the transfer station or Disposal Site. Results of the annual route audit shall be available for review by the City or its representative.

4.11 Service Exceptions; Hazardous Waste Notifications

A. Failure to Collect. When Solid Waste is not Collected from any Customer, the Company shall notify the Customer in writing, at the time Collection is not made, through the use of a "tag" or otherwise, of the reasons why the Collection was not made.

B. Hazardous Waste Inspection and Reporting. The Company reserves the right and has the duty under law to inspect Solid Waste put out for Collection and to reject Solid Waste observed to be contaminated with Hazardous Waste and the right not to Collect Hazardous Waste put out with Solid Waste. The Company shall notify all agencies with jurisdiction, if appropriate, including the California Department of Toxic Substances Control and Local Emergency Response Providers and the National Response Center of reportable quantities of Hazardous Waste, found or observed in Solid Waste anywhere within the City. In addition to other required notifications, if the Company observes any substances that it or its employees reasonably believe or suspect to contain Hazardous Wastes unlawfully disposed of or released on any City property, including storm drains, streets or other public rights of way, the Company will immediately notify the Public Work's Director or the Public Works Director's designee.

C. Hazardous Waste Diversion Records. The Company shall maintain records showing the types and quantities, if any, of Hazardous Waste found in Solid Waste and which was inadvertently Collected from Customers within the City, but diverted from landfilling.

ARTICLE 5

OTHER SERVICES

5.1 Customer Billing

5.1.1 Billing

Bills shall be itemized by type of service. All bills shall carry a due date, not "due upon receipt." City must approve the Company's billing format. City may require Company to insert mailers with the billings, at the City's expense for incremental costs. City will provide not less than thirty (30) days' notice to Company prior to the mailing date. City will provide mailers fifteen (15) days prior to the mailing date. Customers shall be billed in accordance with the approved rate schedule, with no discounts permitted. Charging Customers rates other than those contained in the City's approved rate schedule is considered a material breach of this Agreement. If more than 10% of the Customers are found to have been issued an invoice for a rate not on the City's approved rate schedule, or to have incorrect service information on an invoice or otherwise listed in the Company's system during a twelve (12) month period, then the City may terminate the Agreement upon 90 days notice.

Permanent Bin, Cart and Can Customers

The Company will bill all permanent Bin, Cart and Can Customers directly on a monthly basis, thirty (30) days in advance. To start service new Customers will pay a pro-rated amount for the first month's service in advance.

Rolloff Box and Temporary Bin Customers. In regard to the billing of Rolloff Box Customers and the collection of those bills:

For individually serviced Customers who request Rolloff Box (including temporary bin) service, the Company shall accept major credit cards for payment. Individually serviced Customers that do not use credit cards may be required by the Company to post a security deposit or pay on a "Cash on Delivery" (C. O. D.) basis. Any unused portion of a security deposit shall be refunded to the Customer within five (5) business days of the termination of service.

For all other Rolloff Box Customers, the Company shall invoice monthly or semi-monthly in arrears with payment due within 15 days from the invoice date (i.e., the beginning of the month or the inception of service). Company may require a security deposit for temporary Rolloff Boxes, with the unused portion refunded to the Customer within five (5) business days of the termination of service.

5.1.2 Notification to City of Billing Status Change

Company shall notify City in writing within seven days of Multi-Family Customers who switch to Bin from Cart service or from Cart to Bin service. This is required both to ensure that Solid Waste Billings are either added to or removed from utility billing records in time to accommodate accurate Billing by one and only one party, and also to confirm that the service change has been approved by the City. Such notice shall include the effective date of any change.

5.1.3 Credit for Failure to Collect

Company shall credit Customer's account for missed pickups not collected within twenty-four hours after notice, or, in the case of daily collection, if a collection is skipped. The amount credited shall be equal to the percentage of the month's bill that the delayed or missed pickup represents.

5.1.4 Review of Billings

The Company shall review its Billings to Customers under Section 5.1.1. The purpose of the review is to determine that the amount which the Company is billing each Customer is correct in terms of the level of service being provided to such Customer by the Company. The Company shall review Customer accounts annually, and submit to the City a written report of that review annually on the anniversary of the Effective Day of this Agreement.

The Company shall maintain copies of said Billings and receipts, each in chronological order, for a period of five (5) years after the date of service for inspection by the City upon request. The Company may, at its option, maintain those records in computer form, on microfiche, or in any other manner, provided that the records can be preserved and retrieved for inspection and verification in a timely manner, are sufficient to verify accuracy of Customer Billings, and Franchise Fees or Landfill Surcharge fees owed to the City, and may be produced in a form

and manner sufficient to establish the existence of Customer obligations in a court of competent jurisdiction.

5.1.5 Suspension of Service Due to Non-Payment

Once a payment is 30 days past due, Company may send Customers a notice that service will be suspended if payment is not made within an additional 30 days. Service may only be suspended after these minimum time periods and notice. City will not be responsible for, or assist with, the collection of delinquent accounts. Company may pursue all rights and remedies it has under the law.

5.2 Customer Service Agreements

Company may enter into service agreements with Customers for a duration of no more than 90 days.

5.3 Customer Service

5.3.1 Office Hours

Company shall provide a local office and office hours shall be, at a minimum, from 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding official City holidays. A responsible and qualified representative of the Company shall be available during office hours for communication with the public at the office. Company, not the City, shall be the Customers' contact for all service requests. Normal office hour telephone numbers shall be a toll free call. The Company's telephone system shall be adequate to handle the volume of calls typically experienced on the busiest days. The Company shall also maintain a local or toll free telephone number for use during other than normal business hours. The Company shall have a representative, answering or message providing/receiving (voice-mail) service available at said after-hours telephone number. After-hours calls shall be responded to on the next business day.

Company shall provide the City staff with the phone number of a live person who may be reached 24 hours a day.

5.3.2 Missed Pick-ups

Company shall Collect Refuse, Recyclable Materials, and/or Green Waste within twenty-four (24) hours of the notice of a missed pick-up.

5.3.3 Complaint Documentation

All service complaints shall be directed to the Company. Daily logs of complaints concerning Collection of Solid Waste shall be retained for a minimum of twenty-four (24) months and shall be available to the City at all times upon request.

The Company shall log all complaints received by telephone and said log shall include the date and time the complaint was received, name, address and telephone number of caller, description of complaint, employee recording complaint and the action taken by the Company to respond to and remedy complaint. All written Customer complaints and inquiries shall be date-stamped when received. All complaints shall be initially responded to within one (1) business day of receipt. The Company shall log action taken by the Company to respond to and remedy all complaints.

All Customer service records and logs kept by the Company shall be available to the City upon request and at no cost to the City. The City shall, at any time during regular the Company business hours, have access to the Company's Customer service department for purposes that may include monitoring the quality of Customer service or researching Customer complaints.

5.3.4 Resolution of Customer Complaints

Disputes between the Company and its customers regarding the services provided in accordance with this Agreement may be resolved by the City. The City's decision shall be final and binding.

Intervention by the City is not a condition precedent to any rights or remedies third parties might otherwise have in any dispute with Company. Nothing in this Section is intended to effect the remedies of third parties against the Company. To the extent that remedies are warranted through this Agreement, this shall apply.

5.3.5 Government Liaison

The Company shall designate in writing a "Government Liaison" who shall be responsible for working with the City and/or the City's designated representative(s) to resolve Customer complaints. City shall have the right to approve the Company's choice for a liaison. Liaison shall have e-mail or a comparable electronic medium for rapid transmittal of customer service information between City and Company.

5.4 Waste Generation/Characterization Studies

The Company acknowledges that the City may be required to perform Solid Waste generation and Disposal characterization studies periodically to comply with AB 939 or other waste diversion requirements. The Company agrees to participate and cooperate with the City and its agents and to accomplish such studies at no additional cost the City.

ARTICLE 6

COMPANY COMPENSATION AND RATES

6.1 General

The Company Compensation provided for in this Article shall be the full, entire and complete compensation due to the Company pursuant to this Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, overhead, Disposal, transfer, profit and all other things necessary to perform all the services required and reasonably anticipated by this Agreement in the manner and at the times prescribed.

The Company will perform the responsibilities and duties described in this Agreement in consideration of the right to receive compensation for services rendered at rates fixed by the City from time-to-time. The City and the Company agree that the Company will retain any proceeds from the sale of Recyclable Materials.

6.2 Initial Rates

The rates for the first two Rate Years shall not exceed those set forth in Exhibit 1, unless amended by a written amendment to this Agreement entered into by and between the City and the Company. Unless and until the rates set forth on Exhibit 1 are adjusted, the Company will provide the services required by this Agreement, charging the rates authorized by Exhibit 1.

6.3 Schedule of Future Adjustments

Beginning with Rate Year 3 and for all subsequent Rate Years, the Company may request an annual adjustment. Annual adjustments will be based on a change in the Consumer Price Index. The Company shall submit its request in writing, to be received by the City in person or via certified mail, at least ninety (90) days prior to the start of the new Rate Year based on the method of adjustment described in Section 6.4. Failure of at least one contractor to submit a written request at least ninety (90) days prior to the start of the new Rate Year shall result in the Company,

and all contractors, waiving the right to request such an increase for the subsequent year. Any rate adjustments will be applied to all contractors.

6.4 Method of Adjustments

Pursuant to Section 6.3, the Company or City may request an annual adjustment to the rates by the method and formulas shown in Exhibit 2, subject to review and approval of the City. All future adjustments are to be effective as of the first day of the following Rate Year, and shall be based on the rates in Exhibit 1. Any rate changes shall apply to all contractors, regardless of which company originated the request.

6.5 Extraordinary Adjustments

The Company or the City may request an adjustment to rates at reasonable times other than that required in Section 6.3 for unusual changes in the cost of providing service under this Agreement. Company may only request one such adjustment per Rate Year. Such changes may include changes in the tip fee that exceed or are less than the annual adjustment in Section 6.4, changes in the Disposal Site requested by the City, additional services requested by the City that were not contemplated under this Agreement, and changes in State or local government Solid Waste fees and charges. Such changes shall not include inaccurate estimates by the Company of its proposed cost of operations. For each such request, the Company shall prepare a schedule documenting the extraordinary costs. Such request shall be prepared in a form acceptable to the City with support for assumptions made by the Company in preparing the estimate. The City shall review the Company's request and, in the City's sole judgment, make the final determination on the appropriate amount of the adjustment, if any.

6.6 Supporting Information

In the event the Company requests a rate adjustment under Section 6.5, the Company shall provide the City with documentation supporting its request. Additionally, if required by the City, the Company will also provide a copy of its certified annual financial statements prepared by a Certified Public Accountant or a licensed public accountant, which shall have been prepared in compliance with Rule 58 of the "Rules and Regulations of the State Board of Accountancy," as established by the California Code of Regulations, Title 16, Chapter I. Such Certified Public

Accountant or licensed public accountant shall be entirely independent of the Company and shall have no financial interest whatsoever in the business of the Company. The City may specify the form and detail of the financial statements.

6.7 Grants

From time to time, federal, State, or local agencies including the City may provide to the Company grants to assist in financing qualified programs provided by the Company. The Company agrees that the Company Compensation, calculated as described in Sections 6.2 through 6.5, shall be reduced by the amount of any such grant, unless the grant is used exclusively to pay for new services. The City Council shall determine whether the reduction in the Company Compensation shall be: (1) passed through to those Customers designated by the City as a reduction to their rates; (2) as an offset to a rate increase calculated in accordance with Sections 6.2 through 6.5; (3) paid to the City for use as the City directs; or, (4) applied in any combination of (1) through (3).

ARTICLE 7

REVIEW OF SERVICES AND PERFORMANCE

7.1 Performance Hearing

The City may hold a public hearing on or about the two year anniversary of the start of this Agreement, and annually thereafter, at which time the Company shall be present and shall participate, to review the Solid Waste Collection, source reduction, processing and other diversion services and overall performance. The purpose of the hearing is to provide for a discussion and review of technological, economic, and regulatory changes in Collection, source reduction, Recycling, processing and Disposal to achieve a continuing, advanced Solid Waste Collection, source reduction and Recycling and Disposal system; and to ensure services are being provided with adequate quality, effectiveness and economy.

Forty-five (45) days after receiving notice from the City of a Solid Waste Services and Performance Review Hearing, the Company shall, at a minimum, submit a report to the City indicating the following:

- a) Changes recommended and/or new services to improve the City's ability to meet the goals of AB 939 and to contain costs and minimize impacts on rates.
- b) Any specific plans for provision of changed or new services by the Company.

The reports required by this Agreement regarding Customer complaints shall be used as one basis for review. The Company may submit other relevant performance information and reports for consideration. The City may request the Company to submit specific information for the hearing. In addition, any Customer may submit comments or complaints during or before the hearing, either orally or in writing, and these shall be considered.

Topics for discussion and review at the Solid Waste Services and Performance Review Hearing shall include, but shall not be limited to, services provided, feasibility of providing new services, application of new technologies, Customer complaints, amendments to this Agreement, developments in the law, new initiatives for meeting or exceeding AB 939's goals, regulatory constraints, and the

Company performance. The City and the Company may each select additional topics for discussion at any Solid Waste Services and Performance Review Hearing.

Not later than sixty (60) days after the conclusion of each Solid Waste Services and Performance Review Hearing, the City may issue a report. As a result of the review, the City may require the Company to provide expanded or new services within a reasonable time and for reasonable rates and compensation and the City may direct or take corrective actions for any performance inadequacies.

ARTICLE 8

RECORDS, REPORTS AND INFORMATION REQUIREMENTS

8.1 General

The Company shall maintain such accounting, statistical and other records related to its performance under this Agreement as shall be necessary to develop the financial statements and other reports required by this Agreement. Also, the Company agrees to conduct data collection, information and record keeping, and reporting activities needed to comply with applicable laws and regulation and to meet the reporting and Solid Waste program management needs of the City, in particular, reporting obligations imposed by AB 939. To this extent, such requirements set out in this and other Articles of this Agreement shall not be considered limiting or necessarily complete. In particular, this Article is intended to only highlight the general nature of records and reports and is not meant to define exactly what the records and reports are to be and their content. Further, with the written direction or approval of the City, the records and reports to be maintained and provided by the Company in accordance with this and other Articles of the Agreement shall be adjusted in number, format, or frequency.

8.2 Records

8.2.1 General

The Company shall maintain records required to conduct its operations, to support requests it may make to the City, and to respond to requests from the City in the conduct of the City business. Adequate record security shall be maintained to preserve records from events that can be reasonably anticipated such as a fire, theft and earthquake. Electronically maintained data/records shall be protected and backed up. The Company shall maintain all records for five (5) years, and the Company shall maintain the last five years for five (5) additional years after the expiration of this Agreement.

The Company agrees that the records of any and all companies conducting operations addressed in the Agreement shall be provided or made available to the City and its official representatives during normal business hours. The City may

review or utilize any of the records described in this Section for any purpose whatsoever.

8.2.2 Financial Records

Financial records shall be maintained and expense and revenue information for the City shall be segregated from other areas served by the Company.

8.2.3 Solid Waste Service Records

Records shall be maintained by the Company for the City, and made available to the City or its designated agent, relating to:

- a) Customer services and billing;
- b) Routes;
- c) Facilities, equipment and personnel used;
- d) Complaints;
- e) Missed pick ups;
- f) Number of Refuse and Recycling Containers; and
- g) Tons collected, processed, diverted, and disposed by type of service, waste stream and Customer.

8.2.4 CERCLA Defense Records

The City views the ability to defend against the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and related litigation as a matter of great importance. For this reason, the City regards the ability to prove where Solid Waste Collected in the City was taken for Disposal, as well as where it was not taken, to be matters of concern. The Company shall maintain data retention and preservation systems which can establish where Solid Waste Collected in the City was landfilled (and therefore establish where it was not landfilled) and provide a copy of the reports required in Section 8.3 for five (5) years after the term during which Collection services are to be provided pursuant to this Agreement, or to provide copies of such records to the City. The Company agrees to notify the City's Risk Manager and the City Attorney at least 90 days before destroying such records.

This provision shall survive the expiration of the period during which Collection services are to be provided under this Agreement.

8.2.5 Delivery and Disposal Records

The Company shall maintain records of delivery to or disposal at a Solid Waste acceptance Facility of all Solid Waste Collected in the City for the period of this Agreement and all extensions to this Agreement or successor Agreements. In the event the Company discontinues providing Solid Waste services to the City, the Company shall provide all records of delivery, disposal or processing of all Solid Waste Collected in the City within thirty (30) days of discontinuing service. Records shall be in chronological and organized form and readily and easily interpreted.

8.2.6 Other Programs' Records

Records for other programs shall be tailored to specific needs. In general, they shall include:

- a) Plans, tasks, and milestones; and,
- b) Accomplishments in terms such as dates, activities conducted, quantities of products used, produced or distributed, and numbers of participants and responses.

8.2.7 Cost of Audit

Should an audit by the City disclose that Franchise or other fees, if any, payable by the Company were underpaid by two percent (2%) or more, or that two percent (2%) or more of the customers were billed incorrectly by the Company, or that tonnages reported by the Company were either over or under-reported by two percent (2%) or more, for the period under review, the Company shall, in addition to any other remedy City might have, pay for the full cost of the City's audit.

8.2.8 Payments and Refunds

Should an audit by the City disclose that the Franchise Fees, Landfill Surcharges or other fees, if any, payable by the Company were underpaid or that customers were overcharged for the period under review, the Company shall pay to the City any underpayment of Franchise Fees or Landfill Surcharges and/or refund to the

Company's Customers any overcharges. Should an audit disclose that Franchise Fees or Landfill Surcharges were overpaid, the City shall promptly refund to the Company the amount of the overpayment. Any refunds to be made by either party shall be due and payable (30) days following the date of the audit.

8.3 Reports

8.3.1 Report Formats and Schedule

Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. Reports are intended to compile recorded data into useful forms of information that can be used to, among other things:

- a) Determine and set rates and evaluate the efficiency of operations;
- b) Evaluate past and expected progress towards achieving AB 939 goals and objectives;
- c) Determine needs for adjustment to programs; and,
- d) Evaluate Customer service.

The Company may propose report formats that are responsive to the objectives and audiences for each report. The format of each report requires approval by the City. The Company agrees to submit all reports on computer discs or by electronic means in a format compatible with the City's software/computers at no additional charge, if requested by the City. The Company will provide a certification statement by an authorized Company official that the report being submitted is true and correct.

Monthly reports shall be submitted within twenty (20) calendar days after the end of each month. Quarterly reports shall be submitted within twenty (20) calendar days after the end of the calendar quarter. If requested, the Company's complaint summary shall be sent to the Public Works Director within 5 days of request. Annual reports shall be submitted before July 31st following the reporting year.

All reports shall be submitted to:

Public Works Director (or designated representative)
City of Riverside
3900 Main Street

8.3.2 Monthly Reports

The information listed shall be the minimum reported:

- a) Solid Waste Collected by the Company for each month, sorted by type of service (Refuse Bin, Refuse Rolloff, Recycling, Green Waste) and type of Customer (Multi-Family, Commercial/Industrial) in tons, and the Facilities where the tons were processed or disposed.
- b) Number of accounts by category shown for each month for customers billed by the Company, including the number of customers, if any, participating in the Recycling program.
- c) Calculation of Franchise Fees and Landfill Surcharges.

8.3.3 Quarterly Reports

Report should contain at a minimum the information required in the monthly report and the following:

- a) Materials Recovered. Statement showing kinds of material and quantity sold (in tons).
- b) Narrative summary of problems encountered (including scavenging) and actions taken with recommendations for the City, as appropriate.
- c) Copy of Hazardous Waste diversion records showing types and quantities, if any, of Hazardous Waste that was inadvertently collected, but diverted from landfilling.
- d) Other information or reports that the City may reasonably request or require.

8.3.4 Annual Report

The Annual Report is to be essentially in the form and content of the monthly and quarterly reports combined, but shall also include:

- a) a complete inventory of equipment used to provide all services;
- b) CERCLA Defense records required under Section 8.2.4; and,

- c) an account list of all customers billed by the Company, including service address, billing address, service levels (i.e. number of Containers, Container size, frequency of service, and type of service (Refuse, Recycling, or Green Waste)) and monthly rates.

8.3.5 Financial Report

The City may, at the City's option, request the Company's annual audited financial reports/statements for the most recently completed fiscal year in connection with a rate adjustment, performance audit, billing audit, Franchise Fee audit, or verification of other information required under this Agreement. City shall pay for the direct cost of reproduction of such copies.

Financial statements shall include a supplemental combining schedule showing the Company's results of operations, including the specific revenues and expenses in connection with the operations provided for in this Agreement, separated from others included in such financial statements. The financial statements and footnotes shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and audited, in accordance with Generally Accepted Auditing Standards (GAAS) by a certified public accountant (CPA) licensed (in good standing) to practice public accounting in the State of California as determined by the State of California Department of Consumer Affairs Board of Accountancy. The cost for preparation of the financial statements and audit shall be borne by the Company as a direct cost of service. The Company may provide to the City the supplemental schedule on a compiled basis.

The Company shall, in its agreement with the CPA preparing the audit above, have its CPA make available to the City (or the City's designated representative) such CPA's working papers related to the audit. The cost, if any, incurred by the Company's CPA shall be included in the cost of the audit.

At the City's request, the Company shall provide the City with copies of working papers or other documentation deemed relevant by the City relating to information shown in the disclosure letter. The disclosure letter shall be provided to the City.

8.4 Adverse Information

A. Reporting Adverse Information. The Company shall provide the City two copies (one to the Public Works Director and one to the City Attorney) of all reports, pleadings, applications, notifications, Notices of Violation, communications or other material relating specifically to the Company's performance of services pursuant to this Agreement, submitted by the Company to, or received by the Company from, the United States or California Environmental Protection Agency, the California Integrated Waste Management Board, the Securities and Exchange Commission or any other federal, State or local agency, including any federal or State court. Copies shall be submitted to the City simultaneously with the Company's filing or submission of such matters with said agencies. The Company's routine correspondence to said agencies need not be routinely submitted to the City, but shall be made available to the City promptly upon the City's written request.

B. Failure to Report. The refusal or failure of the Company to file any required reports, or to provide required information to the City, or the inclusion of any materially false or misleading statement or representation by the Company in such report shall be deemed a material breach of the Agreement as described in Section 11.1 and shall subject the Company to all remedies which are available to the City under the Agreement or otherwise.

8.5 Right to Inspect Records

The City shall have the right to inspect or review the payroll tax reports, specific documents or records required expressly or by inference pursuant to this Agreement, or any other similar records or reports of the Company or its related party entities that the City shall deem, in its sole discretion, necessary to evaluate annual reports, compensation applications provided for in this Agreement and the Company's performance provided for in this Agreement.

ARTICLE 9

INDEMNIFICATION, INSURANCE AND BONDS

9.1 Indemnification

The Company hereby agrees to and shall indemnify and hold harmless the City, its elected and appointed boards, commissions, officers, employees, and agents (collectively, Indemnitees) from and against any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding or suit in law or equity of any and every kind and description (including, but not limited to, injury to and death of any Person and damage to property, or for contribution or indemnity claimed by third parties) arising or resulting from and in any way connected with (1) the negligence or willful misconduct of the Company, its officers, employees, agents, Companies and/or subcontractors in performing services under this Agreement; (2) the failure of the Company, its officers, employees, agents, Companies and/or subcontractors to comply in all respects with the provisions of this Agreement, applicable laws (including, without limitation, the Environmental Laws), ordinances and regulations, and/or applicable permits and licenses; (3) the acts of the Company, its officers, employees, agents, Companies and/or subcontractors in performing services under this Agreement for which strict liability is imposed by law (including, without limitation, the Environmental Laws). The foregoing indemnity shall apply regardless of whether such loss, liability, penalty, forfeiture, claim, demand, action, proceeding, suit, injury, death or damage is also caused in part by any of the Indemnitees negligence, but shall not extend to matters resulting from the Indemnitees sole or active negligence, willful misconduct or breach of this Agreement. The Company further agrees to and shall, upon demand of the City, at the Company's sole cost and expense, defend (with attorneys acceptable to the City) the Indemnitees against any claims, actions, suits in law or equity or other proceedings, whether judicial, quasi-judicial or administrative in nature, arising or resulting from any of the aforementioned events.

The Company, upon demand of the City, made by and through the City Attorney, shall protect the City and appear in and defend the Indemnitees, in any claims or actions by third parties, whether judicial, administrative or otherwise, including, but not limited to disputes and litigation over the definitions of "Solid Waste" or

“Recyclable Material” or the limits of the City’s authority with respect to the grant of licenses, or agreements, exclusive or otherwise, asserting rights under the Dormant Commerce Clause or federal or State laws to provide Solid Waste services in the City. This provision shall survive the expiration of the period during which Collection services are to be provided under this Agreement. The City and the Company agree to confer following any trial to decide jointly whether to appeal or to oppose any appeal. In the event the City and the Company jointly agree to appeal, or to oppose any appeal, the City and the Company agree to share equally the costs of appeals. Should either the City or the Company decide to appeal, or to oppose an appeal, and the other decide not to appeal, or to oppose an appeal, the party which decides to appeal, or to oppose an appeal, shall bear all fees and costs of the appeal or the opposition to the appeal.

The Company's duty to indemnify and defend from the aforementioned events arising during the Term of the Agreement and as it may be extended shall survive the expiration or earlier termination of this Agreement.

9.2 Hazardous Substances Indemnification

The Company shall defend with counsel reasonably acceptable to the City, indemnify, protect and hold harmless the Indemnitees from and against all claims, damages (including but not limited to special, consequential, natural resources and punitive damages), injuries, costs, (including without limit any and all response, remediation and removal costs), losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, attorney's fees for the adverse party and expenses (including without limit attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity), (collectively, Damages) of any kind whatsoever paid, incurred or suffered by, or asserted against, the Indemnitees arising from or attributable to the acts or omissions of the Company, its officers, directors, employees, companies or agents, whether or not negligent or otherwise culpable, in connection with or related to the performance of this Agreement, including without limit Damages arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Substance, Hazardous Waste, Household Hazardous Waste, Solid Waste, and/or other waste

that has been generated, collected, stored, transported, or disposed in the City. The foregoing indemnity is intended to operate as an agreement pursuant to §107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, CERCLA, 42 USC. §9607(e), Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§6901 *et seq.*, and California Health and Safety Code §25364, to defend, protect, hold harmless, and indemnify the Indemnitees from liability. This provision is in addition to all other provisions in this Agreement and shall survive the end of the term of this Agreement. The liability of the Company pursuant to this Section 9.2 is not limited to the limits of the policies of insurance provided pursuant to Section 9.3.

9.3 Insurance

The City does not, and shall not, waive any rights against the Company which it may have by reason of the aforesaid hold harmless agreements, because of acceptance by the City or the deposit with the City by the Company of the insurance policies described in this provision.

A. Minimum Scope of Insurance. Coverage shall be at least as broad as:

1. The most recent editions of Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 00 01).
2. The most recent editions of Insurance Services Office form number CA 00 01 covering Automobile Liability, code 1 "any auto" and endorsement CA 00 25.
3. Workers' Compensation insurance as required by the Labor Code of the State of California and Employers Liability insurance.

B. Minimum Limits of Insurance. The Company shall maintain in force for the term of this Agreement limits no less than:

1. Commercial General Liability: Five Million Dollars (\$5,000,000) limit per occurrence, for bodily injury, personal injury and property damage.
2. Automobile Liability: Five Million Dollars (\$5,000,000) per accident for bodily injury and property damage.

3. **Workers' Compensation and Employers Liability:** Workers' compensation limits as required by the Labor Code of the State of California and Employers Liability limits of One Million Dollars (\$1,000,000) per accident.

C. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions **must be declared** to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Indemnitees; or the Company shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in the amount of such deductibles or self-insured retentions.

D. Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:

1. **General Liability and Automobile Liability Coverages**
 - a) The City of Riverside and its officers, employees, agents, and volunteers are to be named as additional insureds as respects: liability arising out of activities performed by or on behalf of the Company; products and completed operations of the Company; Premises owned, leased or used by the Company; or vehicles owned, leased, hired or borrowed by the Company. The coverage shall contain no limitations on the scope of protection afforded to the City of Riverside, its elective and appointive boards, commissions, officials, employees, agents or volunteers.
 - b) The Company's insurance coverage shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by the City, its officials, elective and appointive boards, commissions, employees, agents or volunteers shall be excess of the Company's insurance and shall not contribute with it.
 - c) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Indemnitees.
 - d) Coverage shall state that the Company's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. **Workers' Compensation and Employers Liability Coverage** - The insurer shall agree to waive all rights of subrogation against the Indemnitees for losses arising from work performed by the Company for the City.
3. **All Coverages** - Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

E. Acceptability of Insurers. The insurance policies required by this Section shall be issued by an insurance company or companies authorized to do business in the State of California and with a rating in the most recent edition of Best's Insurance Reports of size category VII or larger and a rating classification of A- or better.

F. Verification of Coverage. The Company shall furnish the City with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a Person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided by or acceptable to the City and are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies at any time, within five (5) business days of request.

Renewal certificates will be furnished periodically to the City to demonstrate maintenance of the required coverage throughout the Term.

G. Companies and Subcontractors. The Company shall include all other companies and subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each other company and subcontractor. All coverages for companies and subcontractors shall be subject to all of the requirements stated herein.

H. Required Endorsements

1. The Workers' Compensation policy shall contain an endorsement in substantially the following form:

"Thirty (30) days prior written notice by certified mail, return receipt requested, shall be given to the City in the event of cancellation, reduction in coverage, or non-renewal of this policy. Such notice shall be sent to:

Public Works Director
City of Riverside
3900 Main Street
Riverside, CA 92522

2. The Liability policies shall contain endorsements in substantially the following form:

- a) "Thirty (30) days prior written notice shall be given to the City in the event of cancellation, reduction in coverage, or non-renewal of this policy. Such notice shall be sent to:

Public Works Director
City of Riverside
3900 Main Street
Riverside, CA 92522

- b) "The City, its officers, elective and appointive boards, commissions, employees, and agents are additional insureds on this policy."
- c) "This policy shall be considered primary insurance as respects any other valid and collectible insurance maintained by the City, including any self-insured retention or program of self-insurance, and any other such insurance shall be considered excess insurance only."
- d) "Inclusion of the City as an insured shall not affect the City's rights as respects any claim, demand, suit or judgment brought or recovered against the Company. This policy shall protect the Company and the City in the same manner as though a separate policy had been issued to each, but this shall not operate to increase the Company's liability as set forth in the policy beyond the amount shown or to which the Company would have been liable if only one party had been named as an insured."

I. Other Insurance Requirements

1. In the event any services are delegated to another company or subcontractor, the Company shall require such company or subcontractor to provide statutory workers' compensation insurance and employer's liability insurance for all of the other company or subcontractor's employees engaged in the work in accordance with this section. The liability insurance required by this section shall cover all company or subcontractors or the company or subcontractor must furnish evidence of insurance that meets all of the requirements of this section.
2. The Company shall comply with all requirements of the insurers issuing policies. The carrying of insurance shall not relieve the Company from any obligation under this Agreement. If any claim exceeding the amount of any deductibles or self-insured reserves is made by any third party against the Company or any company or subcontractor on account of any occurrence related to this Agreement, the Company shall promptly report the facts in writing to the insurance carrier and to the City.

If the Company fails to procure and maintain any insurance required by this Agreement, the City may take out and maintain, at the Company's expense, such insurance as it may deem proper and deduct the cost thereof from any moneys due the Company.

9.4 Faithful Performance Bond

Concurrently with execution of this Agreement, the Company shall deliver to the City a performance bond, from an admitted surety insurer, in the amount of \$1,000,000 (One Million Dollars) similar to the form provided in Exhibit 4, which secures the faithful performance of this Agreement, including, without limitation, payment of any penalty and the funding of any work to cure a breach of this Agreement. The bond shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond shall be unconditional and remain in force during the entire term of the Agreement and shall be null and void at the conclusion of the term of this Agreement only if the Company promptly and faithfully performs all terms and conditions of this Agreement.

9.5 Forfeiture of Performance Bond

In the event the Company shall for any reason become unable to, or fail in any way to, perform as required by this Contract, the City may declare a portion or all of the performance bond which is necessary to recompense and make whole the City, forfeited to the City. Upon partial or full forfeiture of the performance bond, the Company shall restore the performance bond to its face amount within 30 days of the City's declaration. Failure to restore the performance bond to its full amount within 30 days shall be a material breach of contract.

ARTICLE 10

CITY'S RIGHT TO PERFORM SERVICE

10.1 General

In addition to, but not in lieu of, any other rights or remedies City might have under this Agreement, at law or in equity, in the event that the Company, for any reason whatsoever, fails, refuses or is unable to Collect, Recycle, process, transport or dispose of any or all Solid Waste that it is required by this Agreement, at the time and in the manner provided in this Agreement, for a period of more than seventy-two (72) hours, and if, as a result thereof, Solid Waste should accumulate in the City to such an extent, in such a manner, or for such a time that the City should find that such accumulation endangers or menaces the public health, safety or welfare, then the City shall have the right, but not the obligation, upon notice to the Company during the period of such emergency as determined by the City, as hereinafter set forth, (1) to perform, or cause to be performed, such services itself with its own or other personnel without liability to the Company; and/or (2) to take possession of any or all of the Company's land, equipment and other property used or useful in the Collection and transportation of Solid Waste, and to use such property to Collect and transport any Solid Waste generated within the City which the Company would otherwise be obligated to Collect, transport and properly dispose of or process pursuant to this Agreement.

Notice of the Company's failure, refusal or neglect to Collect, transport and properly dispose of or process Solid Waste may be given orally by telephone to the Company at its principal office and shall be effective immediately. Written confirmation of such oral notification shall be sent to the Company within twenty-four (24) hours of the oral notification.

The Company further agrees that in such event:

- A. It will take direction from the City to effect the transfer of possession of equipment and property to the City for the City's use.
- B. It will, if the City so requests, keep in good repair and condition all of such equipment and property, provide all motor vehicles with fuel, oil and other service,

and provide such other service as may be necessary to maintain said property in operational condition.

C. The City may immediately engage all or any personnel necessary or useful for the Collection and transportation of Solid Waste, including, if the City so desires, employees previously or then employed by the Company. The Company further agrees, if the City so requests, to furnish the City the services of any or all management or office Personnel employed by the Company whose services are necessary or useful for Solid Waste Collection, transportation, processing and Disposal operations and for the billing and Collection of fees for these services.

The City agrees that it assumes complete responsibility for the proper and normal use of such equipment and Facilities while in its possession.

If the interruption or discontinuance in service is caused by any of the reasons listed in Section 11.5, the City shall pay to the Company the reasonable rental value of the equipment and Facilities, possession of which is taken by the City, for the period of the City's possession, if any, which extends beyond the period of time for which the Company has rendered bills in advance of service, for the class of service involved.

10.2 Billing and Compensation to the City During the City's Possession

During such time that the City is providing Solid Waste services, as above provided, the Company shall bill and collect payment from all users of the above-mentioned services as described in Section 5.1. The Company further agrees that, in such event, it shall reimburse the City for any and all costs and expenses incurred by the City beyond that billed and received by the City in taking over possession of the above-mentioned equipment and property for Solid Waste service in such manner and to an extent as would otherwise be required of the Company under the terms of this Agreement. Such reimbursement shall be made from time to time after submission by the City to the Company of each statement listing such costs and expenses, but in no event later than five (5) working days from and after each such submission.

10.3 City's Right to Relinquish Possession

It is further mutually agreed that the City may at any time at its discretion relinquish possession of any or all of the above-mentioned property to the Company and

thereupon demand that the Company resume the Solid Waste services as provided in this Agreement, whereupon the Company shall be bound to resume the same.

10.4 City's Possession Not A Taking

Except as otherwise expressly provided in the previous paragraph, the City's exercise of its rights under this Article: (1) does not constitute a taking of private property for which compensation must be paid; (2) will not create any liability on the part of the City to the Company; and (3) does not exempt the Company from the indemnity provisions of Article 9, which are meant to extend to circumstances arising under this Section, provided that the Company is not required to indemnify the City against claims and damages arising from the sole negligence of the City, its elective and appointive boards, commissions, officers, employees and agents in the operation of Collection vehicles during the time the City has taken possession of such vehicles.

10.5 Duration of the City's Possession

The City's right pursuant to this Article to retain temporary possession of the Company's Facilities and equipment, and to render Collection services, shall terminate when the City determines that such services can be resumed by the Company, or when the City no longer reasonably requires such property or equipment. In any case, the City has no obligation to maintain possession of the Company's property or equipment and/or continue its use for any period of time and may at any time, in its sole discretion, relinquish possession to the Company.

ARTICLE 11

DEFAULT, REMEDIES AND LIQUIDATED DAMAGES

11.1 Events of Default

All provisions of this Agreement to be performed by the Company are considered material. Each of the following shall constitute an event of default.

- A. Fraud or Deceit or Misrepresentation.** If the Company engages in, or attempts to practice, any fraud or deceit upon the City or makes a misrepresentation regarding material information to the City.
- B. Insolvency or Bankruptcy.** If the Company becomes insolvent, unable, or unwilling to pay its debts, files a bankruptcy petition or takes steps to liquidate its assets.
- C. Failure to Maintain Coverage.** If the Company fails to provide or maintain in full force and effect the Workers' Compensation, liability, or indemnification coverage as required by this Agreement.
- D. Violations of Regulation.** If the Company violates any orders or filings of any regulatory body having jurisdiction over the Company or City relative to this Agreement, provided that the Company may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach of this Agreement shall be deemed to have occurred until a final decision adverse to the Company is entered.
- E. Failure to Perform.** If the Company ceases to provide Collection, processing or Recycling services as required under this Agreement to all or a substantial portion of its Customer base for a period of two (2) consecutive days or more, for any reason within the control of the Company, including labor disputes.
- F. Failure to Pay.** If the Company fails to make any payments required under this Agreement and/or refuses to provide the City, within ten (10) days of the demand, with required information, reports, and/or records in a timely manner as provided for in the Agreement.

G. Acts or Omissions. Any other act or omission by the Company which violates the terms, conditions, or requirements of this Agreement, the California Integrated Waste Management Act of 1989, any Environmental Law as it may be amended from time to time, or any law, statute, ordinance, order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if the Company cannot reasonably correct or remedy the breach within the time set forth in such notice, if the Company should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.

H. False or Misleading Statements. Any representation or disclosure made to the City by the Company in connection with or as an inducement to entering into this Agreement, or any future amendment to this Agreement, which proves to be false or misleading in any material respect as of the time such representation or disclosure is made, whether or not any such representation or disclosure appears as part of this Agreement.

I. Attachment. There is a seizure of, attachment of, or levy on, the operating equipment of the Company used in the performance of this Agreement, including without limits its equipment, maintenance or office Facilities, or any part thereof.

J. Suspension or Termination of Service. There is any termination or suspension of the transaction of business by the Company, including without limit, due to labor unrest including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action lasting more than two (2) consecutive days.

K. Failure to Provide Assurance of Performance. If the Company fails to provide reasonable assurances of performance as required under Section 11.5.

The Company shall be given forty-eight (48) hours from notification by the City to cure any default arising under subsections E, F, I, J and K provided, however, that the City shall not be obligated to provide the Company with a notice and cure opportunity if the Company has committed the same or similar breach within a six-month period.

City has additional rights to terminate this Agreement for non-performance listed in Section 2.2.1, Section 4.4 and Section 5.1.1.

11.2 Criminal Activity of Company

Should the Company or any of its officers or directors be found guilty of felonious conduct related to the performance of this Contract, or of felonious conduct related to anti-trust activities, illegal transport or disposal of hazardous or toxic materials, or bribery of public officials, the City reserves the right to unilaterally terminate this Contract or impose other such sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it shall deem proper. Such action shall be taken after Contractor has been given notice and opportunity to present evidence in mitigation. The term "found guilty" shall be deemed to include any judicial determination that Company or any of Company's officers, directors or employees is guilty and any admission of guilt by Company or any of Company's officers, directors or employees including, but not limited to, the plea of "guilty", "nolo contendere", "no contest", and "guilty to a lesser charge" entered as part of any plea bargain. If the Agreement is terminated pursuant to the above, such termination shall not occur if, within six months after City determines to terminate, the Company completes a transfer of its contract rights and obligations to an individual or entity acceptable to the City pursuant to this Agreement.

11.3 Right to Terminate Upon Default

Upon a default by the Company, the City shall have the right to terminate this Agreement upon a ten (10) days notice if the public health or safety is threatened, or otherwise a thirty (30) days notice, but without the need for any hearing, suit or legal action.

The City's rights to terminate this Agreement, or to take possession of the Company's Facility are not exclusive, and the City's termination of this Agreement shall not constitute an election of remedies. Instead, they shall be in addition to any and all other legal and equitable rights and remedies which the City may have.

By virtue of the nature of this Agreement, the urgency of timely continuous and high- quality service, the time required to effect alternative service, and the rights

granted by the City to the Company, the remedy of damages for a breach hereof by the Company is inadequate and the City shall be entitled in injunctive relief.

11.4 Liquidated Damages

A. General. The City finds, and the Company agrees, 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 the City as a result of a breach by the Company of its obligations under this Agreement. 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) the services provided under this Agreement 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.

B. Service Performance Standards; Liquidated Damages for Failure to Meet Standards. The parties further acknowledge that consistent, reliable Solid Waste Collection service is of utmost importance to the City and that the City has considered and relied on the Company's representations as to its quality of service commitment in awarding the Agreement to it. The parties further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The parties further recognize that if the Company fails to achieve the performance standards, or fails to submit required documents in a timely manner, the City and its residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages which the City will suffer. Therefore, without prejudice to the City's right to treat such non-performance as an event of default under this Article 11, the parties agree that the following liquidated damage amounts represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the date of this Agreement,

including the relationship of the sums to the range of harm to the City that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical. In placing their initials at the places provided, each party specifically confirms the accuracy of the statements made above and the fact that each party has had ample opportunity to consult with legal counsel and obtain an explanation of the liquidated damage provisions at the time that the Agreement was made.

Company Initial Here MS City Initial Here UP

The Company agrees to pay (as liquidated damages and not as a penalty) the amounts set forth below:

1. Collection Reliability

- a) For each failure to Collect Solid Waste, which has been properly set out for Collection, from an established Customer account, or accounts, on the scheduled Collection day and not Collected within the period described in this Agreement which exceeds ten (10) such failures annually:

\$150.00

- b) For each failure to Collect Solid Waste, which has been properly set out for Collection, from the same Customer on two (2) consecutive scheduled pickup days:

\$150.00

2. Collection Quality

- a) For each occurrence of damage to private property which exceeds five (5) such occurrences annually:

\$250.00

- b) For each occurrence of failure to properly return empty Containers to avoid pedestrian or vehicular traffic impediments or to place Containers upright with lids secured which exceeds ten (10) such occurrences annually:

\$150.00

- c) For each failure to clean up Solid Waste spilled from Solid Waste Containers that exceeds ten (10) such failures annually:

\$150.00

- d) For each occurrence of Collecting Solid Waste during unauthorized hours which exceeds five (5) such occurrences annually: \$250.00
- e) For each failure to clean or replace commercial and industrial containers in accordance with Section 4.6.3.1 and Section 4.6.3.2 of this Agreement which exceeds ten (10) such failures annually: \$150.00
- f) For each failure to repaint or repair a container within five (5) days of a request from the City to do so: \$ 50.00

3. Customer Responsiveness

- a) For each failure to initially respond to a Customer complaint within one (1) business day: \$100.00
- b) For each failure to remove graffiti from Containers, or to replace with Containers bearing no graffiti, within one business day of request from City or Customers: \$150.00

4. Timeliness of Submissions to the City

- a) Any report shall be considered late until such time as a correct and complete report is received by the City. For each calendar day a report is late, the daily liquidated damage amount shall be:
 - 1. Monthly or Quarterly Reports: \$100 per day
 - 2. Annual Reports: \$350 per day
- b) Failure to provide a certificate evidencing Public Liability Insurance as required under Article 8 within five days of receipt of written notice:
 - 1. for the first five days: \$ 25 per day
 - 2. for each day thereafter: \$100 per day

5. Accuracy of Billing

- a) Each Customer invoice that is not prepared in accordance with the City's approved rate schedule or each invoice or service record in Company's

customer database that is not consistent with actual service being received: \$150.00

- b) Each occurrence in which a service address is "double billed" with multiple invoices sent to different billing addresses (for example, both a tenant and an off-site property Owner are billed for service at the same location):

\$150.00

Liquidated damages will only be assessed after the Company has been given the opportunity but failed to rectify the damages as described in this Agreement.

The City may determine the occurrence of events giving rise to liquidated damages through the observation of its own employees or representative or investigation of Customer complaints.

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

C. Amount. The City may assess liquidated damages for each calendar day or event, as appropriate, that the Company is determined to be liable in accordance with this Agreement.

D. Timing of Payment. The Company shall pay any liquidated damages assessed by the City within thirty (30) days after they are assessed, unless the City notifies the Company of its intent to withhold the assessed liquidated damages from the compensation paid monthly to the Company. Otherwise, if the damages are not

paid within the thirty (30) day period, the City may proceed against the Bond required by the Agreement or order the termination of the right to provide commercial Collection service granted by this Agreement, or exercise any other right or remedy available to City under this Agreement or at law or in equity, or any combination of these remedies.

11.5 Excuse from Performance

The parties shall be excused from performing their respective obligations hereunder in the event they are prevented from so performing by reason of floods, earthquakes, other natural disasters, war, civil insurrection, riots, acts of any government (including judicial action), and other similar catastrophic events which are beyond the control of and not the fault of the party claiming excuse from performance hereunder. Labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by the Company's employees or directed at the Company is not an excuse from performance and the Company shall be obligated to continue to provide service notwithstanding the occurrence of any or all of such events.

The party claiming excuse from performance shall, within two (2) days after such party has notice of such cause, give the other party notice of the facts constituting such cause and asserting its claim to excuse under this Section.

The interruption or discontinuance of the Company's services caused by one or more of the events excused shall not constitute a default by the Company under this Agreement. Notwithstanding the foregoing, however, if the Company is excused from performing its obligations hereunder for any of the causes listed in this Section for a period of seven (7) days or more, the City shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10) days' notice, in which case the provisions relative to taking possession of the Company's land, equipment and other property and engaging the Company's Personnel in Article 10 and this Article 11 will apply.

11.6 Assurance of Performance

The City may, at its option and in addition to all other remedies it may have, demand from the Company reasonable assurances of timely and proper performance of this Agreement, in such form and substance as the City may require.

If the Company fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by the City, such failure or refusal shall be an event of default.

ARTICLE 12

OTHER AGREEMENTS OF THE PARTIES

12.1 Relationship of Parties

The parties intend that the Company shall perform the services required by this Agreement as an independent Company engaged by the City and not as an officer or employee of the City nor as a partner of or joint venture with the City. No employee or agent of the Company shall be or shall be deemed to be an employee or agent of the City. Except as expressly provided herein, the Company shall have the exclusive control over the manner and means of conducting the Solid Waste Collection services performed under this Agreement, and all Persons performing such services. The Company shall be solely responsible for the acts and omissions of its officers, employees, Companies, subcontractors, Affiliates and agents. Neither the Company nor its officers, employees, Companies, subcontractors, Affiliates and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to the City employees by virtue of their employment with the City.

12.2 Compliance with Law

In providing the services required under this Agreement, the Company shall at all times, at its sole cost, comply with all applicable laws and regulations of the United States, the State of California, and local agencies. The City shall comply with all applicable regulations promulgated by federal, State, regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended during the Term.

12.3 Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

12.4 Jurisdiction

Any lawsuits between the parties arising out of this Agreement shall be brought and concluded in the courts of the State of California, which shall have exclusive jurisdiction over such lawsuits.

With respect to venue, the parties agree that this Agreement is made in and will be performed in Riverside County.

12.5 Assignment

Except as may be provided for in Article 10 (the City's Right to Perform Service), neither party shall assign its rights, nor delegate, subcontract or otherwise transfer its obligations under this Agreement to any other Person without the prior written consent of the other party. Any such assignment made without the consent of the other party shall be void and the attempted assignment shall constitute a material breach of this Agreement.

For purposes of this Section when used in reference to the Company, "assignment" shall include, but not be limited to (i) a sale, exchange or other transfer of substantially all of the Company's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange or other transfer of outstanding common stock of the Company to a third party provided said sale, exchange or transfer may result in a change of control of the Company; (iii) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction to which results in a change of Ownership or control of the Company; (iv) any assignment by operation of law, including insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of the Company's property, or transfer occurring in the event of a probate proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of Ownership, or change of control of the Company.

The Company acknowledges that this Agreement involved rendering a vital service to the City's residents and businesses, and that the City has selected the Company to perform the services specified herein based on (1) the Company's experience, skill

and reputation for conducting its operations in a safe, effective and responsible fashion, at all times in keeping with applicable Environmental Laws, regulations and best Solid Waste management practices, and (2) the Company's financial resources to maintain the required equipment and to support its indemnity obligations to the City under this Agreement. The City has relied on each of these factors, among others, in choosing the Company to perform the services to be rendered by the Company under this Agreement.

If the Company requests the City's consideration of and consent to an assignment, the City may deny or approve such request in its complete discretion. The City need consider no request by the Company for consent to an assignment unless and until the Company has met the following requirements:

- a) The Company shall undertake to pay the City its reasonable expenses for attorney's fees and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment;
- b) The Company shall furnish the City with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years;
- c) The Company shall furnish the City with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste management experience on a scale equal to or exceeding the sale of operations conducted by the Company under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered any significant citations or other censure from any federal, State or local agency having jurisdiction over its Solid Waste management operations due to any significant failure to comply with State, federal or local Environmental Laws and that the assignee has provided the City with a complete list of such citations and censures; (iii) that the proposed assignee has at all times conducted its operations in an environmentally safe and conscientious fashion; (iv) that the proposed assignee conducts its Solid Waste management practices in accordance with sound Solid Waste management practices in full compliance with all federal, State and local laws regulating the Collection and Disposal of Solid Waste including Hazardous Substances; and, (v) of any other information required

by the City to ensure the proposed assignee can fulfill the Terms of this Agreement in a timely, safe and effective manner.

Under no circumstances shall the City be obliged to consider any proposed assignment by the City if the Company is in default at any time during the period of consideration.

12.6 Affiliated Companies

The Company's accounting records shall be maintained on a basis showing the results of the Company's operations under this Agreement separately from operations in other locations, as if the Company were an independent entity providing service only to the City. The costs and revenues associated with providing service to the City shall not be combined, consolidated or in any other way incorporated with those of other operations conducted by the Company in other locations, or with those of an Affiliate.

If the Company enters into any financial transactions with a related party entity for the provision of labor, equipment, supplies, services, capital, etc., related to the furnishing of service under this Agreement, that relationship shall be disclosed to the City, and in the financial reports submitted to the City. In such event, the City's rights to inspect records, and obtain financial data shall extend to such Related Party Entity or entities for the services provided under this Agreement.

Any application for a change of ownership or a Agreement transfer shall be made in a manner prescribed by the Public Works Director. The application shall include a transfer fee in an amount to be set by a resolution of the City Council, to cover the reasonable costs of all direct and indirect administrative expenses of the City, including, without limitation, consultants and attorneys, necessary to analyze the application and to reimburse the City for all its direct and indirect expenses. The applicant shall pay such invoices prior to any authorized change of ownership or Agreement transfer becoming effective.

12.7 Contracting or Subcontracting

The Company shall not engage any companies or subcontractors for Collection, transfer, processing, Recycling or Disposal of Solid Waste without the prior written consent of the City.

12.8 Binding on Assigns

The provisions of this Agreement shall inure to the benefit of and be binding on the permitted assigns of the parties.

12.9 Transition to the Next Company

If the transition of services to another company occurs through expiration of term, default and termination, or otherwise, the Company will cooperate with the City and subsequent company(ies) to assist in an orderly transition which will include, but not be limited to, the Company providing route lists and billing information.

12.10 Parties in Interest

Nothing in this Agreement, whether express or implied, is intended to confer any rights on any Persons other than the parties to it and their representatives, successors and permitted assigns.

12.11 Waiver

The waiver by either party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision. The subsequent acceptance by either party of any moneys that become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach or violation by the other party of any provision of this Agreement.

12.12 The Company's Investigation

The Company has made an independent investigation (satisfactory to it) of the conditions and circumstances surrounding the Agreement and the work to be performed by it.

12.13 Condemnation

The City fully reserves the rights to acquire the Company's property utilized in the performance of this Agreement, by purchase or through the exercise of the right of eminent domain. This provision is additive, and not intended to alter the rights of the parties set forth in Article 10.

12.14 Notice

All notices, demands, requests, proposals, bids, approvals, consents and other communications which this Agreement requires, authorizes or contemplates shall be in writing and shall either be personally delivered to a representative of the parties at the address below or be deposited in the United States mail, first class postage prepaid, addressed as follows:

If to the City:

**Public Works Director
City of Riverside
3900 Main Street
Riverside, CA 92522**

Copy to:

**City Attorney
City of Riverside
3900 Main Street
Riverside, CA 92522**

If to the Company:

**Burrtec Waste Industries, Inc.
9890 Cherry Avenue
Fontana, California 92335
Attention: Mr. Eric D. Herbert**

The address to which communications may be delivered may be changed from time to time by a written notice given in accordance with this Section.

Notice shall be deemed given on the day it is personally delivered or, if mailed, three days from the date it is deposited in the mail.

12.15 Representatives of the Parties

References in this Agreement to the "City" shall mean the City Council and all actions to be taken by the City shall be taken by the City Council except as provided below. The City Council may delegate, in writing, authority to the Public Works Director, and/or to other City employees and may permit such employees, in turn,

to delegate in writing some or all of such authority to subordinate employees. The Company may rely upon actions taken by such delegates if they are within the scope of the authority properly delegated to them.

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

12.16 City Free to Negotiate with Third Parties

The City may investigate all options for the Collection, transporting, Recycling, processing and Disposal of Solid Waste at any time prior to the expiration of the Term. Without limiting the generality of the foregoing, the City may solicit proposals or bids from the Company and from third parties for the provision of Collection services, Disposal services, Recycling services, Green Waste services and processing, and any combination thereof, and may negotiate and execute agreements for such services which will take effect upon the expiration or earlier termination under Section 11 of this Agreement.

12.17 Compliance with Municipal Code

The Company shall comply with those provisions of the municipal code of the City which are applicable, and with any and all amendments to such applicable provisions during the term of this Agreement. The Company and any subcontractors must maintain a current City business license during the term of this Agreement.

12.18 Privacy

The Company shall strictly observe and protect the rights of privacy of customers. Information identifying individual customers or the composition or contents of a Customer's waste stream shall not be revealed to any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by statute, or upon valid authorization of the Customer. This provision shall not be construed

to preclude the Company from preparing, participating in, or assisting in the preparation of waste characterization studies or waste stream analyses which may be required by AB 939. This provision shall not apply to reports or records provided to City pursuant to this Agreement so long as City maintains reports or records with Customer identification or confidential information in accordance with this Section, in which case this Section shall apply to City in the same manner to which it applies to Company.

12.19 Cooperation Following Termination

At the end of the Term or in the event this Agreement is terminated for cause prior to the end of the Term, the Company covenants to cooperate fully with the City and any subsequent company to assure a smooth transition of Solid Waste management services. The Company's cooperation shall include, but not be limited to, providing operating records needed to service all properties covered by this Agreement. The failure to cooperate with City following termination shall be conclusively presumed to be grounds for specific performance of this covenant and/or other equitable relief necessary to enforce this covenant.

12.20 Compliance with Immigration Laws.

The Company agrees that, in the performance of this Agreement, it will comply with all immigration laws.

12.21 Proprietary Information, Public Records

The City acknowledges that a number of the records and reports of the Company are proprietary and confidential. The Company is obligated to permit the City inspection of its records on demand and to provide copies to the City where requested. The City will endeavor to maintain the confidentiality of all proprietary information provided by the Company. Notwithstanding the foregoing, and notwithstanding Section 12.18 (as it applies to City), any documents provided by the Company to the City that are public records may be disclosed pursuant to a proper public records request.

12.22 Guarantee of Contractor's Performance

Pursuant to a guarantee in substantially the form attached as Exhibit 3, Burrtec Waste Group, Inc. a corporation which owns all of the issued and outstanding common stock of Burrtec Waste Industries, Inc., has agreed to guarantee the Company's performance of this Agreement. The Guarantee is being provided concurrently with the Company's execution of this Agreement.

12.23 Attorney's Fees

In any action or proceeding to enforce or interpret any of the terms or conditions of this Agreement the prevailing party shall be entitled to an award to attorney's fees in the amount reasonably incurred in the prosecution or defense of such action. The term "prevailing party" shall mean the party entitled to recover costs of suit, upon the conclusion of the matter, in accordance with the laws of the State of California.

ARTICLE 13

MISCELLANEOUS AGREEMENTS

13.1 Entire Agreement

This Agreement, including the Exhibits, represents the full and entire Agreement between the parties with respect to the matters covered herein. No verbal agreement or conversation with any office, agent, or employee of the City, either before, during, or after the execution of this contract, shall affect or modify any of the terms or obligations herein contained nor such verbal agreement or conversation entitle the Company to any additional payment whatsoever under the terms of this contract.

13.2 Section Headings

The article headings and section headings in this Agreement are for convenience of reference only and are not intended to be used in the construction of this Agreement nor to alter or affect any of its provisions.

13.3 References to Laws and Other Agreements

All references in this Agreement to laws shall be understood to include such laws as they may be subsequently amended or recodified, unless otherwise specifically provided. This Agreement supersedes any and all agreements heretofore entered into by the parties and the City.

13.4 Interpretation

This Agreement, including the exhibits attached hereto, shall be interpreted and construed reasonably and neither for nor against either party, regardless of the degree to which either party participated in its drafting.

13.5 Agreement

This Agreement may not be modified or amended in any respect except by a writing signed by the parties.

13.6 Severability

If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement which shall be enforced as if such invalid or unenforceable provision had not been contained herein.

13.7 Exhibits

Each of the Exhibits identified in this Agreement is attached hereto and incorporated herein and made a part hereof by this reference.

13.8 Non-Waiver Provision

Failure of either party to exercise any of the remedies set forth herein within the time periods provided for shall not constitute a waiver of any rights of that party with regard to that failure to perform or subsequent failures to performing whether determined to be a breach, excused performance or unexcused defaults by the other party.

IN WITNESS WHEREOF, the City and the Company have executed this Agreement as of the day and year first above written.

CITY OF RIVERSIDE("City")

A municipal corporation


By: 

 John E. Holmes, City Manager

Attest 

City Clerk

APPROVED AS TO FORM:


Stan T. Yamamoto, City Attorney

Burrtec Waste Industries, Inc.

By: 

Printed Name: Cole Burr

Title: President

By: 

Printed Name: Eric D. Herbert

Title: Vice President

EXHIBIT 1

INITIAL RATES

EXHIBIT A

Commercial and Solid Waste Collection Schedule of Monthly Rates Total Rate for Refuse Bin Service *

Monthly Bin Rates

Line	Container Size	Pickups Per Week					
		1	2	3	4	5	6
1	40-gallon manual can	\$ 9.53	\$ 19.06	\$ 28.58	\$ 37.48	\$ 47.00	\$ 56.53
2	Any size automated cart	\$ 9.53	\$ 19.06	\$ 28.58	\$ 37.48	\$ 47.00	\$ 56.53
3	1 yard bin	\$ 29.85	\$ 52.09	\$ 74.95	\$ 100.36	\$ 120.05	\$ 142.28
4	2 yard bin	\$ 45.10	\$ 83.21	\$ 116.24	\$ 155.62	\$ 186.75	\$ 218.51
5	3 yard bin	\$ 63.52	\$ 111.16	\$ 155.62	\$ 195.01	\$ 243.28	\$ 289.02
6	4 yard bin	\$ 80.67	\$ 143.56	\$ 203.90	\$ 261.07	\$ 324.59	\$ 383.66
7	6 yard bin	\$ 105.44	\$ 174.04	\$ 264.24	\$ 346.18	\$ 431.94	\$ 522.77

* Rates include service plus disposal fee of \$32.37/ton, franchise fee of \$11.00/ton, and landfill surcharge of \$0.92/ton.

Monthly Compactor Rates

Line	Container Size	Pickups Per Week					
		1	2	3	4	5	6
1	1 yard bin	\$ 57.17	\$ 98.46	\$ 140.38	\$ 188.02	\$ 222.96	\$ 264.88
2	2 yard bin	\$ 83.21	\$ 170.23	\$ 208.98	\$ 310.61	\$ 332.21	\$ 384.93
3	3 yard bin	\$ 115.61	\$ 196.28	\$ 271.87	\$ 334.75	\$ 417.33	\$ 494.19
4	4 yard bin	\$ 144.83	\$ 252.81	\$ 354.44	\$ 449.09	\$ 557.07	\$ 654.26

* Rates include service plus disposal fee of \$32.37/ton, franchise fee of \$11.00/ton, and landfill surcharge of \$0.92/ton.

Rolloff Box, Temporary Bin and Extra Services Rates

1	Rolloff Box or Low Boy, Any Size	\$ 95.03 Per load plus actual tonnage charges (a)
2	Temporary Bin - 3-cubic-yards, one pickup	\$ 71.40 per bin per pickup

- (a) Tonnage charges will be based on the actual number of tons per load multiplied by the disposal cost per ton. The disposal cost per ton includes the transfer station tipping fee per ton (\$32.37 for refuse, \$12.60 for green waste, rate at C&D facility, etc.). For refuse only, the disposal cost also includes franchise fees of \$11.00 per ton and landfill surcharge of \$0.92 per ton.

Line	Extra Service	
1	Extra Pickup - 1 or 2 yard	\$ 33.00
2	Extra Pickup - 3 yard	\$ 35.00
3	Extra Pickup - 4 yard	\$ 37.00
4	Extra Pickup - 6 yard	\$ 40.00
4	Bin Cleaning - each, after one free cleaning per year	\$ 35.00
4	Rolloff Box Rental Rate - per day after 7 days with no pull	\$ 10.00

"EXHIBIT A"
COMMERCIAL AND SOLID WASTE COLLECTION
SCHEDULE OF MONTHLY RATES

RATES FOR 30-40 YARD ROLL-OFF CONTAINERS OF GREENWASTE ONLY PER PICKUP.

Clean Loads: Shall be billed at \$95.03 for the base service rate, plus the cost disposal and any handling fees for dealing with contamination.

First Contaminated Load: Shall be billed at \$95.03 for the base service rate, plus the cost of disposal and any handling fees for dealing with contamination.

Subsequent Contaminated Loads: Shall be billed at \$95.03 for the base service rate, plus the cost of disposal, any handling fees, \$49.02 (50% of the base service rate for additional hauling/time costs) and a surcharge of \$0.92 per ton of the total rate for landfill capping.

Note: for the 30 - 40 yard permanent, compaction units and greenwaste only rolloff containers the cost of disposal is defined to be equal to the actual weight of the waste multiplied by the disposal / processing fee. Customers may be billed an estimated amount for disposal / processing cost in advance of service, as long as the customer's next monthly bill is reconciled to account for the actual cost of disposal.

RECYCLING RATES FOR 40 GALLON CANS, BINS AND ROLL-OFFS

The rate for 40 gallon cans, bins and roll-off containers of materials for recycling shall be the base services rate for the service level with credit of up to 100% of the value of the recyclable materials collected in the preceding month. No dump fees or landfill maintenance surcharge will be charged on the base service rate. Credits given to the customer will not be applied to the franchise fee payment to the City in calculating the value of the material for which customer can be given credit. Detailed records must be kept to show a logical method of calculation to insure that the credit returned does not exceed the market value of the materials at the time. Recycling services can be provided at no charge if the value of the materials, less processing costs, can be shown to exceed the cost of hauling as set forth in the City approved rates at the time of pickup.

EXHIBIT 2
RATE ADJUSTMENT FORMULAS

EXHIBIT 2

COMMERCIAL RATE ADJUSTMENT METHODOLOGY

STEP 1: Establish Monthly Rate Component for 3 CY Bin Picked up Once-a-week
Based on a Cost per Ton Basis:

RATE CONVERSION

(from **cost per 3 CY bin once-a-week pickup** to **Cost per ton**)

Weight of 1 CY of Trash = 100 lbs.

Rate set by the City Council for a 3 cy / once-a-week pickup= \$63.52.

Tonnage per year (3 CY bin - Once-a-week) = $3 \text{ CY} \times (100 \text{ lbs/CY}) \times (52 \text{ weeks/year}) / (2,000 \text{ lbs/ton})$
= 7.80 tons

Revenue per Year = $(\$63.52/\text{month}) \times (12 \text{ months/year})$
= \$762.24

Revenue / ton = $(\$762.52 / \text{month}) / (7.80 \text{ ton} / \text{year})$
= \$97.72 / ton

	Cost per Ton
Base Rate	\$53.05
Disposal Fee	\$23.00
Processing Fee (Transfer Station)	\$9.37
Franchise Fee	\$11.00
Landfill Surcharge	\$0.92
City Administration Fee	\$0.38
	\$97.72 (see Note 1)

Note 1 Cost based on **BID PRICES** and **INITIAL RATES** established by City Council on 4/10/2001.

STEP 2: Rate Adjustment Methodology

A Base rate, processing fee, franchise fee, landfill surcharge, and City Administration Fee are all subject to CPI rate adjustments as shown in Section 6.4.

B Disposal fee adjustments shall only reflect actual costs as set by Riverside County Waste Resources Management District.

EXAMPLE:

Assume CPI increase of 4% and a \$0.50 decrease in disposal tipping fee.

	Current Rate / Ton	Adjusted Rate / Ton
Base Rate	\$53.05	\$55.172
Disposal Fee	\$23.00	\$22.500
Processing Fee (Transfer Station)	\$9.37	\$9.745
Franchise Fee	\$11.00	\$0.957
Landfill Surcharge	\$0.92	\$11.440
City Administration Fee	\$0.38	\$0.395
TOTALS	\$97.72	\$100.209

The new 3 CY Bin rate - once-a-week collection is:

$$(\$100.21/ \text{ton}) \times (7.80 \text{ tons/ year}) / (12 \text{ months / year}) = \$65.14 / \text{CY / month}$$

EXHIBIT 3

CORPORATE GUARANTY

Guaranty

THIS GUARANTY (the "Guaranty") is given as of the 11 day of ~~MAY~~ 2000.

THIS GUARANTY is made with reference to the following facts and circumstances:

- A. Burrtec Waste Industries, Inc., hereinafter ("Owner") is a corporation organized under the laws of the State of California, all of the issued and outstanding stock of which is owned by Burrtec Waste Group, Inc., (Guarantor). Guarantor owns all of the issued and outstanding stock of Burrtec Waste Industries, Inc.
- B. Owner and the City of Riverside ("the City") have negotiated an Agreement for Collection, Processing, and Disposal of Solid Waste dated as of May 11, 2001, (hereinafter "Agreement"). A copy of this Agreement is attached hereto.
- C. It is a requirement of the Agreement, and a condition to the City entering into the Agreement, that Guarantor guaranty Owner's performance of the Agreement.
- D. Guarantor is providing this Guaranty to induce the City to enter into the Agreement.

NOW, THEREFORE, in consideration of the foregoing, Guarantor agrees as follows:

1. **Guaranty of the Agreement.** Guarantor hereby irrevocably and unconditionally guarantees to the City the complete and timely performance, satisfaction and observation by Owner of each and every term and condition of the Agreement which Owner is required to perform, satisfy or observe. In the event that Owner fails to perform, satisfy or observe any of the terms and conditions of the Agreement, Guarantor will promptly and fully perform, satisfy or observe them in the place of the Owner or cause them to be performed, satisfied or observed. Guarantor hereby guarantees payment to the City of any damages, costs or expenses

that might become recoverable by the City from Owner due to its breach of the Agreement.

2. **Guarantor's Obligations Are Absolute.** The obligations of the Guarantor hereunder are direct, immediate, absolute, continuing, unconditional and unlimited, and with respect to any payment obligation of Owner under the Agreement, shall constitute a guarantee of payment and not of collection, and are not conditional upon the genuineness, validity, regularity or enforceability of the Agreement. In any action brought against the Guarantor to enforce, or for damages for breach of, its obligations hereunder, the Guarantor shall be entitled to all defenses, if any, that would be available to the Owner in an action to enforce, or for damages for breach of, the Agreement (other than discharge of, or stay of proceedings to enforce, obligations under the Agreement under bankruptcy law).

3. **Waivers.** Except as provided herein the Guarantor shall have no right to terminate this Guaranty or to be released, relieved, exonerated or discharged from its obligations under it for any reason whatsoever, including, without limitation: (1) the insolvency, bankruptcy, reorganization or cessation of existence of the Owner; (2) the actual or purported rejection by a trustee in bankruptcy of the Agreement, or any limitation on any claim in bankruptcy resulting from the actual or purported termination of the Agreement; (3) any waiver with respect to any of the obligations of the Agreement guaranteed hereunder or the impairment or suspension of any of the City's rights or remedies against the Owner; or (4) any merger or consolidation of the Owner with any other corporation, or any sale, lease or transfer of any or all the assets of the Owner. Without limiting the generality of the foregoing, Guarantor hereby waives the rights and benefits under California Civil Code Section 2819.

The Guarantor hereby waives any and all benefits and defenses under California Civil Code Section 2846, 2849, and 2850, including without limitation, the right to require the City to (a) proceed against Owner, (b) proceed against or exhaust any security or collateral the City may hold now or hereafter hold, or (c) pursue any other right or remedy for Guarantor's benefit, and agrees that the City may proceed against Guarantor for the obligations guaranteed herein without taking any action against Owner or any other guarantor or pledgor and without proceeding against or exhausting any security or collateral the City may hold now or hereafter hold. City may unqualifiedly exercise in its sole discretion any or all rights and remedies

available to it against Owner or any other guarantor or pledgor without impairing the City's rights and remedies in enforcing this Guaranty.

The Guarantor hereby waives and agrees to waive at any future time at the request of the City to the extent now or then permitted by applicable law, any and all rights which the Guarantor may have or which at any time hereafter may be conferred upon it, by statute, regulation or otherwise, to avoid any of its obligations under, or to terminate, cancel, quit or surrender this Guaranty. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not affect the liability of the Guarantor hereunder: (a) at any time or from time to time, without notice the Guarantor, performance or compliance herewith is waived; (b) any other of any provision of its Agreement indemnification with respect to Owner's obligations under the Agreement or any security therefore is released or exchanged in whole or in part or otherwise dealt with; or (c) any assignment of the Agreement is effected which does not require the City's approval.

The Guarantor hereby expressly waives, diligence, presentment, demand for payment or performance, protest and all notices whatsoever, including, but not limited to, notices of non-payment or non-performance, notices of protest, notices of any breach or default, and notices of acceptance of this Guaranty. If all or any portion of the obligations guaranteed hereunder are paid or performed, Guarantor's obligations hereunder shall continue and remain in full force and effect in the event that all or any part of such payment or performance is avoided or recovered directly or indirectly from the City as a preference, fraudulent transfer or otherwise, irrespective of (a) any notice of revocation given by Guarantor or Owner prior to such avoidance or recovery, and (b) payment in full of any obligations then outstanding.

4. **Term.** This Guaranty is not limited to any period of time, but shall continue in full force and effect until all of the terms and conditions of the Agreement have been fully performed or otherwise discharged and Guarantor shall remain fully responsible under this Guaranty without regard to the acceptance by the City of any performance bond or other collateral to assure the performance of Owner's obligations under the Agreement. Guarantor shall not be released of its obligations hereunder so long as there is any claim by the City against Owner arising out of the Agreement based on Owner's failure to perform which has not been settled or discharged.

5. **No Waivers.** No delay on the part of the City in exercising any rights under this Guaranty or failure to exercise such rights shall operate as a waiver of such rights. No notice to or demand on Guarantor shall be a waiver of any obligation of Guarantor or right of the City to take other or further action without notice or demand. No modification or waiver of any of the provisions of this Guaranty shall be effective unless it is in writing and signed by the City and by Guarantor, nor shall any waiver be effective except in the specific instance or matter for which it is given.

6. **Attorney's Fees.** In addition to the amounts guaranteed under this Guaranty, Guarantor agrees in the event of Guaranty's breach of its obligations including to pay reasonable attorney's fees and all other reasonable costs and expenses incurred by the City in enforcing this Guaranty, or in any action or proceeding arising out of or relating to this Guaranty, including any action instituted to determine the respective rights and obligations of the parties hereunder.

7. **Governing Law: Jurisdiction.** This Guaranty is and shall be deemed to be a contract entered into in and pursuant to the laws of the State of California and shall be governed and construed in accordance with the laws of California without regard to its conflicts of laws, rules for all purposes including, but not limited to, matters of construction, validity and performance. Guarantor agrees that any action brought by the City to enforce this Guaranty may be brought in any court of the State of California and Guarantor consents to personal jurisdiction over it by such courts. Guarantor appoints the following Person as its agents for service of process in California:

Burrtec Waste Industries, Inc.
Mr. Eric Herbert
9890 Cherry Avenue
Fontana, California 92335

With a copy by certified mail to:

Burrtec Waste Group, Inc.
Mr. Cole Burr
9890 Cherry Avenue
Fontana, California 92335

City of Riverside - Commercial

EXHIBIT 4

COMPANY'S FAITHFUL PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That Burrtec Waste Industries, Inc., a California Corporation, as PRINCIPAL, and _____, a Corporation organized and doing business by virtue of the laws of the State of California, and duly licensed for the purpose of making, guaranteeing, or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California, as SURETY, are held and firmly bound to City, hereinafter called OBLIGEE, in the penal sum of One Million Dollars (\$1,000,000) lawful money of the United States, for the payment of which, well and truly to be made, we and each of us hereby bind ourselves, and our and each of our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the above bounden PRINCIPAL has entered into a contract, entitled "INTEGRATED SOLID WASTE MANAGEMENT SERVICES" with City, to do and perform the following work, to wit: Collect, Process and Dispose of Solid Waste generated within City, in accordance with the contract.

NOW, THEREFORE, if the above bounden PRINCIPAL shall well and truly perform, or cause to be performed each and all of the requirements and obligations of said contract to be performed by said PRINCIPAL, as in said contract set forth, then this BOND shall be null and void; otherwise it will remain in full force and effect.

And the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligations on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications.

IN WITNESS WHEREOF, said PRINCIPAL and said SURETY have caused these presents to be duly signed and sealed this _____ DAY OF _____, 2000.

Burrtec Waste Industries, Inc, _____

a California Corporation

SURETY

By: _____

(PRINCIPAL)

(SEAL)

By: _____

(ATTORNEY IN FACT)

(SEAL)

EXHIBIT 5

NOTARY CERTIFICATION

STATE OF CALIFORNIA)

COUNTY OF _____) ss:

On _____, _____, before me, the undersigned, a Notary Public in and for the State of California, personally appeared _____, known to me to be the _____ of the Company that executed the within instrument on behalf of the Company therein named, and acknowledged to me that such the Company executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of _____ this _____ day of _____, _____.

Notary Public

My Commission Expires:

EXHIBIT 6
TERMS OF CONTRACT S
WITH
EXISTING WASTE HAULERS
TO CONTINUE
PROVIDING SERVICE IN THE CITY
(USA Waste - Extension Agreement for Refuse Collection Services)

(WASTE MANAGEMENT OF THE INLAND EMPIRE,
a division of USA Waste of California, Inc., a Delaware corporation)

RECITALS

1 though fully set forth herein.

2 3. In consideration of the execution of this Extension Agreement, the parties hereto
3 further agree that:

4 (a) Throughout the duration of this Extension Agreement, Contractor shall be entitled
5 to receive compensation based on the rates in effect at the time of execution of this
6 Extension Agreement, as set forth in Resolution No. 19888, which was adopted by
7 the City Council for the City of Riverside on April 10, 2001. A copy of Resolution
8 No. 19888 is attached hereto and incorporated herein as Exhibit "A". During the
9 above-described extension period, should any waste hauler contracting with the
10 City of Riverside receive any adjustment in rates, Contractor shall receive same for
11 the remainder of the extension agreement.

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(b) In exchange for executing this Extension Agreement, Contractor shall be entitled to continue to provide commercial refuse collection services (with the exception of residential refuse collection services) throughout the duration of this Extension Agreement as defined in paragraph 1 above, at the rate set forth in Resolution No. 19888 within Contractor's non-exclusive geographic area as the same area that existed on May 11, 2001.

IN WITNESS WHEREOF, City and Contractor have caused this Extension to Agreement to be duly executed on the day and year first above written.

CITY OF RIVERSIDE, a
municipal corporation

WASTE MANAGEMENT OF THE
INLAND EMPIRE, a division of USA
Waste of California, Inc., a Delaware
corporation

By: _____
John E. Holmes
City Manager

By: _____
Title: District Mgr.
5-3-01

ATTEST:

By: _____

Title: _____

City Clerk

Approved as to Form:

By: _____
Stan T. Yamamoto
City Attorney

[AGR\01096301.SY]

DOCUMENT TRANSMITTAL FORM

TO: CITY CLERK'S OFFICE
FROM: LEGAL DEPARTMENT
DATE: May 11, 2001



CONTRACTOR/LESSOR: BURRTEC WASTE INDUSTRIES

PROJECT DESCRIPTION/BID NO.: Commercial Non-Exclusive Solid Waste Agreement

X Approved by City Council on 2/27/01
Anticipated City Council future agenda of
No City Council action required

Insurance required:

No
X Yes, as attached
Yes, withhold execution until received

Bonds required:

No
X Yes, as attached
Yes, withhold execution until received

Comments: **Please date agreements May 11, 2001 and have City Manager sign today and initial on page 60. Insert contract date on page 3-1.**

Department: Public Works

Contact person: Ben Urquiza

Approved as to form by: Kathleen M. Gonzales

Date Approved: 05/11/01

CA #: 01-709

cc: Purchasing Division
Originating Department: Public Works

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CITY OF RIVERSIDE CITY COUNCIL

COUNCILMEMBERS

February 27, 2001

WARDS

	BEA TY	MOO RE	DEF EN BAU GH	KAN E	ADK ISON	THO MPSON	PEAR SON
	1	2	3	4	5	6	7
<p>CASE GP-003-001 - ARLINGTON COMMUNITY PLAN - VICTORIA/TYLER/JACKSON/WELLS/CALIFORNIA - RESOLUTION Following discussion, Resolution No. 19858 of the City Council of the City of Riverside, California, Amending the Riverside General Plan by Adding Thereto The Arlington Community Plan, was presented and adopted.</p>		X					X
<p>ZONING CASE CU-036-001 - ALESSANDRO EAST OF GLEN HAVEN ADJACENT TO SWANSON PARK - APPEAL DENIED Discussion was held relative to the appeal of Zoning Case CU-036-001 by John Burke of o2wireless Solutions from the decision of the Planning Commission, acting as Zoning Administrator, in approving subject to conditions the request of Crouse/Beers and Associates, on behalf of Verizon Wireless, for a minor conditional use permit to install a wireless telecommunications antenna (monopole) on top of a street light pole, totaling 45 feet in height, within the street right-of-way on Alessandro Boulevard, easterly of Glenhaven Avenue, adjacent to Swanson Park, in Zone R-1-125. The applicant is appealing Condition 1b, which requires the equipment cabinet to be placed in an underground vault, with any above-ground vents to be completely screened to staff approval. Hank Hohenstein, representing the applicant spoke in favor of the appeal. Following further discussion, the City Council upheld the determination of the Planning Commission in approving Case CU-036-001 subject to conditions, thereby denying the appeal.</p>				X			X
<p>BID 5790 - COMMERCIAL REFUSE COLLECTION Following discussion, the City Council (1) awarded Bid 5790 to Burrtec Waste Industries, Inc., Athens Services, and CR & R Incorporated, for seven-year contracts for commercial refuse collection; and (2) authorized the preparation of the appropriate contract documents for execution by the City Manager or his designee.</p>	X						X
<p>BID 5778 - RESIDENTIAL REFUSE COLLECTION - SERVICE AREAS #1 & #2 Following discussion, the City Council (1) awarded Bid 5778 to Burrtec Waste Industries, Inc., in the amount of \$1,919,436, for a seven-year contract for residential refuse collection in Service Areas #1 and #2 as identified in the written staff report; and (2) authorized the preparation of the appropriate contract documents for execution by the City Manager or his designee.</p>		X				X	
<p>RIVERSIDE COUNTY INTEGRATED PROJECT The City Manager and Councilmember Pearson reported on the Riverside County Integrated Project relative to Transportation/Circulation, Land Use, and Habitat Conservation.</p>							
<p>LEGISLATIVE REPORT Following discussion of the League of California Cities Priority Focus dated February 16, 2001, the City Council endorsed Assemblyman Pacheco's bill relative to the rebuilding of existing power plants.</p>				X	X		

**GENERAL AND/OR AUTOMOBILE LIABILITY
ADDITIONAL INSURED ENDORSEMENT**

CITY OF RIVERSIDE

Named Insured and Address:

Contractor's Name: Burrtec Waste Industries, Inc. (SEE ATTACHED NAMED INSURED)

Contractor's Address: 9890 Cherry Avenue, Fontana, CA 92335

General description of agreement(s) and/or activity(s) insured: REFUSE COLLECTION AND/OR RECYCLING

Commercial Solid Waste Collection - Bid No. 5790

Notwithstanding any inconsistent statement in the policy to which this endorsement pertains or in any endorsement now or hereafter attached thereto, it is agreed as follows:

1. The City of Riverside and its officers and employees are additional insured thereunder in relation to those operations, uses, occupations, acts, and activities described generally above with regard to operations performed by or on behalf of the named insured.

2. Such insurance shall be primary, and not contributing with any other insurance maintained by the additional insured.

3. The policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability.

4. The policy shall not be subject to cancellation, change in coverage, reduction of limits or non-renewal except after written notice to the Risk Manager of the City of Riverside by certified mail, return receipt requested, not less than thirty (30) days prior to the effective date thereof.

ADDRESS CANCELLATION NOTICE AS FOLLOWS:

Risk Manager
City of Riverside
City Hall, 3900 Main Street
Riverside, California 92522

ISSUE ENDORSEMENT TO:

City of Riverside
C/O City Attorney
City Hall, 3900 Main Street
Riverside, California 92522

Except as stated above and not in conflict with this endorsement, nothing contained herein shall be held to waive, alter or extend any of the limits, agreements, or exclusions of the policy.

Endorsement No. 1	Effective Date: 10/15/00	Policy No.: 3XZ12636700
-------------------	--------------------------	-------------------------

TYPE OF COVERAGE TO WHICH
THIS ENDORSEMENT ATTACHES

POLICY PERIOD:
FROM: 10/15/00

LIMITS OF LIABILITY:
TO: 10/15/01

The following inclusions, exclusions, extensions or specific provisions relate to the above coverage. Aggregate limits and separate deductibles, if applicable, are to be noted after the stated coverage. (Attach additional pages if space is insufficient.) Scheduled items or locations are to be identified on an attached sheet.

(Continued on Page 2)

**GENERAL AND/OR AUTOMOBILE LIABILITY
ADDITIONAL INSURED ENDORSEMENT
CITY OF RIVERSIDE**

Page 2

INCLUDES:

- ☒ Premises & Operations
- ☒ Contractual Liability
- ☒ Independent Contractors
- ☒ Products/Completed Operations
- ☒ Broad Form Property Damage
- ☒ Personal Injury
- ☒ Broad Form Liability Endorsement
- ☒ Fire Legal Liability
- ☒ Watercraft Liability - NON-OWNED
- ☐ _____

- ☐ Incidental Medical Malpractice
- ☒ Explosion Hazard
- ☒ Collapse Hazard
- ☒ Underground Hazard
- ☐ Garagekeepers Legal Liability (Primary) \$
- ☒ Owned Automobiles
- ☒ Non-owned Automobiles
- ☒ Hired Automobiles
- ☐ _____

EXCLUDES: COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG00010798 EXCLUSIONS (ITEM 2)
EMPLOYMENT-RELATED PRACTICES EXCLUSION CG21470798
TOTAL POLLUTION EXCLUSION ENDORSEMENT CG21490999
ASBESTOS EXCLUSION LB23990B(1/99)
BUSINESS AUTO COVERAGE FORM CA00010797 EXCLUSIONS (ITEM II B)
NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM) IL00230498

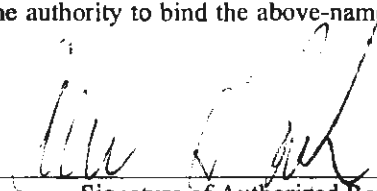
DEDUCTIBLE: A deductible ~~per self-insured retention~~ (strike out one) of \$ 5,000 applies
to GENERAL LIABILITY AND BUSINESS AUTO coverage.

DEDUCTIBLE APPLIES PER CLAIM (), PER OCCURRENCE (X).

Insurance Company **SPECIALTY NATIONAL INS. CO.**

Address **C/O ROBERT F. DRIVER CO., INC.
1620 FIFTH AVENUE
SAN DIEGO, CA 92101**

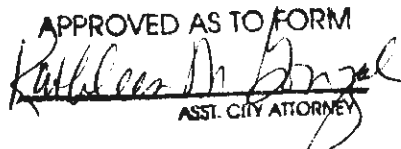
I, ALLAN H. ROBERTS (type or print name) hereby declare under penalty of perjury,
under the laws of the State of California, that I have the authority to bind the above-named insurance company to this endorsement
and by my execution hereof, do so bind said company.



Signature of Authorized Representative
(Original Signature only; No Facsimile Signature or Initialed Signature Accepted)

Executed at SAN DIEGO, CALIFORNIA on MAY 8, 2001.

Phone No.: (619) 238-1828

APPROVED AS TO FORM


ASST. CITY ATTORNEY

BURRTEC WASTE INDUSTRIES, INC.

NAMED INSURED

Agua Mansa MRF, LLC
AVCO Disposal, Inc.
Burr Group, Inc.
Burr Group LP
Burr Properties
Burrtec Waste Group, Inc.
Burrtec Waste Industries, Inc. (formerly PSP Waste Services, Inc.)
Burrtec Waste Industries, Inc., DBA: Agua Mansa Recycling & Transfer Co.
Burrtec Waste Industries, Inc., DBA: Inland Empire Recycling
Burrtec Waste Industries, Inc., DBA: Burrtec Recycling & Transfer Co.
Burrtec Waste Industries, Inc., DBA: Burrtec Recycling Center
Burrtec Waste Services, LLC
Currans Rubbish Disposal, Inc.
E. Cole Burr, Individually and as Trustee of the Burr Family Trust
EDCO Disposal Corp. (but only as respects to vehicles registered in this name)
Edward G. Burr, Sandra L. Burr, Cole Burr and Tracy A. Burr
Individually and Burr Properties: 9910, 9934, 9950, 9964, 9820, 9890, 9982
Cherry Avenue, Fontana, CA and 17000 Abbey Lane, corner of Abbey Lane and
Bimini - (5 acres), and 16997 Abbey Lane, Victorville, CA
Empire Disposal, LLC
Fontana Rubbish Collectors, Inc.
Indio/Coachella Transfer Station
Jack's Disposal Services, Inc.
Lucerne Valley Disposal, Inc.
Mark's Disposal – A division of Burrtec Waste Industries, Inc.
Monte Vista Disposal
Monte Vista Disposal, Inc.
Rancho Disposal, Inc.
T/M 403 INV (but only as respects to vehicles registered in this name)
TECMEC Maintenance Enterprises, Inc.
Tracy A. Burr, Individually and as Trustee of the Burr Family Trust
Tri-County Disposal, Inc.
Tri-County Disposal, Inc., DBA: Gary's Disposal (but only as respects to vehicles
registered in this name)
Universal Waste Systems (but only as respects to vehicles registered in this name)
Victorville Disposal, Inc.
West Valley MRF, LLC
West Valley Recycling & Transfer, Inc.
Yucaipa Disposal, Inc.
Yukon Disposal

Policy Number:

AS PER CERTIFICATE

Authorized Representative:

Robbie Roberts, V.P.
Robert F. Driver Company, Inc.
P. O. Box 120670
San Diego, CA 92112-0670
(619) 238-1828

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the **Named Insured** shown in the **Declarations**, and any other person or organization qualifying as a **Named Insured under this policy**. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under **Section II—Who Is An Insured**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **Section V—Definitions**.

SECTION I—COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **Section III—Limits Of Insurance**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under **Coverages A or B** or medical expenses under **Coverage C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments—Coverage A and B**.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
- (2) The "bodily injury" or "property damage" occurs during the policy period.

- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:



- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other op-

erating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a government authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III—Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III—Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III—Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments—Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. "Personal and advertising injury":

- (1) Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
- (2) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (3) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (4) Arising out of a criminal act committed by or at the direction of any insured;
- (5) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
- (6) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- (7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- (8) Arising out of the wrong description of the price of goods, products or services stated in your "advertisement";
- (9) Committed by an insured whose business is advertising, broadcasting, publishing or telecasting. However, this exclusion does not apply to paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions section; or
- (10) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- b. Any loss, cost or expense arising out of any:

- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within one year of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. To any insured.
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury"

are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

- e. To a person injured while taking part in athletics.
- f. Included within the "products-completed operations hazard".
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS—COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All costs taxed against the insured in the "suit".
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.These payments will not reduce the limits of insurance.
2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the

liability of the indemnitee in a contract or agreement that is an "insured contract";

- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of paragraph 2.b.(2) of Section 1—Coverage A—Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damages" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary liti-

gation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in paragraph f. above, are no longer met.

SECTION II—WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

2. Each of the following is also an insured:

- a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" as a

consequence of paragraph (1)(a) above;

- (c) For which there is any obligation to share damages with or repay some one else who must pay damages because of the injury described in paragraphs (1)(a) or (b) above; or

- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee"), or any organization while acting as your real estate manager.

- c. Any person or organization having temporary custody of your property if you die but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

- 3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III—LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV—COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal pa-

pers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or

similar coverage for "your work";

- (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner or
- (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to exclusion **g.** of Section I — Coverage A—Bodily Injury And Property Damage Liability.

- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declaration of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured

shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V—DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world if:
 - (1) The injury or damage arises out of:
 - (a) Goods or products made or sold by you in the territory described in a. above; or
 - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
 - (2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

- (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection architectural or engineering activities.

- 10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".**

- 11. "Loading or unloading" means the handling of property:**

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is normally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

- 12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:**

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally on public roads;
- b. Vehicles maintained for use solely on or near premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.
However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
- 13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- 15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and

waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall

be deemed to occur at the time of the "occurrence" that caused it.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or**
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.**

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Your product" means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:**
 - (1) You;**
 - (2) Others trading under your name; or**
 - (3) A person or organization whose business or assets you have acquired; and**

- b. Containers (other than vehicles), materials parts or equipment furnished in connection with such goods or products.**

"Your product" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product" and**
- b. The providing of or failure to provide warranties or instructions.**

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

21. "Your work" means:

- a. Work or operations performed by you or on your behalf; and**
- b. Materials, parts or equipment furnished in connection with such work or operations.**

"Your work" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work" and**
- b. The providing of or failure to provide warranties or instructions.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to paragraph 2., Exclusions of Section I—Coverage A—Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

- B. The following exclusion is added to paragraph 2., Exclusions of Section I—Coverage B—Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

ENDORSEMENT NO. _____

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE (Standard Time)					INSURED	AGENCY AND CODE
	MO.	DAY	YR.	12:01 A.M.	NOON		
3XZ126367-00	10	15	2000	X		Burrtec Waste Industries, Inc.	R.F.Driver 430136

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

The coverage afforded by this policy does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. Inhaling, ingesting or physical exposure to asbestos or goods or products containing asbestos; or
2. The use of asbestos in construction or manufacturing any good, product or structure; or
3. The removal of asbestos from any good, product or structure; or
4. The manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos.

The coverage afforded by this policy does not apply to payment for the investigation or defense of any loss, injury or damage or any cost, fine or penalty or for any expense of claim or "suit" related to any of the above.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

AUTHORIZED REPRESENTATIVE

DATE

BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V—Definitions.

SECTION I—COVERED AUTOS

ITEM TWO of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. DESCRIPTION OF COVERED AUTO DESIGNATION SYMBOLS

- | SYMBOL | DESCRIPTION |
|--------|---|
| 1 = | ANY "AUTO". |
| 2 = | OWNED "AUTOS" ONLY. Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins. |
| 3 = | OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins. |
| 4 = | OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins. |
| 5 = | OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged. |
| 6 = | OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This |

includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.

- 7 = SPECIFICALLY DESCRIBED "AUTOS". Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in ITEM THREE).
- 8 = HIRED "AUTOS" ONLY. Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees" or partners or members of their households.
- 9 = NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

B. OWNED AUTOS YOU ACQUIRE AFTER THE POLICY BEGINS

- If symbols 1, 2, 3, 4, 5 or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
- But, if symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS

If Liability Coverage is provided by this Coverage



Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II—LIABILITY COVERAGE

A. COVERAGE

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. WHO IS AN INSURED

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the

covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. COVERAGE EXTENSIONS

a. Supplementary Payments

In addition to the Limit of Insurance, we will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earning up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

b. Out-of-State Coverage Extensions

While a covered "auto" is away from the

state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. EXCLUSIONS

This insurance does not apply to any of the following:

1. EXPECTED OR INTENDED INJURY

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. CONTRACTUAL

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. WORKERS' COMPENSATION

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. EMPLOYEE INDEMNIFICATION AND EMPLOYER'S LIABILITY

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. FELLOW EMPLOYEE

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

6. CARE, CUSTODY OR CONTROL

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. HANDLING OF PROPERTY

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. MOVEMENT OF PROPERTY BY MECHANICAL DEVICE

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. OPERATIONS

"Bodily injury" or "property damage" arising out of the operation of any equipment listed in paragraphs 6.b and 6.c. of the definition of "mobile equipment".

10. COMPLETED OPERATIONS

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or

on your behalf; and

- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. POLLUTION

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. WAR

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

13. RACING

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. LIMIT OF INSURANCE

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage

Endorsement, Uninsured Motorists Coverage
Endorsement or Underinsured Motorists Coverage
Endorsement attached to this Coverage Part.

SECTION III—PHYSICAL DAMAGE COVERAGE

A. COVERAGE

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

- b. **Specified Causes of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. **Glass Breakage—Hitting a Bird or Animal—Falling Objects or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. **Coverage Extension**

We will also pay up to \$15 per day to a maximum of \$450 for temporary transportation expense incurred by you because of the total

theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss."

B. EXCLUSIONS

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

- a. **Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation or radioactive contamination, however caused.

- b. **War or Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic device designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed measuring equipment such as

radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.

- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- d. Any accessories used with the electronic equipment described in paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:
 - (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
 - (2) An integral part of the same unit housing any sound reproducing equipment described in a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

C. LIMIT OF INSURANCE

The most we will pay for "loss" in any one "accident" is the lesser of:

- 1. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- 2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

D. DEDUCTIBLE

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV—BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. LOSS CONDITIONS

1. APPRAISAL FOR PHYSICAL DAMAGE LOSS

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.
 - (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.
- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. LOSS PAYMENT—PHYSICAL DAMAGE COVERAGES

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

5. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. GENERAL CONDITIONS

1. BANKRUPTCY

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Form is void in any case of

fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. LIBERALIZATION

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. NO BENEFIT TO BAILEE—PHYSICAL DAMAGE COVERAGES

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. OTHER INSURANCE

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:
 - (1) Excess while it is connected to motor vehicle you do not own.
 - (2) Primary while it is connected to a covered "auto" you own.
- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with driver is not a covered "auto".
- c. Regardless of the provisions of paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance on our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. PREMIUM AUDIT

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico; and
- d. Canada.

We also cover "loss" to, or "accidents" involving a covered "auto" while being transported between any of these places.

8. TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V—DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means a land motor vehicle, "trailer" or semitrailer designed for travel on public roads but does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand or order; or
2. Any claim or "suit" by or on behalf of a governmental authority demanding

that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants".

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in paragraphs 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises

owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

F. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

G. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies any person or organization for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel,

underpass or crossing; or

b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

H. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

I. "Loss" means direct and accidental loss or damage.

J. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or near to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
5. Vehicles not described in paragraphs 1., 2., 3 or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in paragraphs 1., 2., 3 or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - a. Equipment designed primarily for:
 - (1) Snow removal;

- (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
- K. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- L. "Property damage" means damage to or loss of use of tangible property.
- M. "Suit" means a civil proceeding in which:
- 1. Damages because of "bodily injury" or "property damage"; or

- 2. A "covered pollution cost or expense", to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" submits with our consent.

N. "Temporary worker" means a person who is furnished to you for a finite time period to support or supplement your workforce in special work situations such as "employee" absences, temporary skill shortages and seasonal workloads.

O. "Trailer" includes semitrailer.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

IL 00 23 04 98

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY
COMMERCIAL GENERAL LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY NEW YORK DEPARTMENT OF
TRANSPORTATION

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated

by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;

- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organi-



zation of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or con-

tains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

**GENERAL AND/OR AUTOMOBILE LIABILITY
ADDITIONAL INSURED ENDORSEMENT**

CITY OF RIVERSIDE

Named Insured and Address:

Contractor's Name: Burrtec Waste Industries, Inc. (SEE ATTACHED NAMED INSURED)

Contractor's Address: 9890 Cherry Avenue, Fontana, CA 92335

General description of agreement(s) and/or activity(s) insured: REFUSE COLLECTION AND/OR RECYCLING

Commercial Solid Waste Collection - Bid No. 5790

Notwithstanding any inconsistent statement in the policy to which this endorsement pertains or in any endorsement now or hereafter attached thereto, it is agreed as follows:

1. The City of Riverside and its officers and employees are additional insured thereunder in relation to those operations, uses, occupations, acts, and activities described generally above with regard to operations performed by or on behalf of the named insured.

2. Such insurance shall be primary, and not contributing with any other insurance maintained by the additional insured.

3. The policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability.

4. The policy shall not be subject to cancellation, change in coverage, reduction of limits or non-renewal except after written notice to the Risk Manager of the City of Riverside by certified mail, return receipt requested, not less than thirty (30) days prior to the effective date thereof.

ADDRESS CANCELLATION NOTICE AS FOLLOWS:

Risk Manager
City of Riverside
City Hall, 3900 Main Street
Riverside, California 92522

ISSUE ENDORSEMENT TO:

City of Riverside
C/O City Attorney
City Hall, 3900 Main Street
Riverside, California 92522

Except as stated above and not in conflict with this endorsement, nothing contained herein shall be held to waive, alter or extend any of the limits, agreements, or exclusions of the policy.

Endorsement No. 1	Effective Date: 10/15/00	Policy No.: 3XZ12636700
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TYPE OF COVERAGE TO WHICH
THIS ENDORSEMENT ATTACHES

POLICY PERIOD:
FROM: 10/15/00

LIMITS OF LIABILITY:
TO: 10/15/01

The following inclusions, exclusions, extensions or specific provisions relate to the above coverage. Aggregate limits and separate deductibles, if applicable, are to be noted after the stated coverage. (Attach additional pages if space is insufficient.) Scheduled items or locations are to be identified on an attached sheet.

(Continued on Page 2)

GENERAL AND/OR AUTOMOBILE LIABILITY
ADDITIONAL INSURED ENDORSEMENT
CITY OF RIVERSIDE

Page 2

INCLUDES:

- ☒ Premises & Operations
☒ Contractual Liability
☒ Independent Contractors
☒ Products/Completed Operations
☒ Broad Form Property Damage
☒ Personal Injury
☒ Broad Form Liability Endorsement
☒ Fire Legal Liability
☒ Watercraft Liability - NON-OWNED
☐ _____

- ☐ Incidental Medical Malpractice
☒ Explosion Hazard
☒ Collapse Hazard
☒ Underground Hazard
☐ Garagekeepers Legal Liability
(Primary) \$ _____
☒ Owned Automobiles
☒ Non-owned Automobiles
☒ Hired Automobiles
☐ _____

EXCLUDES: COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG00010798 EXCLUSIONS (ITEM 2)
EMPLOYMENT-RELATED PRACTICES EXCLUSION CG21470798
TOTAL POLLUTION EXCLUSION ENDORSEMENT CG21490999
ASBESTOS EXCLUSION LB23990B(1/99)

BUSINESS AUTO COVERAGE FORM CA00010797 EXCLUSIONS (ITEM II B)

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM) IL00230498

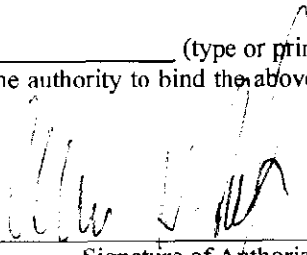
DEDUCTIBLE: A deductible ~~excess~~ ~~retention~~ (strike out one) of \$ 5,000 applies
to GENERAL LIABILITY AND BUSINESS AUTO coverage.

DEDUCTIBLE APPLIES PER CLAIM (), PER OCCURRENCE (x).

Insurance Company SPECIALTY NATIONAL INS. CO.

Address C/O ROBERT F. DRIVER CO., INC.
1620 FIFTH AVENUE
SAN DIEGO, CA 92101

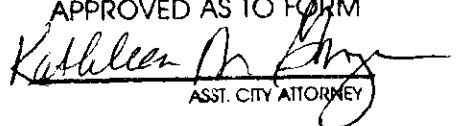
I, ALLAN H. ROBERTS (type or print name) hereby declare under penalty of perjury,
under the laws of the State of California, that I have the authority to bind the above-named insurance company to this endorsement
and by my execution hereof, do so bind said company.



Signature of Authorized Representative
(Original Signature only; No Facsimile Signature or Initialed Signature Accepted)

Executed at SAN DIEGO, CALIFORNIA on MAY 8, 2001.

Phone No.: (619) 238-1828

APPROVED AS TO FORM

ASST. CITY ATTORNEY

BURRTEC WASTE INDUSTRIES, INC.

NAMED INSURED

Agua Mansa MRF, LLC
AVCO Disposal, Inc.
Burr Group, Inc.
Burr Group LP
Burr Properties
Burrtec Waste Group, Inc.
Burrtec Waste Industries, Inc. (formerly PSP Waste Services, Inc.)
Burrtec Waste Industries, Inc., DBA: Agua Mansa Recycling & Transfer Co.
Burrtec Waste Industries, Inc., DBA: Inland Empire Recycling
Burrtec Waste Industries, Inc., DBA: Burrtec Recycling & Transfer Co.
Burrtec Waste Industries, Inc., DBA: Burrtec Recycling Center
Burrtec Waste Services, LLC
Currans Rubbish Disposal, Inc.
E. Cole Burr, Individually and as Trustee of the Burr Family Trust
EDCO Disposal Corp. (but only as respects to vehicles registered in this name)
Edward G. Burr, Sandra L. Burr, Cole Burr and Tracy A. Burr
Individually and Burr Properties: 9910, 9934, 9950, 9964, 9820, 9890, 9982
Cherry Avenue, Fontana, CA and 17000 Abbey Lane, corner of Abbey Lane and
Bimini - (5 acres), and 16997 Abbey Lane, Victorville, CA
Empire Disposal, LLC
Fontana Rubbish Collectors, Inc.
Indio/Coachella Transfer Station
Jack's Disposal Services, Inc.
Lucerne Valley Disposal, Inc.
Mark's Disposal – A division of Burrtec Waste Industries, Inc.
Monte Vista Disposal
Monte Vista Disposal, Inc.
Rancho Disposal, Inc.
T/M 403 INV (but only as respects to vehicles registered in this name)
TECMEC Maintenance Enterprises, Inc.
Tracy A. Burr, Individually and as Trustee of the Burr Family Trust
Tri-County Disposal, Inc.
Tri-County Disposal, Inc., DBA: Gary's Disposal (but only as respects to vehicles
registered in this name)
Universal Waste Systems (but only as respects to vehicles registered in this name)
Victorville Disposal, Inc.
West Valley MRF, LLC
West Valley Recycling & Transfer, Inc.
Yucaipa Disposal, Inc.
Yukon Disposal

Policy Number:

AS PER CERTIFICATE

Authorized Representative:

Robbie Roberts, V.P.
Robert F. Driver Company, Inc.
P. O. Box 120670
San Diego, CA 92112-0670
(619) 238-1828

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II—Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V—Definitions.

SECTION I—COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III—Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments—Coverage A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
- (2) The "bodily injury" or "property damage" occurs during the policy period.

- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:



- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other op-

erating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a government authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III—Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III—Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III—Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments—Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. "Personal and advertising injury":

- (1) Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
- (2) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (3) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (4) Arising out of a criminal act committed by or at the direction of any insured;
- (5) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
- (6) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- (7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- (8) Arising out of the wrong description of the price of goods, products or services stated in your "advertisement";
- (9) Committed by an insured whose business is advertising, broadcasting, publishing or telecasting. However, this exclusion does not apply to paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions section; or
- (10) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- b. Any loss, cost or expense arising out of any:

- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within one year of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. To any insured.
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury"

are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

- e. To a person injured while taking part in athletics.
- f. Included within the "products-completed operations hazard".
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS—COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All costs taxed against the insured in the "suit".
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.These payments will not reduce the limits of insurance.
2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the

liability of the indemnitee in a contract or agreement that is an "insured contract";

- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of paragraph 2.b.(2) of Section I—Coverage A—Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damages" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary liti-

gation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in paragraph f. above, are no longer met.

SECTION II—WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

2. Each of the following is also an insured:

- a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" as a

consequence of paragraph (1)(a) above;

- (c) For which there is any obligation to share damages with or repay some one else who must pay damages because of the injury described in paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee"), or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

- 3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only no other insurance of any kind is available to the person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III—LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV—COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal pa-

pers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or

similar coverage for "your work";

- (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner or
- (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to exclusion g. of Section I — Coverage A—Bodily Injury And Property Damage Liability.

- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declaration of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured

shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V—DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world if:
 - (1) The injury or damage arises out of:
 - (a) Goods or products made or sold by you in the territory described in a. above; or
 - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
 - (2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

- (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection architectural or engineering activities.

- 10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

- 11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

- 12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally on public roads;
- b. Vehicles maintained for use solely on or near to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.
However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
- 13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- 15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and

waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall

be deemed to occur at the time of the "occurrence" that caused it.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or**
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.**

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Your product" means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:**
 - (1) You;**
 - (2) Others trading under your name; or**
 - (3) A person or organization whose business or assets you have acquired; and**

- b. Containers (other than vehicles), materials parts or equipment furnished in connection with such goods or products.**

"Your product" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product" and**
- b. The providing of or failure to provide warranties or instructions.**

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

21. "Your work" means:

- a. Work or operations performed by you or on your behalf; and**
- b. Materials, parts or equipment furnished in connection with such work or operations.**

"Your work" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work" and**
- b. The providing of or failure to provide warranties or instructions.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to paragraph 2., Exclusions of Section I—Coverage A—Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

“Bodily injury” to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person’s employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of “bodily injury” to that person at whom any of the employment-related practices described in paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

- B. The following exclusion is added to paragraph 2., Exclusions of Section I—Coverage B—Personal And Advertising Injury Liability:**

This insurance does not apply to:

“Personal and advertising injury” to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person’s employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of “personal and advertising injury” to that person at whom any of the employment-related practices described in paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

ENDORSEMENT NO. _____

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE (Standard Time)					INSURED	AGENCY AND CODE
	MO.	DAY	YR.	12:01 A.M.	NOON		
3XZ126367-00	10	15	2000	X		Burrtec Waste Industries, Inc.	R.F.Driver 430136

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

The coverage afforded by this policy does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. Inhaling, ingesting or physical exposure to asbestos or goods or products containing asbestos; or
2. The use of asbestos in construction or manufacturing any good, product or structure; or

3. The removal of asbestos from any good, product or structure; or
4. The manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos.

The coverage afforded by this policy does not apply to payment for the investigation or defense of any loss, injury or damage or any cost, fine or penalty or for any expense of claim or "suit" related to any of the above.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

AUTHORIZED REPRESENTATIVE

DATE

BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V—Definitions.

SECTION I—COVERED AUTOS

ITEM TWO of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. DESCRIPTION OF COVERED AUTO DESIGNATION SYMBOLS

- | SYMBOL | DESCRIPTION |
|--------|---|
| 1 = | ANY "AUTO". |
| 2 = | OWNED "AUTOS" ONLY. Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins. |
| 3 = | OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins. |
| 4 = | OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins. |
| 5 = | OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged. |
| 6 = | OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This |

includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.

- 7 = SPECIFICALLY DESCRIBED "AUTOS". Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in ITEM THREE).
- 8 = HIRED "AUTOS" ONLY. Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees" or partners or members of their households.
- 9 = NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

B. OWNED AUTOS YOU ACQUIRE AFTER THE POLICY BEGINS

1. If symbols 1, 2, 3, 4, 5 or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS

If Liability Coverage is provided by this Coverage



Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II—LIABILITY COVERAGE

A. COVERAGE

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. WHO IS AN INSURED

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the

covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner (if you are a partnership), or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. COVERAGE EXTENSIONS

a. Supplementary Payments

In addition to the Limit of Insurance, we will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earning up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

b. Out-of-State Coverage Extensions

While a covered "auto" is away from the

state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. EXCLUSIONS

This insurance does not apply to any of the following:

1. EXPECTED OR INTENDED INJURY

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. CONTRACTUAL

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. WORKERS' COMPENSATION

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. EMPLOYEE INDEMNIFICATION AND EMPLOYER'S LIABILITY

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. FELLOW EMPLOYEE

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

6. CARE, CUSTODY OR CONTROL

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. HANDLING OF PROPERTY

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. MOVEMENT OF PROPERTY BY MECHANICAL DEVICE

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. OPERATIONS

"Bodily injury" or "property damage" arising out of the operation of any equipment listed in paragraphs 6.b and 6.c. of the definition of "mobile equipment".

10. COMPLETED OPERATIONS

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or

on your behalf; and

- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. POLLUTION

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. WAR

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

13. RACING

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. LIMIT OF INSURANCE

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage

Endorsement, Uninsured Motorists Coverage
Endorsement or Underinsured Motorists Coverage
Endorsement attached to this Coverage Part.

SECTION III—PHYSICAL DAMAGE COVERAGE

A. COVERAGE

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

- b. **Specified Causes of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
 - (2) Theft;
 - (3) Windstorm, hail or earthquake;
 - (4) Flood;
 - (5) Mischief or vandalism; or
 - (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. **Glass Breakage—Hitting a Bird or Animal—Falling Objects or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
 - b. "Loss" caused by hitting a bird or animal; and
 - c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. **Coverage Extension**

We will also pay up to \$15 per day to a maximum of \$450 for temporary transportation expense incurred by you because of the total

theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss."

B. EXCLUSIONS

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

- a. **Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
 - (2) Nuclear reaction or radiation or radioactive contamination, however caused.

- b. **War or Military Action**

- (1) War, including undeclared or civil war
 - (2) Warlike action by a military force including action in hindering defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
 - b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic device designed for use with audio, visual or data electronic equipment.
 - b. Any device designed or used to detect speed measuring equipment such as

radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.

- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- d. Any accessories used with the electronic equipment described in paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:
 - (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
 - (2) An integral part of the same unit housing any sound reproducing equipment described in a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

C. LIMIT OF INSURANCE

The most we will pay for "loss" in any one "accident" is the lesser of:

- 1. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- 2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

D. DEDUCTIBLE

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV—BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. LOSS CONDITIONS

1. APPRAISAL FOR PHYSICAL DAMAGE LOSS

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

- b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. LOSS PAYMENT—PHYSICAL DAMAGE COVERAGES

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

5. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. GENERAL CONDITIONS

1. BANKRUPTCY

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Form is void in any case of

fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. LIBERALIZATION

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. NO BENEFIT TO BAILEE—PHYSICAL DAMAGE COVERAGES

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. OTHER INSURANCE

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:
 - (1) Excess while it is connected to motor vehicle you do not own.
 - (2) Primary while it is connected to a covered "auto" you own.
- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with driver is not a covered "auto".
- c. Regardless of the provisions of paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance on our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. PREMIUM AUDIT

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico; and
- d. Canada.

We also cover "loss" to, or "accidents" involving a covered "auto" while being transported between any of these places.

8. TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V—DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means a land motor vehicle, "trailer" or semitrailer designed for travel on public roads but does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand or order; or
2. Any claim or "suit" by or on behalf of a governmental authority demanding

that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants".

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in paragraphs 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises

owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
 - (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- E. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- F. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- G. "Insured contract" means:
1. A lease of premises;
 2. A sidetrack agreement;
 3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
 6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".
- An "insured contract" does not include that part of any contract or agreement:
- a. That indemnifies any person or organization for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel,

underpass or crossing; or

- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
 - c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- H. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- I. "Loss" means direct and accidental loss or damage.
- J. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 2. Vehicles maintained for use solely on or near to premises you own or rent;
 3. Vehicles that travel on crawler treads;
 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.
 5. Vehicles not described in paragraphs 1., 2., 3 or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
 6. Vehicles not described in paragraphs 1., 2., 3 or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles of the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - a. Equipment designed primarily for:
 - (1) Snow removal;

2. A "covered pollution cost or expense", to which this insurance applies, are alleged.

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" submits with our consent.

O. "Trailer" includes semitrailer.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

IL 00 23 04 98

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY
COMMERCIAL GENERAL LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY NEW YORK DEPARTMENT OF
TRANSPORTATION

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated

by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;

- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organi-



zation of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or con-

tains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

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Professional Insurance Services Since 1971

May 8, 2001

ATTN: Eileen M. Teichert
Supervising Deputy City Attorney
City of Riverside
Legal Department
3900 Main Street
Riverside, CA 92522

RE: Bond No. K06595972 for Burrtec Waste Industries, Inc. - \$1,000,000.00

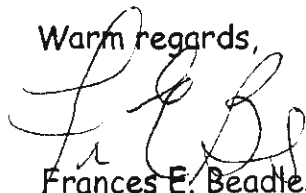
Dear Ms. Teichert:

This letter is with regard to Bond No. **K06595972** in the amount of \$1,000,000.00 for Burrtec Waste Industries, Inc., as principal, and the City of Riverside as Obligee. This bond has been written for a one year term and we fully intend to renew this bond at the renewal date as listed on the bond. The surety prefers to reserve the right to underwrite all performance bonds on a yearly basis at or prior to the time of renewal and the surety will continue to do so for the term of the contract.

All of the bonds that we have issued on behalf of Burrtec Waste Industries, Inc. have been written for one year terms that are scheduled to renew yearly for the term of the contract or until the contract is complete or has been renewed.

If you should have any further questions, please feel free to contact my office regarding the above mentioned bond.

Warm regards,



Frances E. Beadles, Attorney-in-fact
Insurance Company of North America

Burrtec
commercial
bond

Faithful Performance Bond

Bond Number: KO6595972
Premium: \$12,000.00

KNOW ALL BY THESE PRESENTS, That we, Burrtec Waste Industries, Inc., as Principal, and the Insurance Company of North America a corporation organized under the laws of the State of California and authorized to transact the business of surety in the State of California, as Surety, are held firmly bound unto the City of Riverside as Obligor, in the penal sum of ONE MILLION AND NO/100'S----- (\$1,000,000.00--for which sum, well and truly be paid, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, finally by these presents.

NOW, THEREFORE, the condition of this obligation is such that

WHEREAS, the above bounden Principal has entered into a certain written contract with the above named Obligor, dated _____ for the performance of the following described work, to-wit:

Integrated Solid Waste Management Services

which contract is hereby referred to and made part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, that if the above bounden Principal shall faithfully perform the work contracted to be performed under said contract, then this obligation shall be void, otherwise to remain in full force and effect.

Said Surety for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the term of the contract or the work to be performed thereunder or the specification accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the term of the contract or to the work or to the specifications.

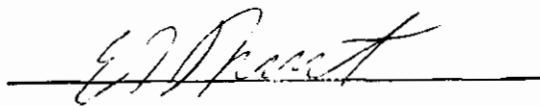
PROVIDED, HOWEVER, the Surety shall not be liable under this bond for an amount greater in the aggregate than the sum designated in the first paragraph hereof, and shall not be liable as respects any obligations related to said agreement occurring prior to February 28, 2001, or after February 28, 2002 unless said bond is extended. This bond may be extended annually thereafter upon the sole discretion of the surety by virtue of filing an extension Rider at least Thirty (30) day prior to the expiration of this bond.

IN WITNESS WHEREOF, said Principal and Surety have caused these presents to be duly signed and sealed this

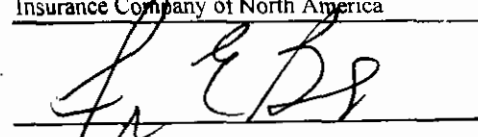
SURETY

Burrtec Waste Industries, Inc.

Insurance Company of North America

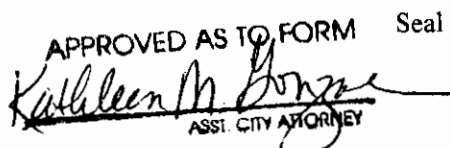


Principal



Attorney-in-fact Frances E. Beadles

Seal

APPROVED AS TO FORM Seal

ASST. CITY ATTORNEY

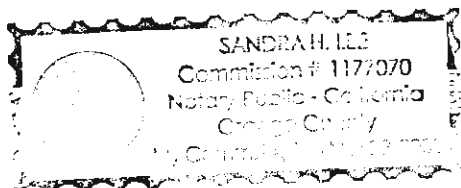
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange

On February 28, 2001, before me, Sandra H. Lee, Notary Public,

personally appeared, Frances E. Beadles (Name(S) Of Signer(S))



- ☒ personally known to me
☐ 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.

WITNESS my hand and official seal.

A handwritten signature in cursive script that reads "Sandra H. Lee".

Signature of Notary Public

OPTIONAL

Through the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

DESCRIPTION OF ATTACHED DOCUMENT

Title Or Type Of Document:

Document Date:

Number Of Pages:

Signer(S) Other Than Named Above:

CAPACITY(IES) CLAIMED BY SIGNER

Signer's Name:

- ☐ Individual
☐ Corporate Officer
Title(s):
☐ Partner(s) - ☐ Limited ☐ General
☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

RIGHT THUMBPRINT
OF SIGNER

Signer Is Representing:

Signer's Name:

- ☐ Individual
☐ Corporate Officer
Title(s):
☐ Partner(s) - ☐ Limited ☐ General
☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

RIGHT THUMBPRINT
OF SIGNER

Signer Is Representing:



Know all men by these presents: That **INSURANCE COMPANY OF NORTH AMERICA**, a corporation of the Commonwealth of Pennsylvania, having its principal office in the City of Philadelphia, Pennsylvania, pursuant to the following Resolution, adopted by the Board of Directors of the said Company on December 5, 1983, to wit:

"RESOLVED. That pursuant to Articles 3.18 and 5.1 of the By-Laws, the following Rules shall govern the execution for the Company of bonds, undertakings, recognizances, contracts and other writings in the nature thereof.

- (1) That the President, any Senior Vice President, any Vice President, and Assistant Vice President, or any Attorney-in-Fact, may execute for and on behalf of the Company any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Corporate Secretary, or any Assistant Corporate Secretary, and the seal of the Company affixed thereto, and that the President, any Senior Vice President, any Vice President or any Assistant Vice President may appoint and authorize any other Officer (elected or appointed) of the Company, and Attorneys-In-Fact to so execute or attest to the execution of all such writings on behalf of the Company and to affix the seal of the Company thereto.
- (2) Any such writing executed in accordance with these Rules shall be as binding upon the Company in any case as though signed by the President and attested to by the Corporate Secretary.
- (3) The signature of the President, or a Senior Vice President, or a Vice President, or an Assistant Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the signature of a certifying Officer and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company.
- (4) Such other Officers of the Company, and Attorneys-In-Fact shall have authority to certify or verify copies of this Resolution, the By-Laws of the Company, and any affidavit or record of the Company necessary to the discharge of their duties.
- (5) The passage of this Resolution does not revoke any earlier authority granted by Resolutions of the Board of Directors adopted on June 9, 1953, May 28, 1975, and March 23, 1977."

does hereby nominate, constitute and appoint **FRANCES E. BEADLES** and **STEPHEN D. WOOD** both of the City of Laguna Niguel, State of California, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof in penalties not exceeding One Million Dollars (\$1,000,000) and the execution of such writings in pursuance of these presents shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said William Jungreis, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **INSURANCE COMPANY OF NORTH AMERICA** this 29th day of December 2000.

INSURANCE COMPANY OF NORTH AMERICA

William Jungreis, Vice President



COMMONWEALTH OF PENNSYLVANIA
COUNTY OF PHILADELPHIA ss.

On This 29th day of December, A.D. 2000, before me, a Notary Public of the Commonwealth of Pennsylvania in and for the County of Philadelphia came William Jungreis, Vice-President of the **INSURANCE COMPANY OF NORTH AMERICA** to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same, and that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Philadelphia the day and year first above written.



NOTARIAL SEAL
Kathleen Tirri, Notary Public
Philadelphia City, Philadelphia County
My commission expires Sep. 22, 2003

Notary Public

I, the undersigned Secretary of **INSURANCE COMPANY OF NORTH AMERICA**, do hereby certify that the original POWER OF ATTORNEY, of which the foregoing is a substantially true and correct copy, is in full force and effect.

In witness whereof, I have hereunto subscribed my name as Secretary, and affixed the corporate seal of the Corporation, this 28th day of February 2001



Debra H. Paziora, Secretary

THIS POWER OF ATTORNEY MAY NOT BE USED TO EXECUTE ANY BOND WITH AN INCEPTION DATE AFTER December 29, 2002.

NOT VALID UNLESS PRINTED ON RED BACKGROUND

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

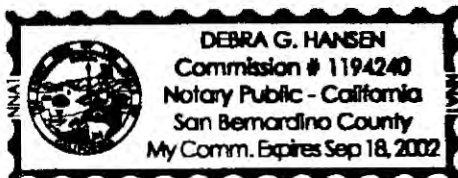
County of San Bernardino

SS.

On 4/3/01, before me, Debra G. Hansen, Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Eric D. Herbert,
Name(s) of Signer(s)

☒ personally known to me
☐ 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.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____
☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

Company Profile



INSURANCE COMPANY OF NORTH AMERICA

1601 CHESTNUT STREET
PHILADELPHIA, PA 19192
800-352-4462

Service of Process

KAREN B. RICE, 21860 BURBANK BLVD. #200 WOODLAND HILLS, CA 91365

Reference Information

NAIC #:	22713
NAIC Group #:	0626
California Company ID #:	0096-8
Date admitted in California:	October 11, 1872
License Status:	UNLIMITED-NORMAL
Company Type:	Property & Casualty
State of Domicile:	PENNSYLVANIA

Lines of Insurance Authorized to Transact

The company is authorized to transact business within these lines of insurance. For an explanation of any of these terms, please refer to the glossary.

AIRCRAFT
AUTOMOBILE
BOILER AND MACHINERY
BURGLARY
COMMON CARRIER LIABILITY
CREDIT
DISABILITY
FIRE
LIABILITY
MARINE

MISCELLANEOUS
PLATE GLASS
SPRINKLER
SURETY
TEAM AND VEHICLE
WORKERS' COMPENSATION

Company Complaint Information



[Company Performance & Comparison Data](#)

[Composite Complaint Studies](#)

Want More?

[Help Me Find a Company Representative in My Area](#)

[Financial Rating Organizations](#)

Last Revised - April 09, 2001 06:31 PM
Copyright © California Department of Insurance
[Disclaimer](#)

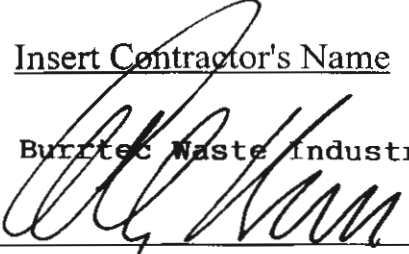
WORKERS' COMPENSATION CERTIFICATION

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

DATED: May 7, 2001

Insert Contractor's Name

Burrtec Waste Industries, Inc.

By 

Name Cole Burr

Title President

CORPORATE CERTIFICATE


STATE OF CALIFORNIA)
) SS:
COUNTY OF SAN BERNARDINO)

I HEREBY CERTIFY THAT THE Board of Directors of Burrtec Waste Industries, Inc., a corporation existing under the laws of the State of California, has duly passed and adopted the following resolution by unanimous written consent of said Board of Directors dated March 26, 2001:

“RESOLVED that Cole Burr, President and Eric D. Herbert, Vice President of the Corporation, be and are hereby authorized to execute the Agreement for Commercial Solid Waste Collection Services between the City of Riverside and this corporation and that their execution thereof and with the Corporate Seal affixed, shall be the official act and deed of this Corporation.”

I further certify that said resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the corporation this 26th day of March, 2001.



Tracy A. Burr
Secretary

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
3/05/01

PRODUCER

619-238-1828

ROBERT F. DRIVER COMPANY, INC.
1620 FIFTH AVENUE
SAN DIEGO, CA 92101
ROBBIE ROBERTS, V.P.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY A	Specialty National Ins. Co.
COMPANY B	National Union Fire Ins. Co.
COMPANY C	REVISES CERT DATED 10/19/00
COMPANY D	

INSURED

Burrtec Waste Industries, Inc.
(See Attached Named Insured)
9890 Cherry Avenue
Fontana CA 92335

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT <input checked="" type="checkbox"/> PREMISES	3XZ12636700	10/15/00	10/15/01	GENERAL AGGREGATE \$ 2000000 PRODUCTS - COMP/OP AGG \$ 2000000 PERSONAL & ADV INJURY \$ 1000000 EACH OCCURRENCE \$ 1000000 FIRE DAMAGE (Any one fire) \$ 300000 MED EXP (Any one person) \$ 15000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> POLLUTION	3XZ12636700	10/15/00	10/15/01	COMBINED SINGLE LIMIT \$ 1000000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
B	EXCESS LIABILITY <input checked="" type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	BE7406330	10/15/00	10/15/01	EACH OCCURRENCE \$ 10000000 AGGREGATE \$ 10000000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> EL EACH ACCIDENT \$ EL DISEASE - POLICY LIMIT \$ EL DISEASE - EA EMPLOYEE \$
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

THE CITY, ITS OFFICERS, ELECTIVE AND APPOINTEE BOARDS, COMMISSIONS, EMPLOYEES AND AGENTS ARE NAMED AS ADDITIONAL INSURED PER CG2010 AND PRIMARY COVERAGE ENDORSEMENTS ATTACHED.

APPROVED AS TO FORM

Kathleen A. Gray
ASST. CITY ATTORNEY

CERTIFICATE HOLDER

CITY OF RIVERSIDE
PUBLIC WORKS DIRECTOR/RISK MGR
3900 MAIN STREET
RIVERSIDE, CA 92522

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL SEND BY MAIL

*30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT.

Alvin J. [Signature]
AUTHORIZED REPRESENTATIVE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNERS, LESSEES OR
OR CONTRACTORS- SCHEDULED PERSON OR
ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Name of Person or Organization:

THE CITY, ITS OFFICERS, ELECTIVE AND APPOINTIVE
BOARDS, COMMISSIONS, EMPLOYEES AND AGENTS

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Who Is An Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

RE: REFUSE HAULING

Insured: BURRTEC WASTE INDUSTRIES, INC.

Producer: Robert F. Driver Co., Inc., San Diego, CA

APPROVED AS TO FORM

Kathleen M. Borg
CITY ATTORNEY

Specialty National Insurance CompanyA **KEMPER** COMPANYENDORSEMENT NO. GL-1

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE (Standard Time)					INSURED	AGENCY AND CODE
	MO.	DAY	YR.	12:01 A.M.	NOON		
3XZ126367-00	10	15	2000	X		Burrtec Waste Industries, Inc.	R.F. Driver, 430136

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – PRIMARY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is agreed that any person or organization described below is an additional insured, but only with respect to liability arising out of operations performed for the additional insured by or on behalf of the named insured. The insurance afforded to such additional insured is primary and shall not contribute in any way with other insurance which such additional insured may have.

All other endorsements, provisions, conditions, and exclusions of this insurance shall remain unchanged and apply to the additional insured described below.

ADDITIONAL INSURED:
Per Certificate Attached

TYPE OF OPERATION:
Refuse Collection and/or Recycling

PROJECT LOCATION:
Per Certificate Attached



ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

BURRTEC WASTE INDUSTRIES, INC.

NAMED INSURED

Agua Mansa MRF, LLC
AVCO Disposal, Inc.
Burr Group, Inc.
Burr Group LP
Burr Properties
Burrtec Waste Group, Inc.
Burrtec Waste Industries, Inc. (formerly PSP Waste Services, Inc.)
Burrtec Waste Industries, Inc., DBA: Agua Mansa Recycling & Transfer Co.
Burrtec Waste Industries, Inc., DBA: Inland Empire Recycling
Burrtec Waste Industries, Inc., DBA: Burrtec Recycling & Transfer Co.
Burrtec Waste Industries, Inc., DBA: Burrtec Recycling Center
Burrtec Waste Services, LLC
Currans Rubbish Disposal, Inc.
E. Cole Burr, Individually and as Trustee of the Burr Family Trust
EDCO Disposal Corp. (but only as respects to vehicles registered in this name)
Edward G. Burr, Sandra L. Burr, Cole Burr and Tracy A. Burr
Individually and Burr Properties: 9910, 9934, 9950, 9964, 9820, 9890, 9982
Cherry Avenue, Fontana, CA and 17000 Abbey Lane, corner of Abbey Lane and
Bimini - (5 acres), and 16997 Abbey Lane, Victorville, CA
Empire Disposal, LLC
Fontana Rubbish Collectors, Inc.
Indio/Coachella Transfer Station
Jack's Disposal Services, Inc.
Lucerne Valley Disposal, Inc.
Mark's Disposal – A division of Burrtec Waste Industries, Inc.
Monte Vista Disposal
Monte Vista Disposal, Inc.
Rancho Disposal, Inc.
T/M 403 INV (but only as respects to vehicles registered in this name)
TECMEC Maintenance Enterprises, Inc.
Tracy A. Burr, Individually and as Trustee of the Burr Family Trust
Tri-County Disposal, Inc.
Tri-County Disposal, Inc., DBA: Gary's Disposal (but only as respects to vehicles
registered in this name)
Universal Waste Systems (but only as respects to vehicles registered in this name)
Victorville Disposal, Inc.
West Valley MRF, LLC
West Valley Recycling & Transfer, Inc.
Yucaipa Disposal, Inc.
Yukon Disposal

Policy Number:

AS PER CERTIFICATE

Authorized Representative:

Robbie Roberts, V.P.
Robert F. Driver Company, Inc.
P. O. Box 120670
San Diego, CA 92112-0670
(619) 238-1828

ACORD CERTIFICATE OF LIABILITY INSURANCE

FF ID LK
BURRT-1

DATE (MM/DD/YY)
02/28/01

PRODUCER
Austin Cooper & Price
Ins Agency Inc (Lic-0546677)
Box 3280
Bernardino CA 92413-3280
Phone: 909-886-9861 Fax: 909-886-2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED

Burrtec Waste Industries Inc
9890 Cherry Ave
Fontana CA 92335

INSURER A: Safety National/Gryphon
INSURER B:
INSURER C:
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	PR1706	01/01/01	01/01/02	WC STATU- TORY LIMITS <input type="checkbox"/> OTH- ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Workers Compensation=Solid Waste Collection and Disposal Services
 Certholder, its officers, elective and appointive boards,
 commissions, employees and agents are listed on attached waiver of
 subrogation end't which applies to certificate
 30 days N O C except 10 days for nonpayment

APPROVED AS TO FORM

Kathleen M. [Signature]
ASST. CITY ATTORNEY

CERTIFICATE HOLDER ☒ N ADDITIONAL INSURED; INSURER LETTER: _____

CANCELLATION

CIRIV01

City of Riverside
 Public Works Director and the
 City's Risk manager
 3900 Main Street
 Riverside CA 92522

OK sent 4/11/01

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL _____ MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, _____

John J. [Signature]

WORKERS COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be N/A % of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Person or Organization:

Job Description

City of Riverside, its officers, elective and appointive boards, commissions, employees and agents Error! Reference s

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: 01/01/01

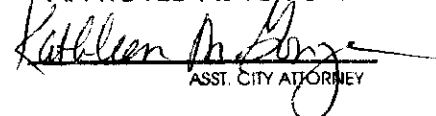
Insured: Burrtec Waste Industries Inc

Policy No.
PR1706

Countersigned By


AUSTIN, COOPER & PRICE INS. AGENCY INC.

APPROVED AS TO FORM


ASST. CITY ATTORNEY

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
10 16 C1

PRODUCER

619-238-1828

ROBERT F. DRIVER COMPANY, INC.
1620 FIFTH AVENUE
SAN DIEGO, CA 92101
ROBBIE ROBERTS, V.P.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION
ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE
HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR
ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY
A Specialty National Ins. Co.

COMPANY
B American Int'l Specialty Lines

COMPANY
C

COMPANY
D

RECEIVED
OCT 19 2001

OFFICE OF THE CITY CLERK

INSURED

Burrtec Waste Industries, Inc.
(See Attached Named Insured)
9890 Cherry Avenue
Fontana CA 92335

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	3XZ12636701	10/15/01	10/15/02	GENERAL AGGREGATE \$ 2000000 PRODUCTS - COMP/OP AGG \$ 2000000 PERSONAL & ADV INJURY \$ 1000000 EACH OCCURRENCE \$ 1000000 FIRE DAMAGE (Any one fire) \$ 300000 MED EXP (Any one person) \$ 15000
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	3XZ12636701	10/15/01	10/15/02	COMBINED SINGLE LIMIT \$ 1000000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
B	EXCESS LIABILITY	BE7413104	10/15/01	10/15/02	EACH OCCURRENCE \$ 10000000 AGGREGATE \$ 10000000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU- TORY LIMITS OTH- ER EL EACH ACCIDENT \$ EL DISEASE - POLICY LIMIT \$ EL DISEASE - EA EMPLOYEE \$
	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				
	OTHER				*10 DAYS FOR NON-PAYMENT

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

THE CITY, ITS OFFICERS, ELECTIVE AND APPOINTIVE BOARDS, COMMISSIONS,
EMPLOYEES AND AGENTS ARE NAMED AS ADDITIONAL INSURED PER CG2010 AND
PRIMARY COVERAGE ENDORSEMENTS ATTACHED.

CERTIFICATE HOLDER

CITY OF RIVERSIDE
PUBLIC WORKS DIRECTOR/RISK MGR
3900 MAIN STREET
RIVERSIDE, CA 92522

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE
EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL
30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT,
BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY
OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.
AUTHORIZED REPRESENTATIVE

Alvin D. Roberts

BURRTEC WASTE INDUSTRIES, INC.

NAMED INSURED

Agua Mansa MRF, LLC
AVCO Disposal, Inc.
Burr Group, Inc.
Burr Group LP
Burr Properties
Burrtec Waste Group, Inc.
Burrtec Waste Industries, Inc. (formerly PSP Waste Services, Inc.)
Burrtec Waste Industries, Inc., DBA: Agua Mansa Recycling & Transfer Co.
Burrtec Waste Industries, Inc., DBA: Inland Empire Recycling
Burrtec Waste Industries, Inc., DBA: Burrtec Recycling & Transfer Co.
Burrtec Waste Industries, Inc., DBA: Burrtec Recycling Center
Burrtec Waste Services, LLC
Currans Rubbish Disposal, Inc.
E. Cole Burr, Individually and as Trustee of the Burr Family Trust
EDCO Disposal Corp. (but only as respects to vehicles registered in this name)
Edward G. Burr, Sandra L. Burr, Cole Burr and Tracy A. Burr
Individually and Burr Properties: 9910, 9934, 9950, 9964, 9820, 9890, 9982
Cherry Avenue, Fontana, CA and 17000 Abbey Lane, corner of Abbey Lane and
Bimini - (5 acres), and 16997 Abbey Lane, Victorville, CA
Empire Disposal, LLC
Fontana Rubbish Collectors, Inc.
Indio/Coachella Transfer Station
Jack's Disposal Services, Inc.
Lucerne Valley Disposal, Inc.
Mark's Disposal – A division of Burrtec Waste Industries, Inc.
Monte Vista Disposal
Monte Vista Disposal, Inc.
Rancho Disposal, Inc.
T/M 403 INV (but only as respects to vehicles registered in this name)
TECMEC Maintenance Enterprises, Inc.
Tracy A. Burr, Individually and as Trustee of the Burr Family Trust
Tri-County Disposal, Inc.
Tri-County Disposal, Inc., DBA: Gary's Disposal (but only as respects to vehicles
registered in this name)
Universal Waste Systems (but only as respects to vehicles registered in this name)
Victorville Disposal, Inc.
West Valley MRF, LLC
West Valley Recycling & Transfer, Inc.
Yucaipa Disposal, Inc.
Yukon Disposal

Policy Number:

AS PER CERTIFICATE

Authorized Representative:

Robbie Roberts, V.P.
Robert F. Driver Company, Inc.
P. O. Box 120670
San Diego, CA 92112-0670
(619) 238-1828

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNERS, LESSEES OR
OR CONTRACTORS- SCHEDULED PERSON OR
ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Name of Person or Organization:

PER CERTIFICATE ATTACHED

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Who Is An Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

RE: REFUSE HAULING

Insured: BURRTEC WASTE INDUSTRIES, INC.

Producer: Robert F. Driver Co., Inc., San Diego, CA



BURRTEC
WASTE INDUSTRIES, INC.

May 2, 2005

Ms. Siobhan Foster
City of Riverside
3900 Main St
Riverside, CA 92522

Dear Ms. Foster:

Enclosed please find the Continuation Certificate for the bond for Burrtec Waste Industries as required by our Franchise Agreement in the amount of \$1,000,000.

If you have any questions, please do not hesitate to call.

Sincerely,

Debra G. Hansen
Administrative Project Manager

(Bonds\Riverside - 5-2-05)

RECEIVED
CITY OF RIVERSIDE

MAY 11 2005

RISK MANAGEMENT

RECEIVED

MAY 13 2005

CITY OF RIVERSIDE
CITY CLERK'S OFFICE

RECEIVED
MAY 03 2005
DEPT. OF
PUBLIC WORKS

WESTCHESTER FIRE INSURANCE COMPANY
1601 Chestnut Street, Philadelphia, PA 19103

Contract

CONTINUATION CERTIFICATE

The company indicated above, hereinafter called the "Company" as Surety on Bond # K06595972 in the sum of One Million Dollars (\$1,000,000) on behalf of Burrtec Waste Industries, Inc. of 9890 Cherry Avenue, Fontana, CA-92335 , Principal, in favor of City of Riverside CA , Obligee, hereby certifies that this bond is continued in full force and effect from the 28th day of February 2005 to the 28th day of February 2006, subject to all covenants and conditions of said bond.

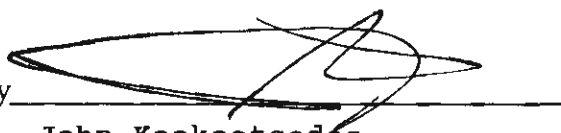
This bond has been continued in force upon the express condition that the full extent of the Company's liability under said bond and all continuations thereof for any loss or series of losses occurring during the entire time the Company remains on said bond shall in no event exceed the sum of the bond.

In witness whereof the Company has caused this instrument to be duly signed, sealed and dated as of the 16th day of November 2004.

WESTCHESTER FIRE INSURANCE COMPANY

Surety

By


John Kookootsedes
Attorney-in-fact

Please mail Inquiries to :

ACE Surety Underwriting Services
Two Liberty Place
TL 33M
Philadelphia, PA 19101-1484
Phone 1-800-392-3770

STATE OF CALIFORNIA

COUNTY OF ORANGE

} SS.

On APRIL 27, 2005, before me, DEBORAH PRIEST-MCGINN, NOTARY PUBLIC

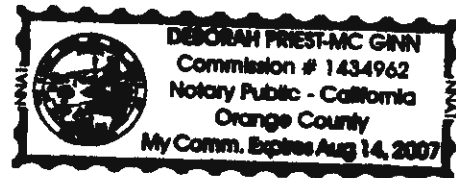
PERSONALLY APPEARED JOHN KOOKOOTSEDES

personally known to me (or 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.

WITNESS my hand and official seal.

Signature

Deborah Priest-McGinn



This area for Official Notarial Seal

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S) ☐ LIMITED
 ☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OF TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

Power of Attorney

271812

WESTCHESTER FIRE INSURANCE COMPANY



1069994

Know all men by these presents: That **WESTCHESTER FIRE INSURANCE COMPANY**, a corporation of the State of New York, having its principal office in the City of Atlanta, Georgia, pursuant to the following Resolution, adopted by the Board of Directors of the said Company on November 8, 1999, to wit:

"RESOLVED, that the following Rules shall govern the execution for the Company of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:

- (1) That the President, any Senior Vice President, any Vice President, and Assistant Vice President, or any Attorney-in-Fact, may execute for and on behalf of the Company any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Corporate Secretary, or any Assistant Corporate Secretary, and the seal of the Company affixed thereto; and that the President, any Senior Vice President, any Vice President or any Assistant Vice President may appoint and authorize any other Officer (elected or appointed) of the Company, as Attorneys-In-Fact to so execute or attest to the execution of all such writings on behalf of the Company and to affix the seal of the Company thereto;
- (2) Any such writing executed in accordance with these Rules shall be as binding upon the Company in any case as though signed by the President and attested to by the Corporate Secretary;
- (3) The signature of the President, or a Senior Vice President, or a Vice President, or an Assistant Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the signature of a certifying Officer and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company;
- (4) Such other Officers of the Company, and Attorneys-In-Fact shall have authority to certify or verify copies of this Resolution, the By-Laws of the Company, and any affidavits or record of the Company necessary to the discharge of their duties;
- (5) The passage of this Resolution does not revoke any earlier authority granted by Resolutions of the Board of Directors."

Does hereby nominate, constitute and appoint **JAMES BRAKKE** and **JOHN KOOKOOTSEDES** both of the City of Laguna Niguel, State of California, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof in penalties not exceeding Ten Million Dollars (\$10,000,000) and the execution of such writings in pursuance of these presents shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said Stephen M. Haney, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **WESTCHESTER FIRE INSURANCE COMPANY** this 4th day of August 2004



WESTCHESTER FIRE INSURANCE COMPANY

Stephen M. Haney

Stephen M. Haney, Vice President

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF PHILADELPHIA ss.

On this 4th day of August, A.D. 2004, before me, a Notary Public of the Commonwealth of Pennsylvania in and for the County of Philadelphia came Stephen M. Haney, Vice-President of the **WESTCHESTER FIRE INSURANCE COMPANY** to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same, and that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Philadelphia the day and year first above written.



NOTARIAL SEAL
Kathleen Tirri, Notary Public
Philadelphia, Philadelphia County
My commission expires September 22, 2007

Kathleen Tirri

Notary Public

I, the undersigned Secretary of **WESTCHESTER FIRE INSURANCE COMPANY**, do hereby certify that the original POWER OF ATTORNEY, of which the foregoing is a substantially true and correct copy, is in full force and effect.

In witness whereof, I have hereunto subscribed my name as Secretary, and affixed the corporate seal of the Corporation, this 27th day of April 2005



George D. Mulligan

George D. Mulligan, Secretary

THIS POWER OF ATTORNEY MAY NOT BE USED TO EXECUTE ANY BOND WITH AN INCEPTION DATE AFTER August 4, 2006.



BURRTEC
WASTE INDUSTRIES, INC.

May 2, 2005

Ms. Siobhan Foster
City of Riverside
3900 Main St
Riverside, CA 92522

Dear Ms. Foster:

Enclosed please find the Continuation Certificate for the bond for Burrtec Waste Industries as required by our Franchise Agreement in the amount of \$1,000,000.

If you have any questions, please do not hesitate to call.

Sincerely,

Debra G. Hansen
Administrative Project Manager

(Bonds\Riverside - 5-2-05)

RECEIVED
CITY OF RIVERSIDE

MAY 11 2005

RISK MANAGEMENT

RECEIVED

MAY 13 2005

CITY OF RIVERSIDE
CITY CLERK'S OFFICE

SCANNED

MAY 17 2005

CITY CLERK'S OFFICE

April 2001

RECEIVED
MAY 03 2005
DEPT. OF
PUBLIC WORKS

WESTCHESTER FIRE INSURANCE COMPANY
1601 Chestnut Street, Philadelphia, PA 19103

Contract

CONTINUATION CERTIFICATE

The company indicated above, hereinafter called the "Company" as Surety on Bond # K06595972 in the sum of One Million Dollars (\$1,000,000) on behalf of Burrtec Waste Industries, Inc. of 9890 Cherry Avenue, Fontana, CA-92335, Principal, in favor of City of Riverside CA, Oblige, hereby certifies that this bond is continued in full force and effect from the 28th day of February 2005 to the 28th day of February 2006, subject to all covenants and conditions of said bond.


This bond has been continued in force upon the express condition that the full extent of the Company's liability under said bond and all continuations thereof for any loss or series of losses occurring during the entire time the Company remains on said bond shall in no event exceed the sum of the bond.

In witness whereof the Company has caused this instrument to be duly signed, sealed and dated as of the 16th day of November 2004.

WESTCHESTER FIRE INSURANCE COMPANY

Surety

By



John Kookootsedes
Attorney-in-fact

Please mail Inquiries to :

ACE Surety Underwriting Services
Two Liberty Place
TL 33M
Philadelphia, PA 19101-1484
Phone 1-800-392-3770

STATE OF CALIFORNIA

COUNTY OF ORANGE

SS.

On APRIL 27, 2005, before me, DEBORAH PRIEST-MCGINN, NOTARY PUBLIC

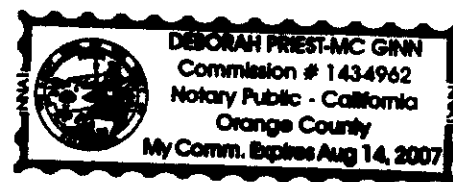
PERSONALLY APPEARED JOHN KOOKOOTSEDES

personally known to me (or 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.

WITNESS my hand and official seal.

Signature

Deborah Priest-McGinn



This area for Official Notarial Seal

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S) ☐ LIMITED
☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OF TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

Power of Attorney

271812

WESTCHESTER FIRE INSURANCE COMPANY



1069994

Know all men by these presents: That **WESTCHESTER FIRE INSURANCE COMPANY**, a corporation of the State of New York, having its principal office in the City of Atlanta, Georgia, pursuant to the following Resolution, adopted by the Board of Directors of the said Company on November 8, 1999, to wit:

"RESOLVED, that the following Rules shall govern the execution for the Company of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:

- (1) That the President, any Senior Vice President, any Vice President, and Assistant Vice President, or any Attorney-in-Fact, may execute for and on behalf of the Company any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Corporate Secretary, or any Assistant Corporate Secretary, and the seal of the Company affixed thereto, and that the President, any Senior Vice President, any Vice President or any Assistant Vice President may appoint and authorize any other Officer (elected or appointed) of the Company, as Attorneys-In-Fact to so execute or attend to the execution of all such writings on behalf of the Company and to affix the seal of the Company thereto.
- (2) Any such writing executed in accordance with these Rules shall be as binding upon the Company in any case as though signed by the President and attested to by the Corporate Secretary.
- (3) The signature of the President, or a Senior Vice President, or a Vice President, or an Assistant Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the signature of a certifying Officer and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company.
- (4) Such other Officers of the Company, and Attorneys-In-Fact shall have authority to certify or verify copies of this Resolution, the By-Laws of the Company, and any affidavit or record of the Company necessary to the discharge of their duties.
- (5) The passage of this Resolution does not revoke any earlier authority granted by Resolutions of the Board of Directors."

Does hereby nominate, constitute and appoint **JAMES BRAKKE** and **JOHN KOOKOOTSEDES** both of the City of Laguna Niguel, State of California, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof in penalties not exceeding Ten Million Dollars (\$10,000,000) and the execution of such writings in pursuance of these presents shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said Stephen M. Haney, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **WESTCHESTER FIRE INSURANCE COMPANY** this 4th day of August 2004.



WESTCHESTER FIRE INSURANCE COMPANY

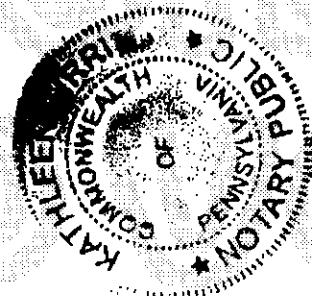
Stephen M. Haney

Stephen M. Haney, Vice President

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF PHILADELPHIA ss.

On this 4th day of August, A.D. 2004, before me, a Notary Public of the Commonwealth of Pennsylvania in and for the County of Philadelphia came Stephen M. Haney, Vice-President of the **WESTCHESTER FIRE INSURANCE COMPANY** to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same, and that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Philadelphia the day and year first above written.



NOTARIAL SEAL
Kathleen Tirri, Notary Public
Philadelphia, Philadelphia County
My commission expires September 22, 2007

Kathleen Tirri

Notary Public

I, the undersigned Secretary of **WESTCHESTER FIRE INSURANCE COMPANY**, do hereby certify that the original POWER OF ATTORNEY, of which the foregoing is a substantially true and correct copy, is in full force and effect.

In witness whereof, I have hereunto subscribed my name as Secretary, and affixed the corporate seal of the Corporation, this 27th day of April 2005



George D. Mulligan

George D. Mulligan, Secretary

THIS POWER OF ATTORNEY MAY NOT BE USED TO EXECUTE ANY BOND WITH AN INCEPTION DATE AFTER August 4, 2006.



BURRTEC

WASTE INDUSTRIES, INC.

"We'll Take Care Of It"

December 28, 2005

Ms. Siobhan Foster
City of Riverside
3900 Main St
Riverside, CA 92522

Dear Ms. Foster:

Enclosed please find the Continuation Certificate for the bond for Burrtec Waste Industries as required by our Franchise Agreement in the amount of \$1,000,000.

If you have any questions, please do not hesitate to call.

Sincerely,

Debra G. Hansen
Administrative Project Manager

(Bonds\Riverside - 12-28-05)

RECEIVED

FEB 8 2006

**CITY OF RIVERSIDE
CITY CLERK'S OFFICE**

RECEIVED
DEC 29 2005

**DEPT. OF
PUBLIC WORKS**

WESTCHESTER FIRE INSURANCE COMPANY
1601 Chestnut Street, Philadelphia, PA 19103

Contract

CONTINUATION CERTIFICATE

The company indicated above, hereinafter called the "Company" as Surety on Bond # K06595972 in the sum of One Million Dollars (\$1,000,000) on behalf of Burrtec Waste Industries, Inc. of 9890 Cherry Avenue, Fontana, CA-92335, Principal, in favor of City of Riverside CA, Obligee, hereby certifies that this bond is continued in full force and effect from the 28th day of February 2006 to the 28th day of February 2007, subject to all covenants and conditions of said bond.

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In witness whereof the Company has caused this instrument to be duly signed, sealed and dated as of the 10th day of November 2005.

WESTCHESTER FIRE INSURANCE COMPANY

Surety

By

Attorney-in-fact

John Kookootsedes

Please mail Inquiries to :

ACE Surety Underwriting Services
Two Liberty Place
TL 33M
Philadelphia, PA 19101-1484
Phone 1-800-392-3770

STATE OF CALIFORNIA _____

COUNTY OF ORANGE _____

} SS.

On DECEMBER 13, 2005, before me, MICHELLE M NASRALLAH

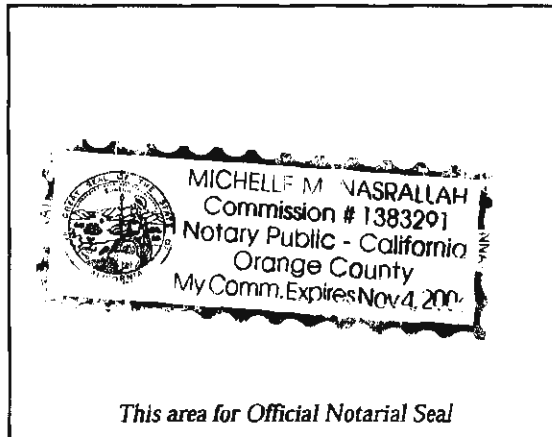
PERSONALLY APPEARED JOHN KOOKOOTSEDES

personally known to me (or 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.

WITNESS my hand and official seal.

Signature

Michelle M. Nasrallah



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S) ☐ LIMITED
☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OF TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE



Know all men by these presents: That **WESTCHESTER FIRE INSURANCE COMPANY**, a corporation of the State of New York, having its principal office in the City of Atlanta, Georgia, pursuant to the following Resolution, adopted by the Board of Directors of the said Company on November 8, 1999, to wit:

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- (4) Such other Officers of the Company, and Attorneys-In-Fact shall have authority to certify or verify copies of this Resolution, the By-Laws of the Company, and any affidavit or record of the Company necessary to the discharge of their duties.
- (5) The passage of this Resolution does not revoke any earlier authority granted by Resolutions of the Board of Directors."

Does hereby nominate, constitute and appoint **JAMES BRAKKE** and **JOHN KOOKOOTSEDES** both of the City of Laguna Niguel, State of California, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof in penalties not exceeding Ten Million Dollars (\$10,000,000) and the execution of such writings in pursuance of these presents shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said Stephen M. Haney, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **WESTCHESTER FIRE INSURANCE COMPANY** this 25th day of August 2005.



WESTCHESTER FIRE INSURANCE COMPANY

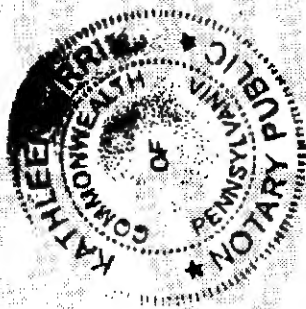
Stephen M. Haney

Stephen M. Haney, Vice President

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF PHILADELPHIA ss.

On this 25th day of August, A.D. 2005, before me, a Notary Public of the Commonwealth of Pennsylvania in and for the County of Philadelphia came Stephen M. Haney, Vice-President of the **WESTCHESTER FIRE INSURANCE COMPANY** to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same, and that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Philadelphia the day and year first above written.



NOTARIAL SEAL
Kathleen Tirri, Notary Public
Philadelphia, Philadelphia County
My commission expires September 22, 2007

Kathleen Tirri

Notary Public

I, the undersigned Secretary of **WESTCHESTER FIRE INSURANCE COMPANY**, do hereby certify that the original POWER OF ATTORNEY, of which the foregoing is a substantially true and correct copy, is in full force and effect.

In witness whereof, I have hereunto subscribed my name as Secretary, and affixed the corporate seal of the Corporation, this 10th day of December 2005



George D. Mulligan

George D. Mulligan, Secretary

THIS POWER OF ATTORNEY MAY NOT BE USED TO EXECUTE ANY BOND WITH AN INCEPTION DATE AFTER August 25, 2007.



BURRTEC

WASTE INDUSTRIES, INC.

"We'll Take Care Of It"

August 21, 2012

Ms. Siobhan Foster
City of Riverside
3900 Main Street
Riverside, CA 92522

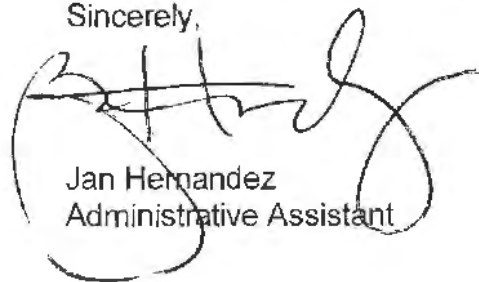
Re: – Continuation Certificate

Dear Ms. Foster:

Please find attached our Continuation Certificate for the bond for Burrtec Waste Industries. as required by our Franchise Agreement in the amount of \$1,000,000. This Continuation Certificate is valid until September 5, 2013.

If you have any questions, please do not hesitate to call.

Sincerely,



Jan Hernandez
Administrative Assistant

21-709-1000
21-709-4
RECEIVED

OCT 29 2012

City of Riverside
City Clerk's Office

RECEIVED

OCT 30 2012

BY CITY ATTORNEY

RECEIVED **SCANNED**

JAN - 9 2013

JAN 09 2013

City of Riverside
City Clerk's Office **CITY CLERK'S OFFICE**

Berkley Regional Insurance Company

c/o Berkley Surety Group

505 North Brand Boulevard - 10th Floor, Suite 1040

Glendale, CA 91203

(973) 775-5263 Fax: (866) 943-3153

Continuation Certificate

Bond Number: 0149906

Surety

Berkley Regional Insurance Company

Producer

Brakke-Schafnitz Insurance Brokers, Inc.

572

Producer No.

CA

State Loc.

Principal

Burrtec Waste Industries, Inc.

9890 Cherry Ave.

Fontana, CA 92335

Obligee

City of Riverside

3900 Main St, 6th Floor

Riverside, CA 92522-0002

CONTINUATION PERIOD

AMOUNT OF BOND

RENEWAL PREMIUM

EFFECTIVE

EXPIRATION

09/05/2012

09/05/2013

\$1,000,000

\$12,500

DESCRIPTION

Solid Waste Management Services


In consideration of the renewal premium charged, the bond designated above is hereby continued in full force and effect for the period described, subject to all its terms and conditions, provided the liability under said bond and all continuations thereof shall not be cumulative.

Dated 07/13/2012

Berkley Regional Insurance Company

(Surety)

By



(Attorney-in-fact)

(File a copy of this certificate with your bond.)

ACKNOWLEDGMENT

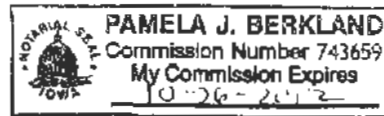
State of ~~California~~ Iowa
County of Polk } ss.

On July 13, 2012 before me, Pamela J. Berkland, Notary Public, personally appeared Christopher Bowen, 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 signatures(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.

Pamela J. Berkland
Signature



OPTIONAL INFORMATION

Date of Document July 13, 2012

Thumbprint of Signer

Type or Title of Document Renewal Document

Number of Pages in Document 3

Document in a Foreign Language _____

Type of Satisfactory Evidence:

xxx Personally Known with Paper Identification

_____ Paper Identification

_____ Credible Witness(es)

Capacity of Signer:

_____ Trustee

_____ Power of Attorney

_____ CEO / CFO / COO

_____ President / Vice-President / Secretary / Treasurer

xxxx Other: Attorney in Fact

☐ Check here if
no thumbprint
or fingerprint
is available.

Other Information: _____

POWER OF ATTORNEY
BERKLEY REGIONAL INSURANCE COMPANY
 WILMINGTON, DELAWARE

NOTICE: The warning found elsewhere in this Power of Attorney affects the validity thereof. Please review carefully.

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY REGIONAL INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Urbandale, Iowa, has made, constituted and appointed, and does by these presents make, constitute and appoint: *Richard D. Jones, Stephen M. Welsh, Pamela Berkland, Christopher Bowen or Richard Harman of Berkley Surety Group, LLC of Urbandale, IA* its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed **Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000)**, to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on August 21, 2000:

"**RESOLVED**, that the proper officers of the Company are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named therein to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers issued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be issued."

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 20 day of September, 2011.

Attest:

Berkley Regional Insurance Company

(Seal)

By

Ira S. Lederman
 Senior Vice President & Secretary

By

Jeffrey M. Hafter
 Senior Vice President

WARNING: THIS POWER INVALID IF NOT PRINTED ON BLUE "BERKLEY" SECURITY PAPER.

STATE OF CONNECTICUT)

) ss:

COUNTY OF FAIRFIELD)

Sworn to before me, a Notary Public in the State of Connecticut, this 20 day of September, 2011, by Jeffrey M. Hafter and Ira S. Lederman who are sworn to me to be the Senior Vice President, and the Senior Vice President and Secretary, respectively, of Berkley Regional Insurance Company.

EILEEN KILLEEN
NOTARY PUBLIC
 MY COMMISSION EXPIRES JUNE 30, 2012

Eileen Killeen
 Notary Public, State of Connecticut

CERTIFICATE

I, the undersigned, Assistant Secretary of BERKLEY REGIONAL INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date

Given under my hand and seal of the Company, this day of JUL 13 2012

(Seal)

John F. Beers
 John F. Beers

WARNING - Any unauthorized reproduction or alteration of this document is prohibited. This power of attorney is void unless seals are readable and the certification seal at the bottom is embossed. The background imprint, warning and confirmation (on reverse) must be in blue ink.

**Proposed FY 2020/21 Annual Budget
Revenue and Expenditure Details by Fund**

Fund/Category	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2020/21 Proposed
Charges from Others	182,755	197,479	251,133
Total Expenditures & Transfers Out	\$ 1,406,307	\$ 1,379,515	\$ 1,546,244

540 - Refuse

Revenues & Transfers In			
Charges for Services	\$ 23,110,164	\$ 23,976,825	\$ 23,976,825
Fines & Forfeits	(106,612)	1,250,000	1,165,500
Miscellaneous	535,767	215,140	80,000
Other Financing Sources	2,010	-	-
Total Revenues & Transfers In	\$ 23,541,329	\$ 25,441,965	\$ 25,222,325
Expenditures & Transfers Out			
Personnel Services	\$ 5,167,237	\$ 6,193,369	\$ 5,620,444
Non-personnel Expenses	8,688,812	9,282,364	9,572,904
Special Projects	4,879,101	4,758,753	4,710,275
Equipment Outlay	1,071,808	1,434,000	1,484,000
Debt Service	198,931	167,402	93,390
Capital Outlay	338,578	43,547	200,000
Charges from Others	4,938,257	5,162,647	5,126,323
Charges to Others	(353,730)	(226,711)	(157,924)
Total Expenditures & Transfers Out	\$ 24,928,994	\$ 26,815,371	\$ 26,649,412

550 - Sewer

Revenues & Transfers In			
Charges for Services	\$ 67,119,116	\$ 67,112,733	\$ 69,706,962
Miscellaneous	4,424,830	1,326,705	1,503,390
Other Financing Sources	4,519	-	-
Total Revenues & Transfers In	\$ 71,548,465	\$ 68,439,438	\$ 71,210,352
Expenditures & Transfers Out			
Personnel Services	\$ 12,616,457	\$ 15,477,047	\$ 14,371,319
Non-personnel Expenses	15,822,806	14,574,728	15,461,663
Special Projects	1,909,396	2,098,963	2,153,900
Equipment Outlay	514,546	1,211,500	1,838,700
Debt Service	37,003,129	27,068,596	26,034,810
Capital Outlay	15,604,565	785,039	14,055,000
Charges from Others	5,962,949	5,935,781	5,259,242
Charges to Others	(2,743,324)	(2,162,343)	(1,613,310)
Operating Transfers Out	900,000	-	-
Total Expenditures & Transfers Out	\$ 87,590,524	\$ 64,989,311	\$ 77,561,324

560 - Special Transit

Revenues & Transfers In			
Intergovernmental	\$ 3,466,450	\$ 3,879,243	\$ 4,746,144
Charges for Services	440,478	450,000	475,500

RESIDENTIAL RATE COMPARISON

	96 Gallon (except as noted)	60 Gallon	32 Gallon
Anaheim ¹	\$22.58	--	--
Corona ¹	\$24.50	--	--
Lake Elsinore	\$25.63	--	--
San Bernardino	\$26.00	\$26.00 (64)	--
Calimesa	\$26.16	--	--
Jurupa Valley	\$26.41	--	--
Highland	\$26.64	--	--
Riverside (Current)	\$26.85	--	--
Rancho Cucamonga	\$27.63	--	--
Ontario (existing homes)	\$27.68		--
Hemet	\$27.81 (90 gal)	\$24.24	--
Rialto	\$28.75	--	--
Pomona ¹	\$29.17	--	--
Fontana ¹	\$29.71	--	--
Riverside (Proposed)	\$30.92	--	--
Ontario Ranch (new homes)	\$31.27	--	--
Moreno Valley ¹	\$31.75	\$29.91	\$28.60
Redlands ¹	\$33.33 (90 gal)	\$32.13	--
Pasadena	\$40.99 (100 gal)	\$26.44	\$16.29
Burbank	\$51.37	\$32.51	\$17.79
¹ Does not include street sweeping in rate: rates adjust by CPI only			